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SITTING DAYS—2014

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
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<tr>
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<td>March</td>
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<td>June</td>
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<td>October</td>
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<td>November</td>
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<tr>
<td>December</td>
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- BRISBANE 936AM
- CANBERRA 103.9FM
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- PERTH 585AM
- SYDNEY 630AM

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—SECOND PERIOD

Governor-General
Her Excellency the Hon. Quentin Bryce AC, CVO

Senate Office holders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Stephen Parry
Temporary Chairs of Committees—Senators Cory Bernardi, Thomas Mark Bishop,
Suzanne Kay Boyce, Sean Edwards, David Julian Fawcett, Mark Lionel Furner,
Alexander McEachian Gallacher, Scott Ludlam, Gavin Mark Marshall,
Anne Sowerby Ruston, Dean Anthony Smith, Ursula Mary Stephens, Glenn Sterle and
Peter Stuart Whish-Wilson
Leader of the Government in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Government in the Senate—Senator Hon. George Henry Brandis QC
Leader of the Opposition in the Senate—Senator Hon. Penny Wong
Deputy Leader of the Opposition in the Senate—Senator the Hon Stephen Conroy
Manager of Government Business in the Senate—Senator Hon. Mitchell Peter Fifield
Manager of Opposition Business in the Senate—Senator Claire Moore

Senate Party Leaders and Whips
Leader of the Liberal Party in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Liberal Party in the Senate—Senator Hon. George Henry Brandis QC
Leader of The Nationals in the Senate—Senator Hon. Nigel Scullion
Deputy Leader of The Nationals in the Senate—Senator Hon. Fiona Nash
Leader of the Australian Labor Party—Senator the Hon Penny Wong
Deputy Leader of the Australian Labor Party—Senator the Hon Susan Ryan
Leader of the Australian Greens—Senator Christine Anne Milne
Chief Government Whip—Senator Helen Kroger
Deputy Government Whips—Senators Christopher John Back and David Christopher Bushby
Chief Opposition Whip—Senator Anne McEwen
Deputy Opposition Whips—Senators Catryna Louise Bilyk and Anne Elizabeth Urquhart
Australian Greens Whip—Senator Rachel Siewert

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

<table>
<thead>
<tr>
<th>Senator</th>
<th>State or Territory</th>
<th>Term expires</th>
<th>Party</th>
</tr>
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<tbody>
<tr>
<td>Abetz, Hon. Eric</td>
<td>TAS</td>
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<tr>
<td>Back, Christopher John</td>
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<td>Bernardi, Cory</td>
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<td>Bilyk, Catryna Louise</td>
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<td>Birmingham, Simon John</td>
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<td>Bishop, Thomas Mark</td>
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<td>Boswell, Hon. Ronald Leslie Doyle</td>
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<tr>
<td>Boyce, Suzanne Kay</td>
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<td>Brandis, Hon. George Henry, QC</td>
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<td>Brown, Carol Louise</td>
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<td>Collins, Jacinta Mary Ann</td>
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<td>Fawcett, David Julian</td>
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<td>Fierravanti-Wells, Concetta Anna</td>
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<td>Lundy, Kate Alexandra</td>
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Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives.

<table>
<thead>
<tr>
<th>Territory</th>
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<th>Party</th>
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<td>Seselja, Z.M.</td>
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<td>Northern Territory</td>
<td>Scullion, N. G.</td>
<td>CLP</td>
<td>Peris, N.M.</td>
<td>ALP</td>
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</tbody>
</table>

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

(2) Chosen by the Parliament of Western Australia to fill a casual vacancy (vice J. Adams, died in office 31.3.12), pursuant to section 15 of the Constitution.

(3) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice Hon. N. Sherry, resigned 1.6.12), pursuant to section 15 of the Constitution.

(4) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice Hon. B. Brown, resigned 15.6.12), pursuant to section 15 of the Constitution.

(5) Chosen by the Parliament of South Australia to fill a casual vacancy (vice M. J. Fisher, resigned 15.8.12), pursuant to section 15 of the Constitution.

(6) Chosen by the Parliament of Western Australia to fill a casual vacancy (vice C. Evans, resigned 12.4.13), pursuant to section 15 of the Constitution.

(7) Chosen by the Parliament of Queensland to fill a casual vacancy (vice B. Joyce, resigned 8.8.13), pursuant to section 15 of the Constitution.

(8) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice M. Thistlethwaite, resigned 9.8.13), pursuant to section 15 of the Constitution.

(9) Chosen by the Parliament of Victoria to fill a casual vacancy (vice D. Feeney, resigned 12.8.13), pursuant to section 15 of the Constitution.

(10) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice R. Carr, resigned 24.10.13), 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—D Elder
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
### ABBOTT MINISTRY

<table>
<thead>
<tr>
<th>Title</th>
<th>Minister</th>
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<tbody>
<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon Tony Abbott MP</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon Nigel Scullion</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong> (Assistant)</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>Senator the Hon Michaelia Cash</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon Josh Frydenberg MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon Alan Tudge MP</td>
</tr>
<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong> (Deputy Prime Minister)</td>
<td>The Hon Warren Truss MP</td>
</tr>
<tr>
<td><strong>Assistant Minister for Infrastructure and Regional Development</strong></td>
<td>The Hon Jamie Briggs MP</td>
</tr>
<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>The Hon Julie Bishop MP</td>
</tr>
<tr>
<td><strong>Minister for Trade and Investment</strong></td>
<td>The Hon Andrew Robb AO MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Minister for Foreign Affairs</strong></td>
<td>Senator the Hon Brett Mason</td>
</tr>
<tr>
<td><strong>Minister for Employment</strong></td>
<td>Senator the Hon Eric Abetz</td>
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<tr>
<td><strong>Minister for Employment</strong></td>
<td>The Hon Luke Hartsuyker MP</td>
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<tr>
<td><strong>Attorney-General</strong></td>
<td>Senator the Hon George Brandis QC</td>
</tr>
<tr>
<td><strong>Minister for the Arts</strong></td>
<td>Senator the Hon George Brandis QC</td>
</tr>
<tr>
<td><strong>Minister for Justice</strong></td>
<td>The Hon Michael Keenan MP</td>
</tr>
<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon Joe Hockey MP</td>
</tr>
<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon Bruce Billson MP</td>
</tr>
<tr>
<td><strong>Assistant Treasurer</strong></td>
<td>Senator the Hon Arthur Sinodinos AO</td>
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<tr>
<td><strong>Parliamentary Secretary to the Treasurer</strong></td>
<td>The Hon Steven Ciobo MP</td>
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<tr>
<td><strong>Minister for Agriculture</strong></td>
<td>The Hon Barnaby Joyce MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Agriculture</strong></td>
<td>Senator the Hon Richard Colbeck</td>
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<tr>
<td><strong>Minister for Education</strong></td>
<td>The Hon Christopher Pyne MP</td>
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<tr>
<td><strong>Assistant Minister for Education</strong></td>
<td>The Hon Sussan Ley MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Education</strong></td>
<td>Senator the Hon Scott Ryan</td>
</tr>
<tr>
<td><strong>Minister for Industry</strong></td>
<td>The Hon Ian Macfarlane MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Industry</strong></td>
<td>The Hon Bob Baldwin MP</td>
</tr>
<tr>
<td><strong>Minister for Social Services</strong></td>
<td>The Hon Kevin Andrews MP</td>
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<tr>
<td><strong>Assistant Minister for Social Services</strong> (Manager of Government Business in the Senate)</td>
<td>Senator the Hon Mitch Fifield</td>
</tr>
<tr>
<td><strong>Minister for Human Services</strong></td>
<td>Senator the Hon Marise Payne</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Minister for Social Services</strong></td>
<td>Senator the Hon Concetta Fierravanti-Wells</td>
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<tr>
<td><strong>Minister for Communications</strong></td>
<td>The Hon Malcolm Turnbull MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Communications</strong></td>
<td>The Hon Paul Fletcher MP</td>
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<tr>
<td><strong>Minister for Health</strong></td>
<td>The Hon Peter Dutton MP</td>
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<tr>
<td><strong>Minister for Sport</strong></td>
<td>The Hon Peter Dutton MP</td>
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<tr>
<td><strong>Assistant Minister for Health</strong></td>
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<tr>
<td>Title</td>
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<tr>
<td>Minister for Defence</td>
<td>Senator the Hon David Johnston</td>
</tr>
<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Centenary of ANZAC</td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
<td>Assistant Minister for Defence</td>
<td>The Hon Stuart Robert MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon Darren Chester MP</td>
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<tr>
<td>Minister for the Environment</td>
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<tr>
<td>Parliamentary Secretary to the Minister for the Environment</td>
<td>Senator the Hon Simon Birmingham</td>
</tr>
<tr>
<td>Minister for Immigration and Border Protection</td>
<td>The Hon Scott Morrison MP</td>
</tr>
<tr>
<td>Assistant Minister for Immigration and Border Protection</td>
<td>Senator the Hon Michaelia Cash</td>
</tr>
<tr>
<td>Minister for Finance</td>
<td>Senator the Hon Mathias Cormann</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Finance</td>
<td>Senator the Hon Michael Ronaldson</td>
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<tr>
<td>Special Minister of State</td>
<td>The Hon Michael McCormack MP</td>
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</tbody>
</table>

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
**SHADOW MINISTRY**

<table>
<thead>
<tr>
<th>Title</th>
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<tbody>
<tr>
<td><strong>Leader of the Opposition</strong></td>
<td>Hon Bill Shorten MP</td>
</tr>
<tr>
<td><strong>Shadow Minister Assisting the Leader for Science</strong></td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Small Business</strong></td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td><strong>Shadow Cabinet Secretary</strong></td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary to the Leader of the Opposition</strong></td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary to the Leader of the Opposition</strong></td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td><strong>Deputy Leader of the Opposition</strong></td>
<td>Hon Tanya Plibersek MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Foreign Affairs and International Development</strong></td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Shadow Minister for Women</td>
<td>Senator the Hon Don Farrell</td>
</tr>
<tr>
<td>Manager of Opposition Business (Senate)</td>
<td>Matt Thistlethwaite MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for the Centenary of ANZAC</strong></td>
<td>Senator the Hon Don Farrell</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Foreign Affairs</strong></td>
<td>Senator the Hon Don Farrell</td>
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<tr>
<td><strong>Leader of the Opposition in the Senate</strong></td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td><strong>Shadow Minister for Trade and Investment</strong></td>
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Tuesday, 18 March 2014

The PRESIDENT (Senator the Hon. John Hogg) took the chair at 12:30, read prayers and made an acknowledgement of country.

COMMITTEES
Community Affairs Legislation Committee
Meeting
Senator KROGER (Victoria—Chief Government Whip) (12:31): by leave—I move:
That the community affairs legislation committee be authorised to hold a private meeting otherwise than in accordance with standing order 32(1) during the sitting of the Senate today from 1.50 pm.
Question agreed to.

NOTICES
Postponement
Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:31): by leave—I move:
That government business notices of motion (1) and (2) relating to a first speech and proposing the exemption of bills from the cut-off order be postponed to a later hour.
Question agreed to.

BILLS
Minerals Resource Rent Tax Repeal and Other Measures Bill 2013
Second Reading
Debate resumed on the motion:
That this bill be now read a second time.
Senator POLLEY (Tasmania) (12:32): I rise today to denounce the coalition's insistence on scrapping the minerals resource rent tax and to explain why the minerals resource rent tax is so important to the future prosperity of Australia. From beginning to end, the hypocrisy of the coalition on this issue has been nothing short of breathtaking. The original plan was to introduce a resource super profits tax which would have applied to all resources at a rate of 40 per cent. It followed a recommendation featured in the Henry tax review, which found that scrapping the state based royalty taxes that apply to mining projects and replacing them with a uniform national resource rent tax would raise billions more dollars. As the review noted, it would not be without precedent either. In fact, the planned new tax would have been modelled on the petroleum resource rent tax levied on products, including crude oil and natural gas, mined in Australian waters. The effective tax rate in the mining industry was just 17c in the dollar, yet in Canada it is 23 per cent, in Russia it is 30 per cent and in South Africa it is 33 per cent.

It was clear what needed to be done. The state based royalty system was outdated and reform was needed, based in part on the principle that the Australian community expects—and should expect—to receive a fair return from its natural resources that can be dug out of
the ground and sold just once. During a once-in-a-lifetime mining boom of a type which few could have predicted, Australia's special circumstances suggested the need for an additional tax.

As then Treasurer Wayne Swan announced:

... we will now tax mining profits in a way that supports the growth of the industry and the economy and ensures the community gets a fair return.

Almost at once the coalition became hysterical, claiming that the sky would fall in. The mining industry would crumble, we were told. Australian prosperity and jobs were at risk, they thundered. There is the prospect of sovereign risk, they shrilled. Then began a concerted and cynical campaign in lockstep with big mining, one that had possibly never been seen in Australia before on such a large scale. Never mind the public interest or a sober analysis of just what the Henry review recommended, the coalition sensed blood in the water and an opportunity to boost their election war chests.

The mining industry spent an estimated $22 million on a disingenuous campaign attacking the tax. To give an overall breakdown: BHP Billiton spent $4.2 million; Rio Tinto spent just over $537,000; the Association of Mining and Exploration Companies spent just under $274,000; and the industry's national body, the Minerals Council of Australia, spent $17.2 million. Several companies donated another $1.9 million to the Liberal Party and the Nationals. This included Clive Palmer's own company, which donated $700,000. The way the mining giants saw it was that Australia had the best democracy money can buy and they did not hesitate for a second to take advantage. Was any of this really fair? Would a superprofits tax actually benefit the nation in the long run? Those questions were not really of concern to the mining sector or the coalition in opposition at the time.

It was after an unrelenting attack of an intensity rarely seen in Australia that Labor instead introduced the minerals resource rent tax, with an effective rate of 22.5 per cent. The coalition and big mining called off the hounds. But, of course, the result was not one that benefited the nation as a whole, just vested mining interests reaping extraordinary profits. Richard Denniss, a former adjunct professor of the Crawford School at the Australian National University, is just one of many who realised that the wool was being pulled over the eyes of the Australian public. He noted:

The mining industry employs around 2% of the workforce and pays the lowest rate of tax on its profits of any industry in Australia.

The original mining tax would have ensured that the mining industry made the kind of contribution to the taxpayer that their expensive advertisements claim they do.

Today's figures show that the 98% of Australians who don't work in mining will see very little return from the high prices that foreign companies can seek Australia's scarce resources for. We are missing out on a once in a generation opportunity.

That is what the concentrated and aggressive campaign of the coalition and big mining means for Australia: we missed out on a once-in-a-generation opportunity. It was an opportunity that the vast majority of countries around the world can only dream of.

But of course the coalition's line of attack on this matter is not without precedent. In fact, we have seen this sort of response from the coalition and mining and energy interests before. It is par for the course for those opposite. During the 1990s, native title legislation provoked a
very similar response from the mining industry and the Liberal Party. In 1993, for example, the head of Western Mining Corporation, Hugh Morgan, said:

The economic and political future of Australia has been put at risk and our territorial integrity is under threat … our freehold titles will slump in value if the earning capacity of our mining, pastoral, tourist, fishing and forestry industries is wound down as a result of the consequences of Mabo.

But freehold titles did not slump in value and the earning capacity of the mining sector accelerated rapidly in ways that could not even have been imagined.

I spoke a moment ago about how the Hawke government introduced a petroleum resource rent tax in 1987, at a rate of 40 per cent. These tax reforms were also strongly opposed by the coalition, as well as the energy sector. In fact, the exploration manager of energy giant Esso claimed:

Any introduction of additional taxation runs a substantial risk of shattering industry confidence and drastically delaying exploration activity so that future production will never have any chance of satisfying Australia’s oil requirements.

But that did not happen. The investment continued and the industry thrived. In fact, several years ago, Gorgon famously initiated the biggest ever single investment in Australia's history.

The mining tax was just part of this broader trend. It is pure self-interest, cloaked in a broader concern for the Australian economy, jobs and freedom. That is why comments like those that I just referred to from energy and mining interests and their whip boys in the Liberal and National parties should be taken with a grain of salt, if not ignored altogether. Instead of paying attention to such opinions, we should calmly and rationally explore why the minerals resource rent tax is so important.

It almost goes without saying that there are many ways to view the mining resource rent tax. Some on the right view it as part of a socialist agenda to unfairly seize hard-won profits. Others view it as a form of retribution against mining giants like Gina Rinehart, who are quick to champion conservative causes in their own interest. But there is one aspect of the mining resource rent tax that seems to have been conveniently ignored by many commentators that, quite simply, it makes economic sense.

Every federal government has a responsibility to ensure not only that the nation's economy prospers but also that it will prosper and grow for years to come. We cannot just be concerned about the here and now. Responsible governments anticipate future challenges and work in the long-term interests of all areas of the economy, not just those that are reaping the highest tax revenues right now.

Australia is a rich country, with a population of just 22 million people. I admit that I was surprised to learn that we are currently the 12th largest economy in the entire world. Australia enjoys an incredibly high standard of living and we were one of the very few industrialised economies not to fall into recession during the global financial crisis, thanks to the previous Labor governments. Whilst it is true that the Australian economy has grown for several decades, it is reasonable to say that right now we are relishing the gravitational pull of the largest industrialisation to occur in human history.

China is accomplishing something that is transforming global macro-economic trends and we are positioned perfectly to take advantage of it. Once considered a laconic British outpost, occupied by sheep and with a sunburnt landscape, it was only in relatively recent times that
we began to realise just how valuable our raw materials were. Geographically close to East Asia, it is obvious that with the rise of the tiger economies that we are in the right place at the right time. Between 2004 and 2009, the rise in commodity exports accounted for more than 50 per cent of all Australian economic growth. China's share of our total resources exports hit 40 per cent in 2011. At the beginning of the last decade, it was just seven per cent.

So why rock the boat? Why change anything? Why implement new taxes? The reason is that, even though we are a lucky country, it does not mean that we should be complacent. Australia faces numerous challenges which restrict the potential of various sectors. The tyranny of distance and our high dollar, caused in large part by the sugar hit of the mining profits, makes life particularly difficult for businesses across the country. Put simply, we are a long way from almost everyone else and the dollar has been trading far above its historical average of between US70c and US75c for longer than anyone would have expected. The recent demise of manufacturing giants in the automotive and food-processing industries, not to mention Alcoa, is proof of that.

The coalition has repeatedly and falsely claimed that the price on carbon was the cause of Alcoa's demise. But the company itself actually said that the carbon price was not to blame for its decision to shut its Point Henry smelter in Victoria. Instead, the operation was closed due to a range of reasons, such as falling aluminium prices and also notably the high Australian dollar. Doing business in Australia can be hard for this very reason.

The coalition has repeatedly—and, again, falsely—claimed that unions were to blame for the automotive giant Toyota leaving Australia. But that is not the case. In fact, Toyota Australia went out of its way to reject Treasurer Joe Hockey's claim that the manufacturing union's actions were behind the decision to stop making cars in Australia in 2017. Instead, the real reason why it was not sustainable to make cars in Australia anymore was the high Australian dollar and low economies of scale.

So it is clear that, because of facts such as our location and our high dollar, we face special circumstances. The threat that Labor has been keen to combat at every turn is that of a dual-track or dual-speed economy, with mining companies reaping ludicrous profits whilst almost all of our other sectors suffer.

I want to be clear—we are a country susceptible to Dutch disease, where one particular industry benefits at the expense of another. In Australia, the export of raw commodities such as iron ore has seen the Australian dollar rise and rise in the last decade. What this means is that labour and other costs in the manufacturing sector in particular have soared, making it even more difficult for local companies to compete on price with foreign providers. Compounding this problem is the fact that skilled workers have been quick to switch to higher paid jobs in the resources sector. As Australian Industry Group head Heather Ridout explained several years ago, we effectively have two economies in Australia. One is for those enjoying the spoils of the mining industry. On the other hand, we have those in areas such as manufacturing and tourism who cannot compete with the distorting impact of the high Australian dollar.

If we want Australia to be nothing more than a giant quarry supplying China and India with the minerals they need to supercharge their economies, then we really should not act. But if we want to prepare for the fluctuations of demand for our minerals that will arise, if we want other sectors in Australia to survive, then we do need to act. I guarantee you this: whilst
we are blessed with a bounty of riches across the continent, we should never rely solely on mining because the minerals are finite and the demand will ebb and flow according to trends and dynamics beyond our control. Any responsible government would not look ahead 10 years; it would look ahead at the next 50 years.

The duplicity of some conservative politicians enjoying the current spoils of mining has been incredible. Western Australia's Premier, Colin Barnett, has on numerous occasions criticised those who blame the mining boom for weaknesses in other sectors. Yet he has also agreed that the strong dollar hurts trade-exposed industries such as tourism. In his state, local manufacturing has been in free fall, in part because of the high Australian dollar but also because multinational mining companies have not awarded more contracts locally.

Across Australia, many aspects of the mining sector have often been unable to capitalise on the China boom. In fact, the figures demonstrate again and again that companies that form part of the mining sector have struggled to survive during the boom. This was demonstrated pointedly a little over two years ago when BlueScope Steel announced it would abandon exports because of the high dollar and low steel prices, in the same week that BHP Billiton reported an 86 per cent increase in profits to just under $23 billion. As one operator of a company that produces steel and piping for mine sites in Western Australia noted in relation to the big players who run the mining boom:

They want all this money for themselves, but they expect us to live on a bowl of rice.

It is not fair and it is not sustainable. Although the focus of late has of course been on Toyota, Alcoa and SPC, they are not the only ones that have been struggling. Everyone from winemakers and food producers to aerospace engineers have had to deal with the problems associated with a high Australian dollar.

Some in the coalition may well ask: is there really a problem? So some companies may be struggling, but this is how markets work—freeing people up to produce things we cannot import and directing workers where pay is highest. The mining boom will continue and Australia will prosper. 'Let the good times roll on.' But of course it is not as simple as that, because the mining boom will not last forever. When it ends we do not want to be left with no remaining non-mining sectors. If we do not act carefully, all the factories, the knowledge and the skills that have been built up over decades, will have been left to rust.

Any political party with any sense of responsibility would recognise that the mining boom will not last forever and that we need to benefit from the wealth it creates right now and prepare for the future. A report partly funded by the federal Department of Resources, Energy and Tourism and authored by Australian National University economist Luke Hurst in 2012 found that iron ore prices are likely to fall in coming years. The report even found that, if capacity in Africa comes on stream, prices would fall to $60 per tonne in the next seven years. It seems ridiculous not to prepare for the future by ensuring that the Australian economy remains diverse and competitive in multiple areas.

By taxing the superprofits of the mining companies enjoying once-in-a-lifetime rewards, we can ensure that Australia does not suffer unnecessarily from a dual-speed economy. This is not about class warfare, it is not about the richer states such as Western Australia propping up poorer states and it is not about the federal government greedily snatching away hard-earned profits. It is about common sense and proper economic management. We need to prepare for the future. We need to support other sectors. We need a diversified economy.
Most importantly, we need leaders who stand up to the mining companies and deliver policies that benefit the economy as a whole, not just vested mining interests. We need a party and a government with vision, and I can tell you right now that those opposite me are failing this important test. That is not a secret. It is one of the few things that they are not trying to keep secret, and that is their incompetence in planning for the future. It is a big miner's dream, but it is Australia's nightmare. Therefore, I cannot support this bill. I urge others to oppose it most strongly.

Senator LUDLAM (Western Australia) (12:50): I am pleased to take part in this debate as a Western Australian senator and I certainly look forward to defeating the bill when it finally comes to a vote. This, I think, is a great example of why you can do opposition by slogan—as the Prime Minister, then the Leader of the Opposition, Tony Abbott, was so adept at doing—and what a disaster it is when you try governing by slogan. The whole 'stop the boats, axe the tax' rhetoric that carried the Prime Minister into office now poses a real and present threat to the budget bottom line.

There is a real sense of irony, I suppose, having just heard Senator Helen Polley, my Tasmanian colleague, speak about the evils of the mining industry and how it is so important to stand up to them. If only you had. If only you had not allowed the mining companies to rewrite the mining tax so that it would collect no actual revenue. Having heard the mining tax bills described in recent weeks as among the worst pieces of public policy that we have ever seen, I find it hard to disagree, because effectively the bills were amended to the point where they were unrecognisable from the model that former Treasury secretary Ken Henry put forward.

It leaves us with a shell of a bill that brought the Labor Party all of the pain and none of the gain. They copped a brutal attack—and there are no two ways about it. The $22 million advertising campaign paid for by, among others, the Minerals Council and the determined advocacy of Mitch Hooke and his allies saved the companies—again, by Treasury estimates—roughly $160 billion. After Mr Rudd was deposed, Prime Minister Julia Gillard sat down—under the crafty authorship of who better than Martin Ferguson—with the three big miners, to rewrite their own tax law. I wish I could write my own tax law; I would end up paying a lot less tax, but fortunately the law of the land is not written that way. When Martin Ferguson and the three big mining companies sat down to write tax codes to suit themselves, they realised a return of investment of about 730,000 per cent on their $22 million advertising campaign. I feel a bit sorry for the Labor Party in stepping up to apply a fair tax regime that, when the industry reached a certain threshold of superprofits, would have returned some of those profits to the taxpayer.

As a Western Australian I pay very close attention to that kind of public policy, because our state government—the Barnett government—has managed to blow away a triple-A credit rating in the middle of the greatest commodities boom that our state has ever seen. It cannot afford to put in public transport anymore; it cannot afford affordable housing; it cannot afford to keep schools open. The whole idea of this tax is that it does not kick in until you are doing very well. It would not apply to the small players or those mid-tier explorers or those who are doing it hard, because they would not be affected by the mining superprofits tax; it would only apply to those generating superprofits. For that $22 million advertising campaign, a Prime Minister was rolled out of office and a new one, on coming into office, immediately
deputised Martin Ferguson to sit down and rewrite the tax law. Admittedly, the mining tax has very high compliance costs. I am inclined to agree with one element of the industry's reading of this: they are paying huge compliance costs in order to fill out the paperwork for a tax measure that collects almost nothing.

We knew the fix was on at the time that the Labor Party had the tax rewritten. The Greens, with then Senator Bob Brown, did move amendments, but at the time we were in the position where we could either accept a tax was fundamentally broken and would collect very little revenue or vote with the coalition and collect nothing at all. That, I think, is one of the great public policy rip-offs of the Australian public in modern history. The industry wrote a tax that they knew they would never have to pay. That is why the Prime Minister, on his fly-in fly-out visit to Perth last week, said that this would be a referendum on the mining tax. There are no ads on TV; there are no riots in the streets; there are no public demonstrations; there is nothing—because the tax does not work. In fact if the tax had worked we might have been able to afford the light rail project by now. We might have some patients into the Fiona Stanley Hospital; we might not be attacking state school teachers and threatening the education of Western Australian kids. The fact is that the mining industry is 80 per cent foreign owned and senators will no doubt have seen Mr Ross Gittins in the press commenting on the fact that this is effectively a betrayal. This is what he said yesterday morning about the repeal of the minerals resources rent tax:

For the income earned by an industry to generate jobs in Australia, it has to be spent in Australia. And our mining industry is about 80 per cent foreign-owned.

Got the message yet? For our economy and our workers to benefit adequately from the exploitation of our natural endowment by mainly foreign companies, our government has to ensure it gets a fair whack of the economic rents those foreigners generate.

And further:

Long before then, however, Tony Abbott will have rewarded the Liberal Party's foreign donors by abolishing the tax.

This will be an act of major fiscal vandalism, of little or no benefit to the economy and at great cost to job creation.

That is why I am pleased to stand here today and lend my vote in opposition to the Liberal Party's act of major fiscal vandalism.

Those opposite cannot march around the landscape, demanding cuts to health care, cuts to education, cuts to the ABC, cuts to disability support while at the same abolishing tax measures that raise revenue. Senator Fifield and Senator Back—or Senator Cormann when he wants to come out of his office—could have come in here and proposed amendments to this bill, including some of those that the Greens put up when this was last debated. Why don't we raise the rate back to 40 per cent? Why don't we cover commodities like gold? Why don't we cover commodities like uranium? Why don't we actually impose a tax on superprofits, most of which leave the country and the economy, so that we can stand down this aggressive cuts agenda that you have brought to the national debate. But you cannot have it both ways: you cannot be proposing to axe revenue measures, or not improve the revenue measures that are clearly on the table, and at the same time be threatening cuts right across the board—across all portfolios. That is the act of major fiscal vandalism by which you stand condemned today.
I do not think that the by-election in Western Australia is going to be a referendum on the mining tax. I think something very different is going on, which is why we are not seeing the screaming attack ads that so terrified the Labor Party into submission. I think what we have here is Liberal Party advocacy on behalf of politically powerful major donors masquerading as public policy. They got away with it last year—and power to you—but it does not work so well when you are on the treasury bench and need to balance the books. I challenge Liberal senators from Western Australia to a debate on the economy in Western Australia before Western Australians cast their votes on 5 April. Let's have a debate about jobs. Do you really think that as the mining boom tapers off and we move from the construction phase into an operations phase, which is one of the factors behind rising unemployment in Western Australia, that all you need to do is simply repeat mining industry slogans in order to win a by-election? Western Australians are a little more politically astute and sophisticated than that. I challenge Western Australian senators—Senator Back, you are here today. You are not up for re-election but you might have a quiet word to your colleagues. If you are so proud of your economic record of abolishing taxes while proposing cuts, then let us put these views to the people of Western Australia before 5 April, on a level playing field. You choose the time and the place. Let us have a debate on jobs and the economy.

On the weekend the member for Melbourne, Adam Bandt, and I launched the Greens jobs policy for Western Australia. Mining is no doubt going to remain an important part of the Western Australian economy. In fact, as long as you can put up a wind turbine containing 200 or 300 tonnes of steel and other metals, mining will remain an important part of the economy. But the fact is that it is a small section of the Western Australian employment base and we cannot rely on it in the deeply uncertain age which we are moving into, the age of climate change and the age of peak oil. We cannot continue to rely on extractive industries and mining to provide a stable employment base, particularly given the enormous risks that we are exposed to in world commodity markets. We saw last week the iron ore price take a big tumble and that again sent nervous jitters through the Western Australian economy.

So what is your plan? The jobs plan that Mr Bandt and I launched talked about the huge jobs potential in renewable energy—up to 26,000 jobs forecast in the energy 2029 plan to take Western Australia to a mature renewable energy economy. But it is not just clean energy or what you might traditionally consider to be a green jobs, mind you; these are blue-collar jobs. This is kids in Welshpool and Kalgoorlie welding heliostats, it is not anything particularly esoteric. That is 26,000 jobs. What about housing and construction and affordable, innovative, modular prefab housing? We have a housing affordability crisis, a skilled manufacturing crisis, a crisis in south-west timber towns, where native forests are becoming rarer and rarer and we are running out of 400-year-old trees to cut down. We need to put a stable employment base under those towns. What about the affordable housing industry? That is a very jobs-rich agenda. What about agriculture and horticulture? What about telecommunications as you are going about dismantling the end-to-end fibre National Broadband Network? We have launched our jobs plan: let us see yours. We call on coalition senators next time Mr Abbott is in town to maybe do a little bit more than just call a press conference and then put himself back on a plane. Let us see your economic and jobs plan for WA if you have one.
And let us bring this matter, this vote, very swiftly to a conclusion, because this is pantomime. We know why this is happening. If you come in here with amendments to improve the revenue-gathering measures, maybe take us back towards the original Treasury model that would only have kicked in once the industry was generating enormous profits, then let us have a debate, then let us debate amendments. But this at the moment is an attempt to govern by slogan and, like so many other areas of public policy into which you have blundered, it is something of a disaster. I look forward to putting this measure to the vote.

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (13:03): This debate offers a unique opportunity for the Australian Labor Party and particularly its leader, Mr Shorten, to come into this chamber through the Leader of the Opposition in the Senate and support the repeal of this mining resource rent tax. Mr Shorten has the opportunity to right a wrong. He has the opportunity to stop the cheap political game scoring that we saw last evening with the filibustering on the carbon tax. He has the opportunity to actually take some leadership, which he at the moment is so badly lacking. A lifeline has been thrown to him by none other than three people this morning who actually have assisted him in his decision making: the Australian Chamber of Commerce and Industry, the Business Council of Australia and the Minerals Council of Australia.

Last week Mr Shorten was in Perth, and Perth is a long way from Canberra, Mr Acting Deputy President Whish-Wilson, as you know and you recall, having once been a Western Australian. The closer he got to Perth, the more the heat went on him about the need to repeal this mining tax. So what did he do? He vacillated and said, 'I can't make a decision now, I have got to consult with industry.' Well, these three people have helped him from having to make the trip to Perth with the enormous cost associated with it and no doubt the cost of the carbon tax in the airline flight. These three people have said to him through their agencies that it is important that the mining tax should be repealed now. They went on and made the point that the industry pays some $20 billion a year in company tax to the Commonwealth, and if we were to listen to the last two contributors you would think the mining industry pays nothing to this country. Since 2006-07 the mining industry alone has paid $117 billion in company tax and state royalties. This is just the company tax and the state royalties, not all the income taxes, not all the other impositions, not all the payments to local governments et cetera—since 2006-07, $117 billion. I call on the Leader of the Opposition, Mr Shorten, today to come in here and to join with the government and do what he knows must be done, and that is to repeal this legislation.

There are two issues that Mr Shorten would have learnt about in Perth the other day that have caused the Labor Party to be held in such low regard in my home state of Western Australia. They are the minerals resource rent tax and the carbon dioxide tax. Why have they affected Western Australia so greatly? It is because, as you know, Mr Acting Deputy President, we are the state most affected. We are geographically the largest state with the transport industry, which of course has an impact on every Western Australian, and with the impact of the mining tax on iron ore, and we know very well that WA leads the nation by providing some 47 per cent of the export-earning wealth. Mr Shorten has the opportunity to win back some respectability lost by the then Labor government, including statements like, and not exclusively, that of Prime Minister Gillard winning the 2010 election with a statement, 'There will be no carbon tax under a government I lead.' There
would not be a person in Australia who would dispute the fact that the Labor-Greens
government governed from 2010 to 2013 because of that duplicitous statement.

We know that the first iteration of the mining tax, the resource super profits tax, got
nowhere and never was it going to. The impact it would have had on the Australian economy
through the Western Australian economy would have been disastrous. Contrary to the advice
of Senator Ludlam a moment ago, when he was making the point that Mr Martin Ferguson
rewrote the tax policy, Mr Martin Ferguson, as I understand it, was excluded from the
dialogue between then Prime Minister Gillard and then Treasurer Swan in their negotiations
with the three majors—BHP, Xstrata and Rio. Imagine putting those two, with the number of
years of business experience that they have, with the chief financial officers of those three
major mining companies. All of the small mining companies were excluded. We in fact know
the end result of that: it got nowhere.

Mr Shorten has the opportunity to right the wrong of the incompetence delivered by the last
Labor government on the people of Australia, particularly when it comes to the mining tax on
Western Australians. The government at the time were told by many, many people—the
coalition itself, industry and others—that there would be no nett revenue from the mining tax.
The prediction was for some $3 billion in revenue in the first year and $22.5 billion in
revenue over the first four years. We know now, as history records, what the government of
the day were told. Indeed, the Leader of the Opposition in the Senate, Senator Wong, who is
here now with us, can confirm that she was told again, again and again how little it would
yield. It yielded $126 million in the first six months and $400 million for the first year,
and it was paid for by some 20 companies. It is conveniently forgotten that there was $40 million in
costs to advertise its advantages, $50 million in set-up costs and some $20 million a year to
administer it. Imagine having a tax that costs the economy! As Treasurer Hockey has said in
repealing it: we will be saving the budget some $13.4 billion.

But this is not just about those who paid the mining tax. There are 145 companies that had
administrative burdens cast on them; they had to account and be accountable for the fact that
they would not be paying the tax. They told the Labor government that they would not have to
pay it. Fortescue Metals Group estimates that it paid some $3 million to $5 million in
compliance costs—moneys that could have well gone to employment, moneys that could have
well gone to further exploration. The then Prime Minister Rudd said:

No government should ever take a backward step in pursuit of the national interest.
I say: neither should they in opposition. Senator Wong and Mr Shorten should reverse that
wrong now. Then Special Minister of State, Gary Gray, a person who should have known
better as a senior Western Australian minister at the time, himself out of the resources sector,
said:

... I don't think it should—

be a burden—

It's a profit-based tax and over the course of the last six and eight months, we've seen significant
volatility in the price indexes, particularly for iron ore.

You bet we have. You bet we have seen price volatility. It is the very reason why the Labor
opposition should now not stand in the road of repealing this tax. Mr Gray went on to say:
"I think it's worth having in mind there were circumstances surrounding the design of the mining tax that meant the government had to do the best job it could do in the circumstances available to it … Possibly so. Now the opposition, Mr Shorten and Senator Wong, have the opportunity to right the wrong so eloquently stated by then Prime Minister Rudd, when he said:

No government should ever take a backward step in pursuit of the national interest.

But even more incompetent was the fact that the then government, in predicting that it would earn this $3-odd billion then went and spent it. From your days in business, Mr Acting Deputy President Whish-Wilson, could you ever imagine a circumstance at the beginning of a financial year when you would actually predict: 'I'm going to make $30,000, $300,000, $3 million or $3 billion this year, and I'm going to go out and spend the money'? Worst of all, it was taxpayers' money that was spent.

The then government were making promises associated with superannuation when the money was not there in the bin. They were offering concessions to small business when in fact the money was not there. Small business wants government out of the way. Small business in Western Australia wants the carbon tax and the mining tax repealed so that small business can get on with the business of employing more people and returning their businesses to profitability. Then there was the schoolkids bonus; it is a saving of $1.1 billion. Of course, we would all like to give money now to schoolkids for bonuses, but when you borrow against the funds that those children will have to pay back as adults, is that good business? Is that good common sense? Of course it is not good common sense. The then government went out and borrowed money. They went out and took taxpayers' money to spend in advance of the funds that they thought they were going to get in, and of course, as Senator Nash and I both know and as the world knows, they never, ever were going to get that money in.

It is the sovereign reputation of our country that we have to restore in all of this. As I indicated earlier, Treasurer Hockey made the comment that we will save some $13.4 billion in scrapping a tax that was never, ever going to make any money. Let me make an interesting point to you, if I can, in connection to the sovereign risk and Australia's reputation. Last year, I had the opportunity to spend some time in the United States—and I must say at my own expense—visiting New York, Washington and Texas. When I spoke to businesspeople who knew Western Australia well, they would continually say to me: 'What has happened in your country? You were once a safe place to invest. You were once a place that was a predictable place to invest, where we could spend funds, where we could employ people and where we could create opportunities. What has happened?'

The best example I can give you, Mr Acting Deputy President Whish-Wilson, of the impact of the carbon and mining taxes is the impact on Australian Stock Exchange listed mining exploration companies. As you well know, exploration today means a yield from the mines in 20 years time. If we are not exploring today, the mines will not be there in 20 years time. In the year 2012, ASX-listed mining exploration companies spent two-thirds of their investment time and money in Australia. By the middle of 2013, they were spending two-thirds of their exploration effort, time and money outside Australia. That was the drop in the confidence of the mining exploration industry. And where were they spending it? They were spending it in Canada—Canada was welcoming, with open arms, Australian miners and explorers—and in Asia; in Africa in particular; and in Eastern Europe.
I met with the then shadow minister, now the Minister for Industry, Mr Macfarlane, in Kalgoorlie with a dozen mining explorers—people who do work all around the world, not people who drill small holes in the backyard. One fellow had just brought back his equipment, designed and built in Kalgoorlie, from a project that he had been undertaking, I understand, in Eastern Europe. It had sunk a drilling hole six metres wide and 2,000 feet deep. Imagine the level of technology and expertise to enable that. They were all back in Kalgoorlie and they had no work on.

That was largely the reason why in opposition we undertook to develop the Exploration Development Incentive scheme. It was so that those willing to invest their funds in mining exploration companies, the small companies—not the big boys that end up exporting but those that actually go out there and do the exploring—would get a tax credit for the costs directly associated with their mining activity. That at least gave some increase to the confidence levels of that sector.

What is and what has been the impact of the mining tax on the companies themselves? As I have just prefaced in my comments, it has had the result of sending mining explorers overseas. When CHOGM was on in Perth in November 2012, at the end of the week a group of African leaders sought a meeting with the Premier of Western Australia, Mr Barnett, and they said to him in that meeting, 'Mr Barnett, we didn't realise that the vast majority of the mining activity in our countries is actually administered from within two kilometres of your office here in West Perth.' That is the impact that Western Australian and Australian mining expertise is having around the world in developing countries—countries that can get themselves out of economic demise by virtue of the opportunities associated with the resources sector. How proud are we.

But the simple fact of the matter is that we know very well that there should be the activity and encouragement in our state to actually make this happen. Iron ore contributes some $56 billion of the total mineral sales in Western Australia, and, as I said earlier, our state has the privilege of earning some 47 per cent of the export wealth for this country. We know that coal and iron ore, both affected by the mining tax, are two of the highest export earning commodities in this country.

Senator Polley made a comment earlier, in her contribution, about royalties. It seems to escape those opposite in the Australian Labor Party that there is an Australian Constitution and that, under the Australian Constitution, minerals and royalties related to them are in fact the province and under the ownership of the state. She also said there was a capacity for everybody to enjoy the benefits, and I will in a moment advise how that happens.

The resources sector, as I indicated earlier, paid in the last year and pays on an annual basis $20 billion in tax revenue to the Australian Taxation Office and $4 billion in revenue to the state in royalties. Rio Tinto—not a bank, not an insurance company, but a mining company—is the largest taxpayer in this nation. Forget the nonsense you will hear from others that in some way the resources sector is not paying its way tax-wise. It has paid $117 billion in company taxes alone. Mr Acting Deputy President Whish-Wilson, from your business background, which I understand was extensive, you would know as well as I do how you end up getting more tax revenue from companies: you encourage employment; you create a climate in which business activity is encouraged; you remove red tape; you help companies increase their pre-tax profits so they pay more tax; you remove a carbon tax or a mining tax. I
call on the Leader of the Opposition, Mr Shorten, a person who has clearly been found wanting in his role, to turn around his leadership aspirations today and support the repeal of those taxes. I ask: where is Senator Louise Pratt—

Senator Nash: Good question.

Senator BACK: a candidate in the WA Senate election in two weeks time?

Senator Wong: She's on leave.

Senator BACK: Yes, she has leave 'for electorate matters'—for electorate matters. I am sure the Minister for Defence, Senator Johnston, would like to have leave for electorate purposes!

Senator Wong: We grant it if it's asked for.

Senator BACK: I am sure—

Senator Wong: He hasn't asked for it. Don't make a stupid political point.

Senator BACK: And Senator Cash, I am sure.

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson): Order!

Senator BACK: Senator Wong—through you, Mr Acting Deputy President—has there been a circumstance when you have walked away from your responsibility in the chamber? I say to the people of Western Australia: if you want to confirm the mandate that Western Australia so richly gave the Prime Minister in September, the mandate to remove the carbon tax and the mining tax, then in April you must return at least three Liberal senators. I say to the Labor opposition: you must cease standing in the way of the repeal of the mining tax and the carbon tax. We have to have a circumstance in which, in this Senate, we can do the business of the people.

In Tasmania last week, we saw the decision of the Tasmanian people. They want to see a return to growth, a return to industry, a return to economics, a return to optimism. One of the reasons I sold my own business in the state of Tasmania, in the year 2000, was that I was so depressed by the lack of optimism. Young parents who worked for me were saying, 'I've got to leave the island for the mainland because I've got children in primary school and, if I don't get out of the island, what am I going to give them for their future?' We want to see Tasmania lifted, as I know everybody does.

I will address the question that Senator Polley asked, and that is: where is the distribution of the wealth? Let me give you these figures quickly, Mr Acting Deputy President Whish-Wilson, and they relate to the GST distribution. The state of Western Australia is contributing a net $15.5 billion, and that is $6,447 per person. New South Wales is contributing a net $2 billion, which is $300 per person. Victoria is contributing $1.3 billion, or $235 per person. As opposed to that, the state of Tasmania is a recipient of $3.4 billion, which is $6,600 per person—roughly equivalent to the per person amount that Western Australians are contributing. So there is Senator Polley's square-up; there is the equalisation process. South Australia is a recipient of $5.1 billion, or $4,000 per person. Queensland at the moment receives $6 billion, which is $1,270 per person—and I know very well that Queensland is looking forward to the repeal of this mining tax so that we can get the place running again.

In the final minutes available to me, I will refer to those people with a rich background in the Labor Party who are urging Mr Shorten and his colleagues to do the right thing—that is,
to join us in repealing the tax. These include Mr Martin Ferguson, one of the most highly respected people in the resources sector; past Prime Minister Rudd; Mr Graham Richardson; and Mr Paul Howes. Only this morning Mr Mark Olson from the nurses union—(Time expired)

Senator WONG (South Australia—Leader of the Opposition in the Senate) (13:23): The Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 says everything that needs to be said about the skewed values of the Abbott government. At the heart of this bill is a fundamental injustice and at the heart of this bill is a fundamental deception of the Australian people. The government present this bill as being only about repealing a tax—and we have just heard a lengthy dissertation from Senator Back in which he continued this. Let us remind ourselves what is in this bill that they do not want to talk about. It includes increased taxes on low- and middle-income families, increased taxes on workers saving for their retirement, increased taxes on small business, cuts to benefits for working families and cuts to investment in regional Australia.

The bill gives with one hand but takes and takes and takes with the other. It really should not be called the minerals resource rent tax repeal bill; it should be called the 'hitting those who can least afford it' bill. It gives a tax cut worth $3.3 billion to the biggest mining companies in the world but hits Australian families and small business owners with $16.3 billion in higher taxes and cuts to benefits. That is the financial arithmetic at the heart of this bill, the financial arithmetic lauded by those opposite—a $3.3 billion handout for mining companies and a $16.3 billion slug for battlers.

This bill shows that, under this Abbott government, there is indeed a new age of entitlement—an age of twisted priorities where there are tax cuts for the few and tax hikes for the many, where millions of Australian families are slugged while big mining companies are given a tax cut. This bill hurts low- and middle-income earners, erodes the superannuation savings of working Australians, makes small businesses pay higher taxes—this is the Liberal Party supporting higher taxes on small business!—and cuts investment in communities and regional Australia. No doubt the doormats in the Nationals will simply ignore that fact. They will simply gloss over it.

This piece of legislation is entitled the Minerals Resource Rent Tax Repeal and Other Measures Bill. As with so much that this government does, the sting is in the tail—the 'other measures' which are included in the bill. I will take the Senate through some of these other measures. They are regressive, they are unfair, they should not be supported and they hit those in our community who can least afford it. These other measures fall into four main categories.

First there are the hits to low- and middle-income families. This bill abolishes the former Labor government's schoolkids bonus. This bonus provides payments to around 1.3 million families—low- and middle-income families whose children are at school. The payments are worth $410 a year per primary school student and $820 a year for high school students. They go to eligible families receiving family tax benefit part A and to schoolchildren receiving youth allowance or payments from the Department of Veterans' Affairs. This bill scraps those payments from January next year, just when parents will need help with the cost of children going back to school. The Senate Economics Legislation Committee heard evidence from the Australian Council of Social Services that more than half a million children in Australia are currently living in poverty. Scrapping the schoolkids bonus hits those children and their
families and many more. You do not hear those over on that side talking much about that aspect of the bill, do you? The explanatory memorandum to this bill shows that this cut will hit families to the tune of $4½ billion over the four years from 2013-14 to 2016-17.

The bill also seeks to scrap the Labor government's income support bonus. The income support bonus provides eligible social security recipients with $250 a year for singles and $350 a year for most couples. It helps people on low incomes to meet unexpected living costs, such as medical expenses or the cost of getting a car repaired. For people struggling to make ends meet, these unexpected costs can be financially crippling. Scrapping the income support bonus will hit 1.1 million people on low incomes, mainly Australians receiving Newstart or youth allowance. The hit is $1.1 billion over the four years of the forward estimates from 2013-14 to 2016-17.

As we have heard in recent days—reaffirmed again by the Prime Minister—the cut to the income support bonus includes taking money away from the children of war veterans who have been injured or killed while serving their country. That is one of the most obnoxious aspects of this legislation and one that the Prime Minister of this country defended stoutly in the House of Representatives. 'Yes,' he told us, 'I do want to pay billions of dollars over the next few years to wealthy families for paid parental leave, but I am going to take money away from the children of veterans who have served this country and who have been injured or killed whilst doing so.' What an obnoxious set of priorities from this government! Yet they come in here and proudly declaim about the end of the age of entitlement. I remind those opposite that the cost of the income support bonus to children of war veterans is $260,000 a year. They are cutting that support at the same time as they are proposing a multibillion-dollar paid parental leave scheme.

The next category of this bill's regressive 'other measures' is a set of major attacks on the retirement savings of working Australians. It delays the increase in the superannuation guarantee entitlement. Under reforms introduced by Labor to ensure Australians have a decent retirement income, the superannuation guarantee entitlement is legislated to increase from 9.25 per cent to 9½ per cent in July 2014. Under this bill, that increase will be delayed for two years. That also means that the long-term goal, which is to get the superannuation guarantee entitlement to 12 per cent, will also be delayed by two years. Twelve per cent is widely acknowledged as the level of superannuation contribution that Australians will need in order to ensure they have an adequate retirement income.

The explanatory memorandum discloses a budget impact from delaying the increase to the super guarantee entitlement of just under $1.6 billion. But of course that impact is only the effect of cutting the government's own superannuation contributions, because the negative effect on the Australian workforce will be much larger. This is a measure that will directly cut into the retirement savings of every Australian employee who relies on the superannuation guarantee—and that is millions and millions of Australian workers.

As if that were not bad enough, this bill also abolishes the low-income superannuation contribution. This was a measure which involved a government payment of up to $500 a year to help workers on incomes up to $37,000 to save for their retirement. It is effectively a refund for low-income earners of the 15 per cent superannuation contributions tax. The reason it needed to be introduced is that those who benefit most from the current concession system for superannuation are high-income earners. Those who do not currently benefit from the
system of concessions for superannuation are working people, people earning up to $37,000 a year. They do not benefit from the current concession system for superannuation, so this measure redressed that unfairness. By scrapping the contribution, the bill puts a tax hike on the superannuation of millions of Australian workers, Australia's lowest-paid workers.

Do you know who is hit the hardest by this in that group? It is women. Of the 3.6 million workers who benefit from this contribution, 2.1 million are women. We know that women are less likely to finish their working lives with adequate savings for their retirement, and the Abbott government's cuts and the Abbott government's policies do nothing except worsen this. Not only do they say this is okay, they actually do not mind making the current inequality worse.

I think that superannuation does give a stark insight into the values of this government. They boosted superannuation for around 16,000 people with superannuation balances of more than a couple of million dollars; now they want to cut superannuation for millions of workers earning less than $37,000 a year. It is another example of their regressive philosophy: you slug the many and you pay for the largesse for the few. It is not just socially regressive; it is economically regressive and short-sighted. It is an incredibly short-sighted, myopic policy.

Hitting the retirement savings of working Australians will only increase pressure on the age pension in coming years. It also reduces the nation's pool of savings available to fund investment and growth in our economy. Industry Super Australia estimates that these two measures—the two I have just described: delaying the increases to the superannuation guarantee and scrapping the low-income super contribution—will reduce national savings by $53 billion by 2021-22. It is quite clear from this legislation that you just cannot trust the government when it comes to superannuation for working people.

The third category of tax hikes and cuts in this bill is targeted at the nation's small business owners. Those opposite claim to be the friends of small business. This bill exposes those claims as fraudulent because in this bill the Abbott government is increasing taxes on small businesses and they do so to pay for a tax cut to mining companies. The former Labor government provided a small business tax cut by increasing the instant asset write-off threshold from $1,000 to $6½ thousand. This boosts small business cash flows by allowing the business to claim an up-front tax deduction for the value of an asset worth up to $6½ thousand in the income year when the asset is first used or installed. This bill reduces that write-off threshold. That means it cuts tax deductions for 2.7 million small business owners across Australia when they choose to invest in new equipment and assets to grow their businesses—a tax slug on small business worth $2.3 billion over four years.

And the hits on small business continue. The bill closes the loss carry-back scheme which provides incentives for investment by small and medium-sized enterprises. Scrapping these provisions will remove tax breaks for up to 110,000 businesses, increasing the Abbott government tax take by just under $1 billion over four years. The bill also winds back accelerated depreciation for motor vehicles—another tax measure which gives cash flow relief to small business. This is a move that slugs small business by another $450 million over four years.

These adverse changes to the taxation of small business have been opposed by COSBOA, the Council of Small Business Organisations of Australia. They are policies which are both regressive and economically wrongheaded. The Abbott government lectures everybody about
the importance of investment. Senator Back did it here again today. He suggested that the Labor government was anti-investment. The fact that the largest investment boom the nation had ever seen occurred while we were in government is something he conveniently ignores.

Senator Back interjecting—

Senator WONG: Importantly, he is in here, as are all the coalition senators, the government senators, saying, 'We really want to ensure we increase taxes on small business—yay, us! We want to tax small business heavily.' That is what they are doing. They come in here and try to pretend that they are pro small business and pro investment just as they are increasing the tax measures which would give a disincentive to such investment.

Just on that, the tax hikes and the tax burden on small business and particularly on investment are precisely at the wrong time for an economy which is undergoing transition. We are moving, in terms of where our economy is at, from a mining boom in its investment and construction phase to a production phase that is going to have significant consequences for employment and significant challenges for the economy. It is a time when you want to give incentives to other parts of the economy to invest, and all the government is doing by removing these incentives for investment is making that transition more difficult.

I turn now to the final set of cuts that the government is making in this legislation: the scrapping of the Regional Infrastructure Fund and the Regional Development Australia Fund. The Regional Development Australia Fund is supporting the infrastructure needs and economic growth of many regional areas in this nation. It funds capital infrastructure projects which local communities identify as priorities. What we have seen is cuts by this government to that fund which will mean that hundreds of approved projects will not go ahead—devastating news for local communities. The cuts to the RIF, the Regional Infrastructure Fund, will also mean that important projects for local economies will not proceed. So the government is taking $2.7 billion out of regional communities in this legislation and it is being supported in doing so by members of the National Party and regional members of the Liberal Party.

In summary, this bill delivers a $3.3 billion tax break to mining companies; it cuts benefits to families by $5.6 billion over four years; it cuts superannuation entitlements and hikes superannuation taxes by $4.3 billion; it hikes the tax take on small business by $3.7 billion; and it cuts regional investment by $2.7 billion. What we have before the chamber is $16.3 billion in unfair, economically damaging tax hikes and spending cuts. Unsurprisingly, the Labor opposition opposes this bill. We oppose the government's tax hikes and cuts targeting low- and middle-income families, small businesses and regional communities. We also oppose the government's short-sighted stance on the MRRT itself. Australians deserve to share in the benefits of minerals we all own, and that is the purpose of a resource rent tax like the MRRT.

The government, as is its wont, has conducted yet another deceitful scare campaign over the MRRT. It is a deceit which is exposed by the internal contradictions of its position. On the one hand it claims the MRRT is devastating the economy—it is an onerous cost burden, stifling investment, jobs and growth in the mining industry—but in the same breath it says it is a policy failure because it is not collecting significant amounts of revenue. You cannot have it both ways. You cannot have a position that says, 'This is a tax which is crushing the
This is a profit based tax. When profits are high revenue is up, and when profits are low revenue is down. That is how the tax was designed to work. The MRRT was not put in place for the next six months; it was intended to look to the next generation. Labor recognises and supports the important role played by the resources industry in generating wealth, exports, jobs and incomes for all Australians, and we accept there is scope for improving the MRRT, but we say that the fundamental principle underpinning a minerals resource rent tax remains sound. That principle is: this country's endowments of mineral resources are owned by all Australians, and all Australians are entitled to a fair share of the wealth generated from those resources. I for one am very happy to defend that principle against the government's alternative argument, because the alternative vision embodied in this bill is to slug millions of families and small businesses to pay for a tax refund to large mining companies.

Senator EGGLESTON (Western Australia) (13:41): Almost two years ago to the day, I stood in this chamber and likened the mining tax to a pinata: no matter where you stood, it was pretty easy to take a swipe at it. But, while pinatas are fun, the mining tax has been nothing but disadvantage to Australians, who were led down the garden path by the previous government. Last week the media reported the ALP was standing by its disastrous tax. When pushed by Sky News for a straight answer, opposition leader Bill Shorten was reported as saying:

... the principle ... is a good principle and one which Labor supports.

This is notwithstanding the fact that the minerals resource rent tax has been held responsible for increasing the sovereign risk of investment in Australia and has led to international miners diverting their investment to other parts of the world, particularly Africa. Australia as a nation has lost out very heavily, because mining was one of the key pillars of our economy.

The Labor government conceived this tax in secrecy as a result of a deal with the big three mining companies: BHP, Rio and Xstrata. We were told at a Senate economics committee inquiry held last year that there were no Treasury officials present when Julia Gillard and Wayne Swan met with the people from Xstrata, BHP and Rio; they were on the end of a phone. When the mining companies proposed that the costs of development of their mines be offset against the tax, Julia Gillard and Wayne Swan wagged their tails and agreed. But, if they had rung the Treasury, they might not have been quite so happy about it, because they failed to understand the billions of dollars which it costs to develop these large mining projects, which Gillard and Swan had just agreed to allow to be offset against any tax liability. This really explains why the returns from the tax have been so small. As Andrew Forrest of Fortescue Metals Group said back then:

... it is amusing that ... [Don Argus]—

former chairman of BHP—

chaired the so-called independent committee—

that developed the plan for the MRRT. This crafty plan was concocted by three big companies to service their own interests while, in its operation, it very severely damaged the smaller miners.
And what a plan it was, as the three big miners got the naive government representatives to agree to the costs of development of their mines being offset against their revenue. It is like having a negatively geared house: you can offset the interest against the rental income and in the end you have a lower income, which means you pay less tax. Very similar to negatively gearing a house, the miners were offsetting the whole cost of development of their mines against their revenue and, as I have said, the cost of development of the mines was billions and billions of dollars, which the government representatives did not quite understand.

In July 2010 we were told the tax would raise an estimated $10.5 billion over the first two years—but things changed. Later, in the MYEFO document of that year, revenue was downgraded quite substantially, by almost $3 billion, to $7.4 billion. In the 2011 budget, however, the revenue from total tax raised magically increased to $7.7 billion in the first two years—this is projected revenue—and to $11.1 billion for the first three years. But these projections proved to be quite wrong. In fact, the tax delivered just $232 million—not billion dollars, but million dollars—when the original promise from Labor was, as I have said, some $6 billion in this year alone.

This year, 2014, the tax will be lucky to raise some 10 per cent of what former Prime Minister Julia Gillard said that it would be more than 3½ years ago. The only thing the tax bred was red tape through an exorbitant series of compliance costs. As The Australian reported on Friday, the cost of the Greens’ and Labor’s failure to support abolishing the mining tax will reach something like $900 million this year. Failure to repeal the tax will burden every single Australian man, woman and child with the equivalent of an extra $1,800 a year in debt. The opposite, ridding the nation of this scourge, this mining tax, will result in $13.8 billion in net budget savings. To my mind, those numbers are pretty clear as to which option the Senate should be taking. We surely should be abolishing this tax for the benefit of ordinary Australians.

Andrew Forrest’s FMG—Fortescue Metals Group—is one of the world’s largest iron ore producers and seaborne traders in iron ore. In its first full year of operations, FMG mined, railed and shipped more than 27 million tonnes of iron ore to customers in China and other parts of South-East Asia. Mr Forrest is on the public record as saying that his company, FMG, would not have even got started if the MRRT had been in place when he established his company. That statement should ring alarm bells in every Labor member’s and senator’s office because clearly the mining tax was seen as an impediment to investment in Australia, and that means an impediment to the creation of new jobs.

In 2012, the then shadow Treasurer, Mr Hockey, said that it was nothing short of ‘economic vandalism’ for the government to be imposing this mining tax on Australian industry, and on the mining industry in particular. He warned that both the mining and carbon taxes stood to decimate business activity and destroy jobs, ripping at the heart of the Australian economy and leaving in its wake a trail of bankrupt businesses and struggling families. During questioning at a Senate Economics Legislation Committee hearing into the mining tax legislation in February 2012, representatives from the Association of Mining and Exploration Companies, AMEC—an industry body for smaller Australian mining companies based in Western Australia—said the design of the tax created a bias which favoured the three big companies who negotiated this mining tax deal. By contrast, it negatively impacted on the smaller miners. It negatively impacted on the smaller miners because the smaller miners did
not have the same level of development costs to trade off against the tax on the mining operations.

AMEC's chief executive, Simon Bennison, said the tax represented an injustice against emerging companies, who would pay a higher effective tax rate of four to six per cent above the large companies such as BHP, Rio and Xstrata. The small and emerging companies are a very important sector of the mining industry. It is the smaller companies that go out and find new mineral deposits and, as they grow into bigger enterprises, they continue to put Australia on the mining map of the world. FMG, which I have referred to already, is an example of this, as is Atlas Iron, which began as a very small mining operation in the Pilbara and is now quite a substantial company. The mining tax has been a disincentive to these smaller miners to go out and find new deposits of various minerals, and in that sense it has very much been a disadvantage to the future development of the mining industry in Australia.

This point has been reinforced by an independent study undertaken by the University of Western Australia, which shows the mining resource rent tax is not competitively neutral between emerging mining companies and mature mining companies and that it does in fact discriminate very heavily against emerging mining companies. As I have said, this means that there will be fewer new mines developed because these smaller mining companies are not going to have the financial capacity to go out and develop new mines. Dr Pietro Guj, a research professor at the Centre for Exploration Targeting at UWA, has written:

Financial modelling of the iron ore mine development example provided by the Commonwealth in their MRRT legislation Exposure Draft and Explanatory Material, indicates that there may be significant differences between the Net MRRT and consequently the total level of taxation (corporate income tax + Net MRRT + Royalties) paid by projects which existed before 2 May 2010 (when the MRRT was first announced) and those that will start after the introduction of the MRRT on 1 July 2012.

Research has also pointed out that part of the tax's design allows a mature miner to claim large starting base allowances as a tax shield for some 25 years. I have referred to this already as the larger, well-established companies being able to offset their costs of development against their income from mining at the present time. The then Labor government seemed to have forgotten the fact that BHP and Rio had deducted their capital outlay once already and received stamp duty discounts. The ALP government, perhaps unwittingly, with great generosity was offering these companies a second opportunity to deduct their development expenses from their profits. I doubt very much whether the ALP intended that, but that is what they did, and I suppose one can only wonder at their naivete in agreeing to such an arrangement.

It has always been far from a level playing field in the mining industry. The question must be asked: what message does Labor want to send to new and potential investors? Does it want to stifle competition and promote monopolies in the mining industry rather than seeing many new developments occur? New developments will, as I said, be inhibited by this mining tax. The then government needed only to look at the impact that even talk of the tax had had on investment in the sector to understand that the MRRT was seen as a negative to the development of future mining. Even in the lead-up to the tax's introduction, an increasing proportion of new funds raised in Australia were flowing offshore to mineral projects in Africa, South America, Canada and other jurisdictions.
In a media release issued in November 2011—again, prior to the tax's introduction—AMEC said its members were already experiencing problems raising capital for projects in Australia. The CEO said many small and emerging miners were looking to transfer their work overseas to similarly resource rich but less hostile environments. Even Treasury admitted during questioning that the mining tax was a highly volatile revenue source which could potentially be downward trending. For example, in 2011, there was an almost 30 per cent drop in the iron ore price. This tax was already making Australia uncompetitive in the international arena, yet Labor persisted with the tax, and today it is the Australian economy and the Australian people that have paid the price for Labor's foolishness. My friend and former Treasurer Peter Costello summed it up nicely when he said:

… there was the dog with no bark, the pub with no beer and now the tax with no revenue.

If Labor and the Greens have any credibility, they will not be the parties with no sense and they will vote to repeal this mining tax.

Senator O'NEILL (New South Wales) (13:56): I am pleased to rise to speak to the bill before the House, the Minerals Resource Rent Tax Repeal and Other Measures Bill 2013. I want to put on the record some fundamental differences between the Labor Party's attitude towards the wealth of this nation and the attitude of those opposite. Fundamental to Labor values is the belief that Australians deserve a fair share of the wealth generated by the minerals they own. This belief is the founding principle of Labor's minerals resource rent tax—a profit based tax that ensures revenue is reflective of mining companies' profitability. It allows for a lower tax rate during the construction phase to encourage and stimulate investment and to ensure high returns when the ventures become profitable. That is in the interest of all Australians. Let me state again: Labor's fundamental belief is that all Australians, not just some wealthy Australians, deserve a fair share of the wealth generated by the minerals they own. This belief is the founding principle of Labor's minerals resource rent tax—a profit based tax that ensures revenue is reflective of mining companies' profitability. It allows for a lower tax rate during the construction phase to encourage and stimulate investment and to ensure high returns when the ventures become profitable. That is in the interest of all Australians. Let me state again: Labor's fundamental belief is that all Australians, not just some wealthy Australians, deserve a fair share of the wealth generated by the minerals they own. This belief is why revenue under the MRRT is currently low. As envisaged in its design, the MRRT seeks to stimulate growth in the mining industry so that both mineral companies and the Australian public can benefit from the wealth generated by that growth when the company profits are high.

The government's position on the MRRT is self-deluding. They criticise the tax as being too low and then, in the same breath, ironically describe it as a huge impediment to growth in the sector. They simply cannot have it both ways. This legislation proves the coalition is clearly opposed to Australians receiving a fair share. It is a testament to all that is wrong with this Abbott government. This government is so bereft of principles and lacking in common decency that it seeks to rip away support from those in society most in need of it to favour those who need it the least. It is almost as if this Abbott government regime is set on introducing a form of reverse class warfare.

Listening to members opposite walk out their tired lines and sound bites, a vain attempt to justify the unjustifiable, the Australian public can bear witness to the perverse set of priorities that fixate the Abbott regime. Gifting billions of dollars to multinational corporations while ripping away the Australian public's birthright of benefiting from the wealth generated by their own mineral assets is simply a reproachable attitude. Having introduced legislation to cut tens of billions of tax dollars by repealing the carbon price and the MRRT, having ripped away that source of support for the Australian economy, the Abbott government now has the cheek to cry poor. In seeking to recoup these foregone billions through its legislation, the
coalition has moved to attack the incomes of Australian workers, Australian families and Australian small businesses.

Debate interrupted.

QUESTIONS WITHOUT NOTICE

Australian Water Holdings

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:00): My question is to the Assistant Treasurer, Senator Sinodinos. I refer to the Assistant Treasurer's ministerial responsibilities, which include business law and practice, and to the statement of ministerial standards which demand that in their private conduct ministers must uphold the law and demonstrate high standards of personal integrity. Was the Assistant Treasurer appointed a director of Australian Water Holdings at the same time he was Treasurer of the New South Wales Liberal Party? Was the true purpose of his appointment to open lines of communication with the Liberal Party?

Senator Abetz: On a point of order, all those questions clearly relate to matters prior to Senator Sinodinos—

Opposition senators interjecting—

The PRESIDENT: Order! Senator Abetz, resume your seat. You are entitled to be heard in silence.

Honourable senators interjecting—

The PRESIDENT: When there is silence on both sides we will proceed—both sides!

Senator Abetz: Thank you, Mr President. My point of order is this: all the questions raised by the Leader of the Opposition in the Senate clearly relate to matters prior to Mr Sinodinos becoming Senator Sinodinos let alone becoming Minister Sinodinos and, as a result, they clearly do not apply or have no relationship to his ministerial responsibilities. Therefore, the question should be ruled out of order.

Senator Moore: Mr President, on the point of order, the question relates specifically to issues to do with Minister Sinodinos's own portfolio, the portfolio he holds now, and behaviours that are covered currently by his portfolio responsibilities. Secondly, the minister has previously made a statement in this chamber on questions of a similar kind which he as referred to a number of times in answers that he has given. So specifically in this case it relates to issues about which now he has responsibility—business law and practice, corporate financial services and security laws and these processes.

Honourable senators interjecting—

The PRESIDENT: Order! So that everyone is clear: a question must be answered only insofar as it relates to ministerial responsibility—in other words, the public affairs with which the minister is officially connected, proceedings pending in parliament or any matter of administration for which the minister is responsible in a personal representative capacity. However, an answer may provide clarification of statements made by ministers, even if the statements are not clearly within their ministerial responsibility. The keyword is 'ministerial responsibility'. So I rule: on the question that has been asked insofar as it goes to the ministerial responsibility of the minister, the minister needs to respond to that part of the question which directly relates to ministerial responsibility—
Government senators interjecting—

The PRESIDENT: Order! And I call the Assistant Treasurer, Senator Sinodinos.

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:04): The only statement I can make on this in this chamber is that there is a commission of inquiry underway and I will be attending as a witness—and watch this space. I will be vindicated in terms of what I have said to the Senate in my statement on 28 February. If I need any tutoring in how to appear before ICAC I can ask Greg Combet or Senator Cameron.

Honourable senators interjecting—

Senator Cameron: And I hope he says as many good things about you as he said about me!

The PRESIDENT: Order, Senator Cameron!

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:05): Mr President, I ask a supplementary question. The minister in his answer made reference to his earlier statement. In his earlier statement he declined to indicate the terms of his engagement, so I ask him: can he please advise the Senate whether he was paid $200,000-plus bonuses for less than 100 hours work a year?

Government senators interjecting—

The PRESIDENT: Order! On my right! Senator Wong is entitled to be heard in silence. Senator Sinodinos is entitled to hear the question, as I am so I can rule on the question.

Senator Wong: Was he given equity of five per cent at no cost to him?

The PRESIDENT: That question is out of order.

Senator Conroy interjecting—

The PRESIDENT: I have ruled it out of order. Senator Conroy, you are now debating the issue. I have ruled it out of order.

Senator Conroy: I ask you to review it after question time.

The PRESIDENT: I will review the question after question time.

Senator Conroy: Review the question and make a ruling.

Senator Cormann: He is reflecting on the chair!

The PRESIDENT: I have made the ruling. I have made it quite clear—it is out of order. I have undertaken that I will review the question.

Senator Wong: In reviewing the question, I would ask you to consider these facts: the senator gave a statement to the chamber, I acknowledge, prior to him being minister—

Senator Brandis: On a point of order—

The PRESIDENT: Senator Brandis, resume your seat.

Senator Wong: Thank you, Mr President. I will finish shortly. The senator, as minister in this place, reaffirmed that statement. What I would suggest to you, Mr President, when you review your ruling, is that the principle of ministerial accountability should enable this chamber to consider whether or not—

Government senators interjecting—

The PRESIDENT: Order! On my right!
Senator Ronaldson interjecting—

The PRESIDENT: Senator Ronaldson!

Senator Cormann interjecting—

The PRESIDENT: Senator Cormann!

Senator Wong: Mr President, I submit to you that the principle of ministerial accountability should enable this chamber to test whether or not a statement given and subsequently re-endorsed by a minister is in fact correct. What I suggest to you is it would be an abrogation of the principles of ministerial accountability for that question not to stand.

The PRESIDENT: That is now debating the issue. As requested, I will review the ruling I made on that first supplementary question and I will come back to the chamber.

Honourable senators interjecting—

The PRESIDENT: Order!

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:09): Mr President, I ask a further supplementary question. I again refer to the minister's statement, which he has subsequently re-endorsed, and I ask him: did he stand to gain a personal benefit of $10 million to $20 million if Australian Water Holdings was awarded a contract for a public-private partnership with the New South Wales government?

The PRESIDENT: I will rule that out of order.

Senator Conroy: Mr President, I rise on a point of order. The Prime Minister's ministerial code of conduct provides that in their private capacities ministers must 'uphold the laws of Australia' and demonstrate 'high standards of personal integrity'. To deny senators the opportunity to question a minister on a statement he has made in question time is to abrogate the role of the Senate.

The PRESIDENT: You are arguing. There is no point of order.

Senator Conroy: I ask you to review your ruling in the light of those facts.

The PRESIDENT: Order! That is a different issue. I will review the issue.

Senator Abetz interjecting—

The PRESIDENT: Senator Abetz, I will review the first supplementary and the second supplementary and come back to the chamber.

Economy

Senator LUDLAM (Western Australia) (14:10): My question is to the Minister for Finance, Senator Cormann. Is the minister aware of the Fairfax-Nielsen poll published today that shows an overwhelming majority, 86 per cent, of Australians think that the government's top economic priority should be job creation not budget cuts? Do you have—

Honourable senators interjecting—

Senator LUDLAM: Mr President, there is a lot of shrieking.

The PRESIDENT: Senator Ludlam, the clock will be halted. You are entitled to be heard in silence.

Senator LUDLAM: Thanks, Mr President. Senator Cormann, do you have any plan at all for employment opportunities as the mining boom in Western Australia cools?
government senators from Western Australia be accepting the Greens' call for a by-election debate on jobs and the economy?

**Senator CORMANN** (Western Australia—Minister for Finance) (14:11): I thank Senator Ludlam for that question. I am pleased to advise Senator Ludlam and the Senate that this government can walk and chew gum at the same time. This is a government which has a plan to build a stronger economy and create more jobs at the same time as being focused on repairing the budget mess that we inherited from our predecessors. This is a government which will have to fix the mess we inherited from the Labor-Green administration of the past three years on so many levels. When Labor went into government in December 2007, unemployment in Western Australia was 3.3 per cent. Unemployment today after the Labor-Green mining tax and the Labor-Green carbon tax is 5.9 per cent.

*Opposition senators interjecting—*

**The PRESIDENT:** Senator Cormann, resume your seat. You are entitled to be heard in silence. Those on my left will desist from interjecting.

**Senator CORMANN:** The Labor-Green government in Canberra for the last six years tried to do to Western Australia what they had done to Tasmania for the last 16 years. Of course, this government here is totally committed to fixing the mess that the Labor Party and the Greens left to us. We will help Western Australia be more successful again by scrapping the mining tax, by scrapping the carbon tax and by cutting all the unnecessary red and green tape. Building a stronger economy will, among other things, generate more revenue for government, which—

**Senator Ludlam:** Mr President, I rise on a point of order relating to relevance: I asked Senator Cormann very clearly whether he would debate the Greens and other candidates on jobs and the economy during the by-election. Is it a yes or no?

**The PRESIDENT:** That is not a point of order. The minister still has 29 seconds remaining.

**Senator CORMANN:** Senator Ludlam asked me about jobs in Western Australia. What I said to him is that this government will build a stronger economy and create more jobs, whereas Labor and the Greens hit Western Australia for a six, costing jobs in Western Australia every single year that they were in government together.

**Senator LUDLAM** (Western Australia) (14:14): Mr President, I have a supplementary question. Minister, have you modelled the impact on job losses in Western Australia if you are successful in winding back the renewable energy target? Will you or will you not debate the Greens on your plan for jobs in WA during the Senate by-election campaign? It is a very simple question.

*Government senators interjecting—*

**The PRESIDENT:** On my right, you are not helping the conduct of question time.

**Senator CORMANN** (Western Australia—Minister for Finance) (14:15): I again thank Senator Ludlam for that question. I can advise him and the Senate that there is a clear growth dividend that comes from scrapping the mining tax and scrapping the carbon tax. If Senator Ludlam is truly committed to stronger jobs growth in Western Australia, he will convince his colleagues in the Greens and his colleagues among their alliance partner, the Labor Party, to
vote with the coalition to scrap the carbon tax and to scrap the mining tax today because that will help us grow a stronger economy in Western Australia, which will help drive stronger economic growth for Australia. It will help us generate more revenue for the Commonwealth because stronger mining companies will deliver increased company tax revenue to the Commonwealth, which will mean that we will be able to fund so many of the meritorious causes that, clearly, right now, are not able to be funded because Labor's mining tax was such a failure. *(Time expired)*

**Senator LUDLAM** (Western Australia) (14:16): Mr President, I have a further supplementary question. On Saturday the Greens released our jobs plan for WA. When will—

*Government senators interjecting—*

**Senator LUDLAM:** If only you could hear yourselves.

**The PRESIDENT:** Order on my right! I will give you the call when there is silence, Senator Ludlam. You are entitled to be heard in silence.

**Senator LUDLAM:** Thank you, President. Minister, when will you release your vision for Western Australian jobs? Will you debate it with the Greens during the by-election? And can you get through your answer without insulting our intelligence with three-word slogans?

*Honourable senators interjecting—*

**The PRESIDENT:** Order! When there is silence—order!

**Senator CORMANN** (Western Australia—Minister for Finance) (14:17): Having listened to Senator Ludlam's question about the Greens' plans for more jobs, I guess that next we are going to have Senator Ludlam's plan for expanded uranium mining in Western Australia. The Greens are an anti-jobs party. The Greens are anti growth. The coalition will unlock Western Australia's great potential by reducing the tax burden, by reducing the regulatory burden, by providing more regulatory certainty, by investing in productivity-enhancing infrastructure, by making sure that we can get back to the global competitive edge and by making sure that businesses across Western Australia are able to compete with their competitors overseas. That will help strengthen the Western Australian economy, which will, in turn, help to strengthen the national economy. The Greens would not know about job creation if they fell over it. Everything the Greens have done in this chamber over the last six years, together with the Labor Party, was to attack jobs and to undermine growth. We are committed to turn that situation around. *(Time expired)*

**Asylum Seekers**

**Senator SMITH** (Western Australia) (14:18): My question is to the Assistant Minister for Immigration and Border Protection, Senator Cash. Can the minister advise the Senate how the coalition government's border protection policies ensure that fairness is a cornerstone of our refugee and humanitarian resettlement program?

**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:19): I thank Senator Smith for his ongoing interest in border protection. It is a fact that Australia runs one of the most generous humanitarian settlement programs globally. However, the sad truth is that, in any one year, less than one per cent of the world's 10.5 million refugees will be resettled. In any one year, over nine million people will miss out.
Let me relate to the Senate but one story, that of a 10-year-old refugee, as reported by the UNHCR. This 10-year-old refugee and the millions like her are the ones that the former Labor-Greens government deliberately turned their backs on when they dismantled the former Howard government's strong border protection policies. This is the story of Halima from Somalia:

"One morning my mother took me, my sister and my baby brother and left our house. It took us three weeks to walk here."

Holding her baby brother, 10-year-old Halima queues to receive her vaccinations at the Liboi Reception Centre for Somali refugees on the Kenyan/Somali border.

... ... ...

It took us three weeks to walk here. My mum carried some food and we also begged in the villages we passed. We got here two days ago. They have taken our names and given us food. We have to wait here for about a week for our papers to be checked and then a truck is coming to take us to our new home. My sandals broke on the way here. I am wishing for new sandals."

Halima and her family are now living with some 280,000 Somalis in three massive refugee camps in the Dadaab region of eastern Kenya.

The places in our humanitarian program are precious, and that is why this government will restore integrity on our borders.

*Opposition senators interjecting—*

**The PRESIDENT:** Order! When there is silence on my left we will proceed. Wait a minute, Senator Smith; you do not have the call. I will give you the call. You are entitled to silence.

**Senator SMITH** (Western Australia) (14:21): Mr President, I have a supplementary question. Can the minister explain to the Senate how previous border protection policies provided an unfair playing field for those genuine refugees seeking to come to Australia through legitimate channels?

**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:21): The policies of the former Labor-Greens government were directly responsible for the unfair playing field in relation to genuine refugees seeking to come to Australia. Labor and the Greens deliberately outsourced the management of Australia's border protection to the people smugglers, who then sold places in our humanitarian settlement program to the highest bidder. We saw one of them last night on the ABC's 7.30 program, a Mr Arash Sedigh, who admitted that the reason he had come illegally to Australia—he had tried two times—was that 'his skilled migration visa had been refused'. So he wanted to come to Australia by boat so he could get a job. There is nothing fair about those policies. *(Time expired)*

**Senator SMITH** (Western Australia) (14:23): Mr President, I ask a further supplementary question. Can the minister advise the Senate what impact the coalition government's border protection policy will have on those refugees waiting in UNHCR camps around the world?

**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:23): Unlike under the former policies of Labor, which were supported wholeheartedly by the Greens, these refugees will have a chance of obtaining one of the very precious places in Australia's Humanitarian
Settlement Services program. The fundamental difference between the policies now implemented by the Abbott government and the former policies of the Labor-Greens government is that every one of those 13,750 precious places in our program will go to refugees languishing in UNHCR camps—refugees like 10-year-old Halima from Somalia, whom the former government, supported wholeheartedly by the Greens, deliberately turned their backs on. There is nothing compassionate about a policy of deliberately turning your backs on people who are languishing in UNHCR camps. (Time expired)

**Australian Water Holdings**

**Senator O’NEILL** (New South Wales) (14:24): My question is to the Assistant Treasurer, Senator Sinodinos. I refer to the Assistant Treasurer's responsibility for business law and practice and a statement of ministerial standards which demands that ministers, in their private conduct, must uphold the laws and demonstrate high standards of personal integrity. Can the Assistant Treasurer confirm he was a director of Australian Water Holdings and an office-bearer of the New South Wales Liberal Party at the time Australian Water Holdings was making major donations to the Liberal Party? Does the minister consider that this conduct merits referral to ASIC?

**Senator Abetz:** Mr President, on a point of order: the question relates to matters that were clearly in the life of Mr Sinodinos, not Senator Sinodinos, let alone Minister Sinodinos. In short, the matters that the honourable senator seeks to trawl through this chamber have nothing to do—

*Senator Wong interjecting—*

**Senator Abetz:** Can you just stop for once? Mr President, the short point of order is this: all the matters raised by the honourable senator in her—

*Senator Wong interjecting—*

**Senator Abetz:** Does it ever stop? The point of order, very simply, is—

*Senator Wong interjecting—*

**Senator Abetz:** I know the Leader of the Opposition in the Senate is embarrassed that two of her questions were ruled out of order today. I suggest, Mr President, that you should follow and rule this question out of order as well—albeit clearly spoonfed to the senator by the leader, who is now clearly embarrassed.

**The PRESIDENT:** Order! That is debating the issue.

**Senator Conroy:** Mr President—

*Honourable senators interjecting—*

**The PRESIDENT:** Order! I need silence on both sides. Senator Conroy.

**Senator Conroy:** Mr President, on the point of order: clearly Senator Abetz did not listen to the question. The question was about certain corporate conduct and whether the matter should be referred to ASIC. It does not matter whether it was in the previous life of a senator; this is a matter relating directly to corporate conduct, and the minister has responsibility for corporate law. I ask you to dismiss the point of order and ask Senator Abetz to listen to the question in future.
The PRESIDENT: Order! I have already made it clear that the minister need only respond to those parts of the question that pertain to his ministerial responsibility. In respect of the points of order, if there are parts of that question which the minister can address I invite him to do so.

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:29): If the member opposite has any relevant information they can refer it to ASIC. Under the ASIC rules I cannot interfere with their investigations.

Senator Cormann interjecting—

The PRESIDENT: Senator Cormann, it is not the time to be debating this now.

Senator Wong interjecting—

The PRESIDENT: Senator Cormann and Senator Wong, if you wish to debate this, three o'clock is the time.

Honourable senators interjecting—

The PRESIDENT: Senator Bernardi and Senator Collins, it does not help question time when senators interject across the floor.

Senator O’NEILL (New South Wales) (14:30): Mr President, I have a supplementary question. Can the Assistant Treasurer confirm that, while he held office in Australian Water Holdings and the Liberal Party, the company was bundling up its donations to the party and charging them back to Sydney Water as expenses? Does the minister consider this conduct merits referral to ASIC?

The PRESIDENT: Again I rule that part of the question out of order that has no—

Senator Sinodinos interjecting—

The PRESIDENT: Wait a minute. I have not called you, Minister.

Senator Conroy interjecting—

The PRESIDENT: Yes, but I do give people the call, if you listen to the way this chamber operates. I have ruled that part of the question that has no bearing on your ministerial responsibility out of order. Only that part that might refer to your ministerial responsibility—

Honourable senators interjecting—

The PRESIDENT: Order! If you wish to argue that, argue it later.

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:31): It is the same question. I repeat my previous answer.

Senator O’NEILL (New South Wales) (14:31): Mr President, I have a further supplementary question. Can the Assistant Treasurer confirm that, at the time his company was using Sydney Water money to make donations to his party, his company was unable to pay its tax commitments as they fell due? Does the minister consider this conduct merits referral to ASIC?

The PRESIDENT: Again, I apply the same ruling as previously. I call the minister. There is no response from the minister.
Employment

Senator WILLIAMS (New South Wales) (14:32): Thank you, Mr President—

Senator Conroy interjecting—

The PRESIDENT: Senator Conroy, if you have a point of order, you stand, in this place. You do not call from your seat.

Honourable senators interjecting—

The PRESIDENT: Order! If you have a point of order you can stand. You do not sit—

Honourable senators interjecting—

The PRESIDENT: Order on my right! Senator Macdonald! If you have a point of order—

Senator Conroy: I wanted you to repeat your ruling. I did not hear what you said.

The PRESIDENT: I asked the minister to address that part of the question that pertained to his portfolio. The minister indicated that he had no response. I cannot instruct a minister how to answer the question. The minister did stand.

Senator WILLIAMS: My question is to the Assistant Treasurer, Senator Sinodinos. Can the Assistant Treasurer explain to the Senate the importance of removing the red-tape burden on Australian business, particularly for jobs creation?

Opposition senators interjecting—

The PRESIDENT: When there is silence on my left we will proceed.

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:35): It is business as usual on this side of the house, getting on with reducing red tape. For the first time, the national parliament will be holding a red-tape repeal day as a special sitting.

Honourable senators interjecting—

The PRESIDENT: If you wish to chew up the time of question time by calling across the chamber, that is how we will proceed.

Senator SINODINOS: The Prime Minister will be making, tomorrow, a statement to the parliament on red-tape cost reduction. We will be announcing details of more than 8,000 pieces of spent and redundant legislation and regulation to be repealed. This has followed extensive consultation with business and the non-profit sector and other stakeholders. We are determined to reduce the level—

Honourable senators interjecting—

The PRESIDENT: Senator Sinodinos, resume your seat. Senator Conroy! Senator Faulkner!

Senator SINODINOS: The coalition is committed to cutting at least a billion dollars off red and green tape for all Australians. Excessive and unnecessary regulation will increase business costs and reduce productivity, and that means fewer jobs. It is all ultimately about the impact on Australian consumers, taxpayers and workers. So it is a very important part of our commitment to the families and the workers of Australia, because regulation is not a free lunch. You pay for it through increased costs, and that affects the capacity to generate jobs. The Productivity Commission has estimated that reducing the burden of unnecessary regulation could generate as much as $12 billion in additional gross domestic product. Unlike
those opposite, the coalition understands that the best thing that government can do to increase the rate of economic growth is to promote innovation and get out of the way of private businesses to grow and to flourish. By reducing regulation, the government is also—

Honourable senators interjecting—

The PRESIDENT: Order! When there is silence, we will proceed.

Senator SINODINOS: For example, Minister Greg Hunt is working with the states to implement a one-stop shop on environmental approvals. That does not derogate from environmental standards, but it means proponents have only one government to deal with, not two pieces of paperwork and all the rest of it that goes with getting environmental approvals in Australia. (Time expired)

Senator WILLIAMS (New South Wales) (14:39): Mr President, I ask a supplementary question. Can the minister advise the Senate what actions the coalition government is committed to taking in order to reduce the burden of red tape on Australian businesses by $1 billion per year and thereby to create more jobs?

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:40): The coalition is setting aside at least two parliamentary sitting days each year for the express purpose of repealing counterproductive, unnecessary or redundant regulation and legislation. As part of the deregulation agenda, the government will drive cultural change through government—

Senator Conroy interjecting—

The PRESIDENT: Senator Conroy, you are not assisting the conduct of question time by constant interjections.

Senator SINODINOS: The coalition is committed to a new approach where questions must be asked first before new regulations are passed, including: what is the purpose, what is the cost and what is the impact on productivity? Only after those questions are answered and only when it is necessary and there are no sensible alternatives available should government to proceed to regulate. The government is also seeking to improve the performance of our regulators. An important element of this is developing a framework for auditing the performance of our regulators, which we have asked the Productivity Commission to do.

Senator WILLIAMS (New South Wales) (14:41): Mr President, I ask a further supplementary question. Can the Assistant Treasurer also outline to the Senate how regulation increased under the previous government and the impacts that has had on Australia's jobless rate and productivity ranking?

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:41): During Labor's nearly six years in office there were more than 975 new or amending pieces of legislation introduced and over 21,000 additional regulations. At the same time, there were more than 80 examples of major policy changes that were considered in the absence of proper regulatory analysis. The carbon tax, the mining tax, the National Broadband Network and changes to the Fair Work Act were all granted exemption and escaped detailed scrutiny. But, more than just increasing regulation, the government regulators have at the same time become larger and more risk averse. Whereas regulators have had the ability to cost-recover their fees from industry, it has been business that has borne the cost of regulators' risk aversion, and this has had a significant impact on our productivity. In 2012, the Economist Intelligence Unit ranked 51 countries for productivity growth, with Australia ranked 51st. That was the impact of six
years of increasing cost and regulation on the Australian economy, and the Prime Minister is doing something about it. *(Time expired)*

**Cambodia: Election**

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (14:43): My question is to the Minister representing the Minister for Foreign Affairs, Minister Brandis. I refer to Minister Bishop's recent meeting with the Prime Minister of Cambodia, Hun Sen. Did Minister Bishop raise the issue of the irregularities which marred the 2013 Cambodian election? And did she raise the prospect of Australia supporting a United Nations independent inquiry into the election, either at that meeting or at any other meeting, with members of ASEAN nations she met with on her trip?

**Senator BRANDIS** (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:43): I thank Senator Milne for her question. The foreign minister did visit Cambodia on 22 February, and she held meetings with, among others, the Prime Minister, the Deputy Prime Minister, the foreign minister and the opposition leader, Mr Rainsy. Mr Rainsy is, in fact, visiting parliament, as you know, Senator Milne, this week and will be meeting Ms Bishop tomorrow. At each of those meetings Ms Bishop did raise the issue of human rights, with both the government and the opposition. We have raised issues of human rights, including the issues to which you refer, through our embassy in Phnom Penh, through UN human rights forums and directly at the meetings to which I have referred.

During the course of those meetings, the foreign minister reaffirmed Australia's statement at the universal periodic review in Geneva on 28 June this year when we expressed our concerns about restrictions on freedom of peaceful assembly and association in Cambodia; expressed particular concern about the recent disproportionate violence against protesters and the detention without trial of some protesters; recommended that the government of Cambodia ensure full respect in law and practice of the freedom of peaceful assembly and association consistent with international law; and recommended that Cambodia establish an independent national human rights institution consistent with the Paris principles. Australia continues to monitor the human rights situation in Cambodia and to work constructively with the Cambodian government for the protection of human rights.

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (14:45): Mr President, I ask a supplementary question. I thank the minister for his answer and I welcome the fact that the minister raised the issue of human rights in her meeting with Prime Minister Hun Sen in Cambodia, but I wish to go specifically to the question of Australia's support for an inquiry into the irregularities which marred the 2013 Cambodian election. I ask specifically: what actions will Australia now proactively take to advance electoral reform— *(Time expired)*

**Senator BRANDIS** (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:46): Senator Milne, the issues raised with Hun Sen and other members of his government—and, indeed, with the opposition leader, Mr Rainsy—are as I have indicated. In relation to the more particular matter about which you have asked, I will take that on notice.

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (14:46): Mr President, I ask a further supplementary question. I thank the minister for his answer. Australia is a major
aid donor to Cambodia—$85 million in the current financial year. Has the government raised with Prime Minister Hun Sen the possibility that that aid money may be transferred to non-government organisations and away from government activities unless there is an improvement in human rights and a move towards electoral reform and a new election?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:47): As I indicated in my answer to the first supplementary question, the matters raised by the minister with the Prime Minister of Cambodia were as I have indicated. In relation to the specific matter about which Senator Milne inquires, I will take that on notice.

Australian Water Holdings

Senator JACINTA COLLINS (Victoria) (14:47): My question is to the Assistant Treasurer, Senator Sinodinos. I refer to the Assistant Treasurer's statement to the Senate on 28 February 2013 concerning Australian Water Holdings which he as minister saw fit to reaffirm on 6 March 2014. In that statement he asserted that at the time he became chair of the company he was not aware of the so-called loan arrangement with the Obeid family. Can the Assistant Treasurer confirm that in November 2010 the Obeid family bought 30 per cent of all shares in Australian Water Holdings? Did the Assistant Treasurer become aware of this purchase before or after his appointment as Assistant Treasurer?

The PRESIDENT: Again, as I have done consistently, I draw to the minister's attention that he needs to address that question in so much as it applies to his portfolio.

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:48): All I can do is stand by my previous statement, because it is true.

Senator Moore: Mr President, I rise on a point of order on relevancy. The question was asking directly about timing of knowledge. It was a question about timing of knowledge before or after he took up this particular post.

Honourable senators interjecting—

The PRESIDENT: Order! If you wish to debate it, you do so after three o'clock. There is no point of order because the minister had given his answer and resumed his seat. I cannot tell a minister, anyway, how to answer a question. The minister had completed his answer when you took your point of order, so the minister, as far as I am concerned, had finished answering the question.

Senator JACINTA COLLINS (Victoria) (14:49): Mr President, I have a supplementary question, because I continue to ask the Assistant Treasurer to expand on the answer he has made in his previous statements. I continue to request further information, as indeed may surface in ICAC, but can the Assistant Treasurer confirm that Eddie Obeid Jr was employed by Australian Water Holdings as an executive with a salary of $350,000 a year?

The PRESIDENT: I rule the question out of order.

Senator JACINTA COLLINS (Victoria) (14:51): Mr President, I have a further supplementary question. We continue to ask when the Assistant Treasurer became aware of this information. When did he become aware that the so-called loan arrangement between the Obeid family and Australian Water Holdings was a sham designed to cover up the true nature of their relationship? Was he Assistant Treasurer at the time?
The PRESIDENT: I rule that out of order.

Honourable senators interjecting—

Senator Brandis: Mr President, I rise on a point of order. Senator Conroy just plainly reflected on your ruling. He interjected in a most belligerent way, 'That's disgraceful,' at the moment you made your ruling. You ought to bring him to order.

The PRESIDENT: There is no point of order.

Senator Wong: Mr President, I rise on a point of order. I invite you, after question time, to reconsider that point of order, on the ruling that has been made. I am inviting the President to reconsider his ruling that question out of order. The question asked was as to when the Assistant Treasurer became aware of a fact and whether it was before or after he became a minister. That was precisely the question—

Senator Brandis interjecting—

The PRESIDENT: Order! Senator Brandis, I am listening to Senator Wong's point of order and I intend to review the questions that have been asked during question time in toto.

Commission of Audit

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (14:52): My question is to the Minister for Finance, Senator Cormann. I ask: can the minister inform the Senate why it was necessary to establish a Commission of Audit and to explain its importance to my constituents in the state of Western Australia?

Senator CORMANN (Western Australia—Minister for Finance) (14:53): I thank Senator Back for that question. We needed to establish a Commission of Audit because, after six years of Labor waste and mismanagement, our budget was in a mess. We needed to establish a Commission of Audit because we inherited $123 billion worth of projected deficits because of Labor. Labor are very touchy about this, because they know they left behind a budget in a mess.

The budget that we inherited of government debt, heading for $667 billion without corrective action. No doubt that is why Senator Wong has turned herself around, because she is so embarrassed about being confronted with her dismal track record. We took $42 billion worth of sensible savings to the last election but, given the state the budget is in, of course we have to build on that. That is why we have asked the Commission of Audit to look right across government for opportunities to ensure that government spending is as efficient and as well targeted as possible.

Senator Back asked: why is that important to the good people of Western Australia? The reason it is important to the good people of Western Australia is that, whenever governments in Canberra cannot live within their means, the Labor Party will always come up with another tax to target Western Australia. That is what they did with the mining tax and that is what they did with the tax on the North West Shelf gas project. Whenever the Labor Party was running out of cash, they looked to Western Australia to use them as a cash cow for their wasteful spending here out of Canberra yet again.

We have asked the Commission of Audit to look across government and to look for opportunities for efficiencies. They have presented their first report to us. It is a report to
government, which we are considering as part of our budget preparations, and the budget will be released on the second Tuesday in May.

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (14:56): I thank the minister for his response. Mr President, I ask a supplementary question. I ask: can the minister inform the Senate of any precedents when it comes to the public release of reports to government, such as the Henry tax review?

Senator CORMANN (Western Australia—Minister for Finance) (14:56): Yesterday, I was fortunate enough to catch a glimpse of an interview by David Speers on Sky with the Leader of the Opposition in the Senate, Senator Wong. David Speers asked Senator Wong this question: 'Remind me again: why didn't Labor put out the Henry tax review when you got it?' This is what Senator Wong had to say: 'I think we put it out—was it three or four months later? I can't recall.'

Let me assist Senator Wong. The government that she was a part of received the Henry tax review on 23 December 2009 and released it on 2 May 2010. That was a week or so before the budget. To be very specific, that was four months and 11 days later. Mr Speers then asked the obvious question: 'So why did you sit on it that long?' This is what Senator Wong had to say yesterday: 'Probably because we were considering it.' Guess what? We are considering the Commission of Audit report as we are putting the budget together! (Time expired)

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (14:58): Mr President, I ask a further supplementary question. I ask: can the minister inform the Senate of the government's intentions with respect to the Commission of Audit report?

Senator CORMANN (Western Australia—Minister for Finance) (14:58): The government's intention is to consider it. We are right now considering the Commission of Audit report as a report to government, as we are making judgements in relation to putting the budget together, which will be brought down by the Treasurer on the second Tuesday in May. What I can say to Senator Wong and to the Senate is that we will be releasing it in a time frame well short of the time frame used by the previous government, when they sat on the Henry tax review report for four months and 11 days.

We will do what we have always said we will do. We will release the Commission of Audit report in the context of the budget, as we said we would do. The Labor Party have got no credibility on this. They left the budget in a mess. We are setting out to repair the budget. We are doing it through an orderly, methodical and careful process. We will continue to do it professionally and we will release all of the information in good time, in the context of the next budget. (Time expired)

Veterans

Senator FARRELL (South Australia) (14:59): My question is to the Minister for Defence, Senator Johnston. I refer the minister to his statement on 7 February, when he expressed his confidence in Defence personnel, saying, 'I'm backing them at every turn of every corner.' Why is this support not extended to the children of Australian Defence Force veterans that have been killed or injured? Why is the minister supporting the decision to cut payments to children of war veterans, including some who are homeless, all to save a measly $250,000 a year?
Senator JOHNSTON (Western Australia—Minister for Defence) (15:00): I thank the senator for his question. All dependants who were eligible young persons immediately before the death, whether wholly, mainly or partly dependent, receive a tax-free lump sum compensation payment of $81,367.49 and education assistance under the Military Rehabilitation and Compensation Act Education and Training Scheme, while they remain an eligible young person. Education assistance includes an education allowance of $251.30 per year for primary school students and up to $421 per fortnight for secondary or tertiary students. This information is of course all available on the Defence website. If the eligible young person was wholly, mainly or partly dependent—

Senator Farrell: I rise on a point of order, Mr President. The minister is referring to a different payment. I am referring to a payment that is in relation to the MRRT legislation.

The PRESIDENT: That is a debating point.

Senator Ronaldson: I rise on a point of order, Mr President. I am happy for question time to be extended to allow the shadow minister to ask the proper minister this question if he would like to do so.

The PRESIDENT: That is not a point of order. Senator Johnston has taken the question. Senator Johnston, you have got one minute and six seconds remaining.

Senator JOHNSTON: As I was saying, if the eligible young person was wholly, mainly or partly dependent on the member or former member, while they remain an eligible young person they can also receive a weekly payment of $135.34; a gold repatriation health card, providing free medical care; and an MRCA supplement of $6.20 per fortnight.

The payment that the senator refers to was tied to the mining tax, a tax that raised no money, a tax that actually cost taxpayers money. The brilliance of the previous government was such that they introduced a tax that actually raised no revenue and cost the taxpayer a motza. I do not think in the history of our country we have ever seen a more incompetent government, which would introduce a tax that actually raised no revenue and cost the taxpayer money and then sought to tie a whole lot of benefits to it, to rub salt into the wound. Of course, the senator does not understand any of that.

Senator FARRELL (South Australia) (15:03): Mr President, I ask a supplementary question. Is the minister aware that RSL officials have described these cuts as 'mean-spirited' and a 'penny-pinching exercise' that hurts Defence families? Has the minister taken any action to stop this mean, penny-pinching decision from being implemented?

Senator Ronaldson: It's not his portfolio. What's wrong with you!

Senator FARRELL: Answer some questions on defence families.

Senator JOHNSTON (Western Australia—Minister for Defence) (15:03): I reassert the proposition that I put: there is an existing program that deals with precisely the matters the senator has raised, if he is prepared to pay any attention to the answer that I gave him. But of course, on the subject of defence, the other side is so embroiled in the politics that they are not interested in following through what benefits are available to Defence beneficiaries, to children of former Defence members, so I am really obviously wasting my time. During their time in office, the only thing they had to concern themselves with about Defence was to treat it as an ATM and a cash cow and rip it off. And that is exactly what they did, to the tune of
$18 billion in four years. So it is the height, may I say, of hypocrisy for the Labor Party to come in here with a question about Defence benefits.

Senator FARRELL (South Australia) (15:04): Mr President, I ask a further supplementary question. Given the minister's obvious support for these cuts and his decision to slash the pay and conditions of serving ADF personnel in the Middle East, when will the minister start standing up for the current and former Defence Force members and their families?

Senator JOHNSTON (Western Australia—Minister for Defence) (15:05): I note the senator comes from South Australia, the defence state. When I talked about the amount of money that had been ripped out of the defence portfolio, where was the senator, because his defence state was the principal victim of his own government's maladministration of the portfolio? He sat quiet while people's jobs were sacrificed in South Australia because of politics. The defence state of South Australia suffered more than any other state, and where was the senator in the last four years—advocating for his state? He sat dumb while the defence state of South Australia was utterly ripped off by his own government.

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

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Australian Water Holdings

Senator WONG (South Australia—Leader of the Opposition in the Senate) (15:06): I move:

That the Senate take note of the answers given by the Assistant Treasurer (Senator Sinodinos) to questions without notice asked by Opposition senators today relating to Australian Water Holdings Pty Ltd.

We saw today the continuing cover-up, in the Abbott government, of Senator Sinodinos. There are some extraordinarily serious public allegations which have been made against this minister, and you would have thought he would have taken the opportunity in question time today to front the Australian people and to front this chamber to answer legitimate questions, as the man who is responsible for administering business law and practice. I say this as he scurries out of the chamber. If he took his ministerial responsibility and the standards of ministerial conduct seriously he would come in here—

Senator Ian Macdonald: Mr Acting Deputy President, on a point of order: the accusation of 'scurrying' has certain connotations and it is quite inappropriate. Senator Sinodinos is a busy minister and has many things to do—

The ACTING DEPUTY PRESIDENT (Senator Marshall): That is not a point of order, Senator Macdonald. Resume your seat.

Senator WONG: If this government, this minister and this Prime Minister took the ministerial standards seriously, then they would ensure that this minister not only answered questions today but also gave a proper and full explanation to the Senate, and through it the Australian people, in response to the serious allegations which have been raised and which were touched on in his statement, which he gave some time ago, but which have not been added to since. In fact, the silence of Senator Sinodinos in the face of these allegations really speaks volumes—that he is willing to engage in an avoidance of all questions. In this he is
aided and abetted and led by the Leader of the Government in the Senate, who represents the Prime Minister in the Senate, to ensure that questions not be answered.

We know from what has been printed publicly that there are a great many allegations—extraordinarily serious allegations of corruption in the public arena. I invite those opposite to consider the statement of counsel assisting the Independent Commission Against Corruption yesterday and I suggest that the facts which are outlined in that statement indicate that, while the Assistant Treasurer was a director and later a chairman, Australian Water Holdings was engaged in deeply repugnant activities. Some of them include the gouging of huge amounts from taxpayers by overcharging, the use of that money to pay highly inflated remuneration—including, allegedly, $200,000 a year, plus bonuses, to the Assistant Treasurer for a couple of weeks work—and not to mention the issue of large donations to the New South Wales Liberal Party and the attempt to secure a lucrative contract with the New South Wales government through deeply corrupt means. All of this corruption is swirling inside AWH while the Assistant Treasurer was a director of the company. He was a director between late 2008 and late 2011, and this was when the worst of the alleged improper conduct, which we heard about yesterday in the corruption commission, was underway.

The revelations before the corruption commission are disgusting. Again I say: corruption is evil whenever it occurs and whoever is involved. I say this: Senator Sinodinos must give the Senate a full account of his involvement in Australian Water Holdings, including all the details about what he stood to gain if the company succeeded in securing the contract. I say to the Senate that the carefully worded statement to this Senate on 28 February by this minister is inadequate at best and at worst it deliberately obfuscates. It is vague about his knowledge of the Obeid family’s involvement; it fails to disclose the enormous financial benefit he stood to receive—a $20 million payday, revealed at ICAC yesterday—which was not discussed at all. His only explanation is that he knew nothing. He was a director; he was a chairman of the company; he was getting a couple of hundred thousand for a couple of weeks work; he was sitting on a share deal that would have made him a multimillionaire. But he did not know anything about what was going on in the company. This is simply not believable and he should come in and make a statement to clear this up. (Time expired)

Senator BIRMINGHAM (South Australia—Parliamentary Secretary to the Minister for the Environment) (15:11): What we have seen in this chamber today is a complete and utter abuse of question time, as those opposite sought to establish some type of kangaroo court. They came in here devoid of any sense of due process and devoid of any sense of relevance to the public policy issues before Australia today and simply tried to slur the good name of a good and hardworking member of this Senate.

The behaviour we have seen from those opposite is outrageous. It is so outrageous in fact that they spent most of question time in complete defiance of the usual standing orders and practices of this Senate. How humiliating and embarrassing for the opposition to come in here and have no fewer than five of their questions ruled out of order by their own President—by the man they appointed as President. Any president would have done so, because the questions were so transparently out of order. How humiliating for long-serving senators like Senator Wong and Senator Collins, who I note have slunk out of this place. How humiliating for them to come in here and not understand the rules that have effectively been in place in this Senate for the bulk of the 113-year life of this Senate. How humiliating!
The President rightly quoted on a ruling from the 13th edition of Odgers by former President Kerry Sibraa, dating back to 30 August 1988, when he said:

Questions may be put to a minister relating to the public affairs with which the minister is officially connected, to proceedings pending in Parliament, or to any matter of administration for which the minister is responsible in a personal or representative capacity…This is an overriding rule: that a question must seek information, or press for action within a minister’s responsibility. The chair will disallow any question where it is clear that it is not within a minister’s responsibility.

Clearly, those opposite have never bothered to sit down and look at the standing orders. They have never bothered to look at Odgers. They have not even listened when past rulings have been given. It is so embarrassing and humiliating, especially to see the Leader of the Opposition in the Senate, Senator Wong—a former Leader of the Government in the Senate, somebody who has been here for 12 whole years—who apparently has so little knowledge or capacity to be able to frame a question so that it is within orders.

Colleagues in the Labor Party of Senator Wong, Senator Collins and Senator O’Neill must be embarrassed by what they have seen today, particularly colleagues like Mr Albanese and Dr Leigh, who just today had been very public in their view that there is a proper place for the examination of these matters, that there is a proper way to treat these matters. Indeed, they are right. There is a proper time and a proper place, and it is not through the Labor Party attempting to establish some kangaroo court process here; it is through proper processes, the same proper processes that people like Mr Greg Combet and Senator Doug Cameron fronted up and gave their cooperation to and which Senator Arthur Sinodinos has said he will turn up and give his full cooperation to. He will give his full cooperation just like Senator Cameron did, just like Mr Combet did. That is the right time and right place for these matters to be addressed. That is where they will be addressed.

I am proud to have Senator Arthur Sinodinos as a colleague. He is a fine Australian. He has served this country with distinction as chief of staff to our second longest serving Prime Minister, as a former Treasury official, as a senator, as today a minister. He is somebody who has done wonderful things for this country and will continue to do so into the future. The reality is that those opposite are coming in here and attempting to besmirch his reputation with questions that are based on matters that occurred before he was in the Senate. They are attempting to suggest that because it is out of order for him to answer those questions here there is something to hide. He will answer those questions in the right place at the right time, where it is appropriate, not here and back down to the bullyboy tactics of those who seek to establish this place as some kangaroo court rather than a parliamentary chamber. (Time expired)

Senator FAULKNER (New South Wales) (15:16): In February last year, before he became a minister, Senator Sinodinos made a statement to the Senate regarding his involvement in the company Australian Water Holdings. Then earlier this month in question time Senator Sinodinos made clear that he stood by that statement and that, in fact, he stood by all of his previous statements on AWH. We now know that the personal loan agreement with members of the Obeid family that Senator Sinodinos informed the Senate about in his statement is a sham. The personal loan agreement was in fact a 30 per cent shareholding in AWH.

We all know that Senator Sinodinos served concurrently as a non-executive director, then as chairman of AWH and as the treasurer and later president of the New South Wales division
of the Liberal Party, and did so concurrently. Yesterday we heard in ICAC that Senator Sinodinos's joining the board of AWH was to open lines of communication with the Liberal Party. According to counsel assisting the Independent Commission Against Corruption, there is 'evidence he tried to do so'. Compare this to Senator Sinodinos's earlier statement to the Senate, where he said donations from AWH—and I quote him directly—'were handled by the management of the organisation at their discretion'.

I want to say this for the record. I will be really blunt here. I abhor the actions and behaviour of those corrupt Labor figures who are involved in this matter. I abhor their behaviour. I have nothing but utter contempt for those people and I think every senator on all sides of the chamber knows that that is the case. But I do believe that what is appropriate now as far as Senator Sinodinos is concerned, at a minimum, is for him, as Senator Wong has suggested, to make a full and comprehensive statement to the Senate about his dealings with AWH. I think it is essential if for no other reason than that Senator Sinodinos is sworn to administer the Department of the Treasury, because he has got ministerial responsibility for the Corporations Act 2001, which specifies the four main duties of company directors: care and diligence, good faith, proper use of position and proper use of information. Any Assistant Treasurer whose conduct or actions as a director have been raised in a hearing such as that now underway in New South Wales ICAC I believe must be fully transparent in the Senate. Any Assistant Treasurer must be able to assure the parliament, the Australian public, that in their private capacity they have also upheld the law and have demonstrated the highest standards of personal integrity.

Today in question time some questions were asked by the opposition. Some of those were ruled out of order. Of course then we had the complete contempt of the Senate where a dorothy dix question was asked and then answered by Senator Sinodinos. I thought those questions did deserve a considered and comprehensive statement, the content of which the Assistant Treasurer can be accountable for in this chamber. I believe he should make that statement and make it forthwith. There is nothing to stop him doing so. There is nothing to stop him answering these questions if he wishes to do so. I urge him to make the statement. I suspect his future as a minister depends on it. (Time expired)

Senator IAN MACDONALD (Queensland) (15:22): The depths of despair to which the Australian Labor Party have sunk have never been more clearly emphasised than in today's question time. Clearly, the questions committee of the ALP has gone on strike, like good union members. They have realised that there is pointless activity happening here—that is, question time. There was not a single question that the Labor Party have been able to or been prepared to ask about the policies of government, which is what question time is all about. What do they revert to? They revert to smears and attacks on the credibility of a person who has already given impeccable service to this country and who will continue to give impeccable service as a minister of this government for many years to come.

I cannot understand what Labor Party senators do not understand about the President's ruling: 'The question is out of the order. It is not relevant.' You would excuse Senator O'Neil, because she has only been in the Senate a little time, but Senator Wong, the leader of the party in the Senate, who has been here for some 12 years, could not quite understand the President's ruling. The questions were simply not in order, but she continued to besmirch members of the Senate whose credibility is impeccable.
People in glasshouses should not throw stones. We might ask: what do Labor senators know about that disgraceful exhibition at the front doors of this building 10 or 12 years ago, when the brass doors were knocked down by a group of people, including many unionists—rabble!—out there who were trying to damage Commonwealth property? Perhaps we will get a statement from the Leader of the Opposition in the Senate about what happened on that occasion and whether those people involved ever paid for the damage done to Parliament House.

The questions today very often referred to Mr Eddie Obeid. Correct me if I am wrong, but isn't Mr Eddie Obeid a former Labor member of parliament? If you want to know what Mr Obeid did, can I suggest to Labor senators opposite that you go and talk to your former Labor parliamentary colleague, Mr Obeid. Perhaps Senator Conroy could do that when he is picking up the keys for Mr Obeid's chalet up in the snowfields. I understand Senator Conroy was the recipient of that benefit.

Perhaps we should look at the training mine that ICAC referred to when my namesake—and I have often thought over the last few years about changing my name by deed poll—in New South Wales, Ian Macdonald, who was engaged in corrupt conduct with former CFMEU boss John Maitland about that training scheme rip-off perpetrated by members of the Labor Party who were in the New South Wales parliament at the time. This training mine proposal had the written endorsement of Mr Greg Combet, a Labor member of the other chamber and a former senior member of the Labor government.

We remember that former senator Bob Carr promoted Eddie Obeid. It has been suggested—I do not think he has yet been convicted of anything—that he is corrupt. It was former Labor senator Bob Carr who also promoted my namesake, Ian Macdonald, a Labor member of the New South Wales parliament, into his ministry. And all senators opposite stood by and protected Craig Thomson, who we now know, according to a court decision, is guilty of corrupt conduct. The President of the Labor Party in New South Wales has also been convicted of corrupt conduct.

If Labor senators want to ask questions about allegedly corrupt conduct, can I suggest they talk to Mr Obeid, Mr Williamson and Mr Craig Thomson. While they are at it, they might also talk to Mr Gordon Nuttall, a former Labor minister in my state of Queensland, who is currently serving time in jail for corruptly receiving bribes. Perhaps if my Labor friends opposite want to know about real corruption, they might ask their own colleagues rather than try to besmirch the reputation of a great Australian. (Time expired)

Senator O'Neill (New South Wales) (15:27): I too rise to take note of the answers given by Senator Sinodinos today to questions from the opposition. The questions went to the personal integrity of the senator and whether ministerial standards that apply to a minister of the Crown have been upheld by him. One thing is increasingly clear in this matter, and that is the considerable gap between what the minister said to this parliament in his statements of 28 February and his reaffirmation of 16 March and the information that is now emerging from the New South Wales ICAC inquiry into Australian Water Holdings.

Unfortunately, we have seen today in the minister's lack of a fulsome response to these questions the contempt that this government has for this place as a place of account. This parliament is a place where the Australian people can and should get the facts and the truth about what is going on. Instead, today we again witnessed the arrogance of this government—
a government that hides reports it does not want the electorate to see, a government that half discloses the facts and, even then, only after a process of shaming and painful extraction. Today we again saw the lack of a fulsome response from the Assistant Treasurer of Australia. This is a government that seems determined to treat this place and the Australian people with contempt by not approaching transparently and honestly the questions that are on offer for them to provide an account to the Australian people. Indeed, the heading of an article in today's *Australian Financial Review*, 'Politics of sewerage', is a very fitting one. There is a stench in the air here today that takes a way from the important work that should be happening in this place and by which Australians expect us to govern for their benefit.

I note that in New South Wales three of Senator Sinodinos's Liberal Party colleagues are similarly under investigation by ICAC. The member for Terrigal, Chris Hartcher, made much noise about an 'honourable sacrifice' in stepping down from his ministry while he was being investigated. The member for Terrigal, the member for The Entrance and the member for Wyong have all resigned from the state Liberal Party while they are being investigated. This was made out to be a great virtue; they argued they were doing the 'honourable' thing.

Here in the Senate, all we asked for today were some answers to legitimate questions that arise because of this enormous gap between the statements that Minister Sinodinos has made in this place and what is now on the public record, as the ICAC inquiry has started in New South Wales. He has just stonewalled. Despite the deliberate obfuscation, we are committed to pursuing the facts and the truth from the Assistant Treasurer, and that is what today's questions were seeking to ascertain.

Does Senator Sinodinos, now declared a person of interest by the Independent Commission Against Corruption, really think that he can come into this place and continue to refuse to answer questions from the Senate? Surely the unanswered questions that hang over him about his role as Treasurer of the New South Wales Liberal Party and his simultaneous appointment as a director of Australian Water Holdings now call into question his capacity to uphold the law and demonstrate high standards of integrity. Surely the unanswered questions about the payment of $200,000, plus bonuses, for less than 100 hours work per year call into question his capacity to uphold the law and demonstrate high standards of personal integrity. Surely the unanswered questions about the bundling of donations to the Liberal Party being charged back to Sydney Water's expenses call into question his capacity to uphold the law and demonstrate high standards of personal integrity. And surely the unanswered questions today about the sham arrangements that seem to have been part of the business model of Australian Water Holdings at the time that the minister was a director call into question his capacity to uphold the law and demonstrate the high standards of personal integrity expected of ministers.

At best, the few words offered by the Assistant Treasurer today constitute a fobbing-off of legitimate concerns. This place deserves better. It deserves a better and fulsome response from the Assistant Treasurer. The Australian people deserve better from their elected officials. Standards matter, especially in the areas of business law and practice for which this Assistant Treasurer is responsible. The Prime Minister promised the Australian people a more mature and honest government. That is not what we have seen on display here today. What we are seeing is a government that is there not for the people but for the government's mates—a government that is sanctimoniously squawking its superiority here day in, day out but that is silent under scrutiny. I am calling, as Senator Wong and Senator Faulkner have, for a full and
comprehensive statement to the Senate to correct the record and bridge the gap between what is now in the public domain and what the senator put on the record. *(Time expired)*

Question agreed to.

**Economy**

**Senator LUDLAM** (Western Australia) (15:32): As fascinating as it has been to hear the Liberal and Labor parties comparing who is the least corrupt in their relationships with Mr Obeid—

**The ACTING DEPUTY PRESIDENT (Senator Marshall):** You will need to move a motion, Senator Ludlam.

**Senator LUDLAM:** I move:

That the Senate take note of the answer—

that I failed to receive, I guess—

given by the Minister for Finance (Senator Cormann) to a question without notice asked by Senator Ludlam today relating to employment in Western Australia.

I put to him a question which I was not expecting him to find as provocative as he evidently did, but the government benches erupted—

**Senator Cash:** In hilarity!

**Senator LUDLAM:** Well, hilarity, if you like, Senator Cash. That is fine; I will take that. I put a question to Senator Cormann as to what plan the government has, if any, for employment opportunities in WA as the mining boom cools, and, specifically, I put this question to Senator Cormann three times in a row: whether government senators from WA would be permitted to accept a Greens call for a debate on the economy. Now, I suspect Senator Cash would probably welcome the opportunity. She is avoiding eye contact, but not to worry. I suspect Liberal senators from Western Australia would welcome the opportunity to do so, but Senator Cormann passed up three perfectly good opportunities. I believe that Prime Minister Abbott, on questioning by my colleague the member for Melbourne, Adam Bandt, passed up the opportunity as well.

If government senators are so proud of their record on managing the economy in the six disastrous months that they have been in office, then let us have the debate, let us have it in Western Australia and let us have it on the eve of a by-election—

**Senator Kroger:** What do you think parliament's all about?

**The ACTING DEPUTY PRESIDENT:** Order!

**Senator Kroger:** What's parliament all about?

**The ACTING DEPUTY PRESIDENT:** Order!

**Senator LUDLAM:** I am fairly sure that is disorderly, Senator Kroger! The debate in parliament is happening on the other side of the country. It is a debate happening 3½ thousand kilometres from where people will shortly be voting. There is plenty of time for government, for opposition and for minor-party senators to debate jobs and the economy in Western Australia. It is interesting that all we get back from the government are slogans. It worked beautifully when you were in opposition, and I take my hat off to you: Prime Minister Tony Abbott, the master of the aggressive, carnivorous, three-word slogan that cuts through—

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actually very, very impressive! But it is really dangerous to try and run a government that way, and that is effectively what you are doing.

When I stood up a short time ago, I pointed out that in fact the government does not appear to have a plan for employment in non-mining sectors of the Western Australian economy. The iron ore price took a hit this week and it sent shudders through the Western Australian economy. As the construction phase of the mining boom tapers into an operations phase, unemployment is rising. And there is no plan evident. If there is one, let us have the debate—not here, 3,000 kilometres from WA; let us have the debate in WA, where people can actually test the parties’ views.

We launched an employment plan for WA which focuses on a mature renewable energy sector, which we forecast could create about 26,000 jobs for employment in affordable housing and construction, particularly environmentally friendly, modular prefab housing; telecommunications; and agriculture and horticulture. There are a wide variety of fields that we think have a very big future in the Western Australian economy as we begin—or continue, I should say—the urgent transition to a zero-carbon economy.

Instead of the government taking up these issues, I was met with the most extraordinary uproar, a strange mix of hysteria, smugness and contempt from the government benches, for even proposing that such a debate occur in the context of a by-election. I will check with the member for Melbourne later but I am presuming that a similar smug uproar occurred from the government side of the chamber when he put his question in the other place.

All you have got are three-word slogans, and the tax that you propose to axe collects barely any revenue at all. That is why nobody is responding to Senator Cormann when he marches around the landscape saying that the mining tax is going to destroy the Western Australian economy: the mining tax that the Labor Party’s Minister Ferguson wrote with the big three miners barely collects any revenue at all. It has had no wrecking effect on the Western Australian economy. We are very happy to come in here and amend that tax so that it actually works as it was intended.

Last year, Rio Tinto made a $9.5 billion profit and they paid no minerals resource rent tax. BHP Billiton, one of the largest diversified miners in the world, made $6½ billion in after-tax profit just from their operations in Western Australia in iron ore in six months. It is very unclear to us whether they paid any MRRT, any minerals tax, at all. That is the tax that Senator Cormann believes is wrecking the Western Australian economy—and you wonder why it is not cutting through! You wonder why people are not marching and rallying in the streets!

The fact is that the government does not appear to have a clue about what kind of employment base should support Western Australians as the mining boom cools. The Greens do have some ideas. We would welcome the chance to debate them in an open format in Western Australia in front of Western Australian voters. If coalition senators are prevented from doing that, that will be more telling than anything they could potentially even say to people should that debate occur.

Question agreed to.
NOTICES

Presentation

Senator Siewert to move:
That the Senate—
(a) notes:
   (i) the launch of the Carers Australia report *Defusing a Ticking Time Bomb* on improving the quality and delivery of home care in Australia,
   (ii) that carers provide over $40 billion in care each year, a cost that would otherwise be passed onto health, community and government services,
   (iii) that Australia’s care system is coming under increasing pressure, and
   (iv) the health and wellbeing of a large proportion of the Australian community are dependent on the extent to which quality care can be administered in the home;
(b) acknowledges the critical role carers play in providing care in our community; and
(c) urges the Federal Government to review the report and develop a strategy to ensure better support for our carers.

Senator Milne and Senator Singh to move:
That the Senate—
(a) notes the ongoing violent conflict in South Sudan;
(b) supports Australia’s commitment of additional resources to the United Nations (UN) Mission in South Sudan and to UN efforts to bring peace and stability to South Sudan;
(c) supports an appropriate contribution by the Australian Government to promoting constructive dialogue between the various groups in the conflict; and
(d) calls on:
   (i) all parties to the conflict in South Sudan to:
      (a) immediately end armed conflict,
      (b) respect the mandate and neutrality of the UN mission, and
      (c) take measures to ensure the safety of all UN personnel, and
   (ii) the Australian Government to:
      (a) provide immediate humanitarian assistance to those at most serious risk, seeking the advice of the Australian South Sudanese communities about how best to target assistance, and
      (b) support and resource projects in Australia that address divisions in the South Sudanese Australian community and promote harmony and unity.

Senator Rhiannon to move:
That the Senate—
(a) notes that:
   (i) a number of serious safety breaches have occurred on Sydney commercial construction sites over the past 18 months, including the Barangaroo fire, the tower crane fire at the UTS building and the collapse of scaffolding at Mascot,
   (ii) the increasing numbers of contractors and sub-contractors employed on large construction projects has been linked to insufficient control over safety practices,
(iii) WorkCover NSW has significantly scaled back its enforcement actions to protect working people’s safety in both the construction sector and more generally across New South Wales, and

(iv) the historic role construction unions played in winning support for occupational health and safety legislation and their ongoing role in promoting workplace safety;

(b) supports the call of Unions NSW and the Construction, Forestry, Mining and Energy Union for an urgent safety audit of major construction sites across Sydney; and

(c) urges the New South Wales Minister for Finance and Services, Mr Andrew Constance, to initiate this audit and allocate extra resources as required for the quick completion of this task.

**Senator Ludwig** to move:


**Senator Fifield** to move:

That—

(a) if by 8 pm on Thursday, 20 March 2014, the following bills have not been finally considered:

- Clean Energy Legislation (Carbon Tax Repeal) Bill 2013
- Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013
- Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013
- True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013
- True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013
- Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013
- Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013
- Clean Energy (Income Tax Rates and Other Amendments) Bill 2013
- Minerals Resource Rent Tax Repeal and Other Measures Bill 2013,

the Senate shall not adjourn, the routine of business from not later than 8 pm shall be government business only, and the Senate shall continue to sit until it has finally considered these bills, or a motion for the adjournment is moved by a minister, whichever is the earlier; and

(b) divisions may take place after 4.30 pm.

**Senator Waters** to move:

That the Senate—

(a) notes:

(i) recent revelations of threats to water from the unconventional gas industry, including water contamination with uranium at 20 times the safe level, at coal seam gas company Santos’ Pilliga operations,

(ii) recent reports of contamination of groundwater by asbestos contained in drilling fluids at Origin’s coal seam gas operations in Queensland, and

(iii) the important role of the Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development in advising on project impacts and conducting bioregional groundwater assessments; and

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**CHAMBER**
(b) calls on the Federal Government to:
   (i) not issue any further approvals for unconventional gas mining under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act),
   (ii) suspend all existing unconventional gas approvals,
   (iii) maintain the funding for the Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development,
   (iv) expand the federal protection for water under the EPBC Act to include shale gas and tight gas mining, and
   (v) retain federal powers to protect water from coal seam gas, rather than seeking to delegate these to state governments.

Postponement

The following item of business was postponed:


COMMITTEES

Economics References Committee

Reference

Senator KIM CARR (Victoria) (15:38): I, and also on behalf of Senators Milne and Madigan—and I might amend that to include Senator Xenophon—move:

That the following matter be referred to the Economics References Committee for inquiry and report by the first sitting day of July 2015:

(a) the need to attract new investment in innovation to secure high skill, high wage jobs and industries in Australia, as well as the role of public policy in nurturing a culture of innovation and a healthy innovation ecosystem;
(b) the Australian Government's approach to innovation, especially with respect to the funding of education and research, the allocation of investment in industries, and the maintenance of capabilities across the economy;
(c) the importance of translating research output into social and economic benefits for Australians, and mechanisms by which it can be promoted;
(d) the relationship between advanced manufacturing and a dynamic innovation culture;
(e) current policies, funding and procedures of Australia's publicly funded research agencies, universities, and other actors in the innovation system;
(f) potential governance and funding models for Australia's research infrastructure and agencies, and policy options to diversify science and research financing;
(g) the effectiveness of mechanisms within Australian universities and industry for developing research pathways, particularly in regards to early and mid career researchers;
(h) policy actions to attract, train and retain a healthy research and innovation workforce;
(i) policy actions to ensure strategic international engagement in science, research and innovation; and
(j) policy options to create a seamless innovation pipeline, including support for emerging industries,
with a view to identifying key areas of future competitive advantage.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and
Assistant Minister for Social Services) (15:39): I seek leave to make a short statement.

The ACTING DEPUTY PRESIDENT (Senator Marshall): Leave is granted for one
minute.

Senator FIFIELD: The government contends that this inquiry is simply a stunt. On this
side of the chamber we know that industry is the driver of Australian business and the
Australian economy, with manufacturing a fundamental building block of our five-pillar
economy. We know that the role of the government is to provide a sound framework for
manufacturers and businesses to grow and create new opportunities. We are tackling these
challenges in Victoria and South Australia, in particular, via a thorough and transparent
economic review process. The independent panel members have taken detailed submissions
from a wide range of sectors, including advanced manufacturing, engineering, electrical,
defence and biotechnology. The Australian government is considering all the information
gathered from the panel reports and is developing the strongest policy framework in order to
reignite opportunities for industry.

Question agreed to.

BUSINESS

Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and
Assistant Minister for Social Services) (15:39): I move:

That consideration of the business before the Senate on Wednesday, 19 March 2014, be interrupted
at approximately 5 pm, but not so as to interrupt a senator speaking, to enable Senator O'Sullivan to
make his first speech without any question before the chair.

Question agreed to.

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and
Assistant Minister for Social Services) (15:40): I move:

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

Appropriation Bill (No. 3) 2013-2014
Appropriation Bill (No. 4) 2013-2014
Appropriation (Parliamentary Departments) Bill (No. 2) 2013-2014.

Question agreed to.

REGULATIONS AND DETERMINATIONS

Migration Amendment (Temporary Protection Visas) Regulation 2013

Disallowance

Senator CASH (Western Australia—Assistant Minister for Immigration and Border
Protection and Minister Assisting the Prime Minister for Women) (15:41): I move:
That, for the purposes of paragraph 48(1)(a) of the Legislative Instruments Act 2003, the Senate rescinds its resolution of 2 December 2013 disallowing the Migration Amendment (Temporary Protection Visas) Regulation 2013, as contained in Select Legislative Instrument 2013 No. 234 and made under the Migration Act 1958.

I seek leave to make a one-minute statement.

Leave granted.

Senator CASH: If the opposition join with the Greens to vote down this motion, they will be sending a very clear message to the people of Australia about where they stand on border protection and the fact that they have learned nothing from six years of failed border protection policies under the former Labor-Greens government. Australia elected this government with a clear task: to clean up Labor’s mess and to stop the boats. It has now been 89 days since a successful maritime venture has reached Australia. The positive progress of Operation Sovereign Borders is not due to any single measure; it is a culmination of all of the government’s policies to combat people smuggling. The opposition, if they choose, can team up with the Greens in the Senate today and vote against this motion. But rest assured that this government is resolute in its commitment to the Australian people that people who arrive illegally by boat will not be getting permanent protection visas from this government.

Senator KIM CARR (Victoria) (15:42): I seek leave to make a short statement.

The ACTING DEPUTY PRESIDENT (Senator Marshall): Leave is granted for one minute.

Senator KIM CARR: Labor stand by the decision we made when we disallowed the introduction of TPVs by this government. That ought to come as no surprise to the government, which nonetheless has decided to waste the Senate’s time with this attempt to rescind that decision. Our position on TPVs is well known and longstanding and our rationale is very clear. It is an ineffective policy that will not deter anyone from risking their lives on dangerous boat journeys. It will in fact lead to considerable hardship, as it is directed primarily at the cohort of people who are already in Australia. TPVs do not allow for any method of family reunion. TPV holders who leave Australia are not permitted to return, and this creates a terrible risk because it actually encourages more people to undertake those terrible sea voyages.

The PRESIDENT: The question is that the motion moved by Senator Cash be agreed to.

The Senate divided. [15:48]

(The President—Senator Hogg)

Ayes ........................28
Noes ........................35
Majority ......................7

AYES

Back, CJ
Boswell, RLD
Bushby, DC
Colbeck, R
Eggleston, A
Fifield, MP
Johnston, D

Bernardi, C
Brandis, GH
Cash, MC
Edwards, S
Fawcett, DJ
Heffernan, W
Kroger, H (teller)
AYES
Macdonald, ID
McKenzie, B
O'Sullivan, B
Ronaldson, M
Ryan, SM
Seselja, Z
Smith, D
Mason, B
Nash, F
Payne, MA
Ruston, A
Scullion, NG
Sinodinos, A
Williams, JR

NOES
Bilyk, CL
Brown, CL
Carr, KJ
Conroy, SM
Di Natale, R
Farrell, D
Gallacher, AM
Hogg, JJ
Ludlam, S
Lundy, KA
Marshall, GM
Milne, C
O'Neill, DM
Polley, H
Sievert, R
Sterle, G
Urquhart, AE
Whish-Wilson, PS

PAIRS
Abetz, E
Birmingham, SJ
Boyce, SK
Cormann, M
Fierravanti-Wells, C
Parry, S
McLucas, J
Thorpe, LE
Stephens, U
Wong, P
Pratt, LC
Faulkner, J

Question negatived.

BILLS
End Cruel Cosmetics Bill 2014
First Reading

Senator RHIANNON (New South Wales) (15:51): I move:

That the following bill be introduced: A Bill for an Act to amend the Industrial Chemicals (Notification and Assessment) Act 1989, and for related purposes.

Question agreed to.

Senator RHIANNON: I present the bill and move:

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

Senator RHIANNON (New South Wales) (15:52): I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

Every year in the name of cosmetics, an estimated five hundred thousand animals around the world will be inflicted with pain and suffering. This is unacceptable and should be stopped. That is the intent of this Bill.

Rabbits may be held helpless by restraints around the neck, have their eyes forcibly held open, and new ingredients dripped into an eye to see how long it takes to bleed, or ulcerate, or burn sight from that eye.

Mice or rats, and their pups, may be slowly poisoned with new formulations force-fed down their throats to see how long it takes to start convulsing or become paralysed, or how slow they are to die—days, weeks or months. They may be locked in full-body tube restraints, forced to breathe substances until they die bleeding and convulsing, or are then killed so their organs can be examined to examine the impact of the poisoning process.

Guinea pigs or mice may have ingredients injected under their skin until it ulcerates.

Any of these animals may have formulations rubbed into raw skin until it blisters or corrodes.

All in the name of the latest newly formulated cosmetic wonder product.

There is widespread global recognition, by governments and consumers alike, that the testing of animals for cosmetics and new cosmetic ingredients is cruel and unnecessary.

Some 81% of Australians believe Australia should follow the EU in banning the sale of cosmetics tested on animals, with this figure increasing to 85% for women.

Australian cosmetics companies already routinely state they do not test their cosmetics on animals.

The Australian peak body for cosmetics states:

- "The industry accepts … more needs to be done … to eliminate needlessly cruel test methods and improve the general treatment and welfare of laboratory animals";
- "The industry largely stopped animal testing on finished cosmetic products in the 1980s, long before the introduction of the EU phase out";
- "The local industry and Australian consumers will also be beneficiaries of these European initiatives"; and
- "The cosmetics industry, both here and abroad, is committed to the eventual elimination of animal testing for cosmetics ingredients".

The End Cruel Cosmetics Bill 2014 follows domestic and international expectation, understanding there are alternatives already being used by the cosmetic industry around the world.

The Bill accounts for these changes in technology in order to protect animals from needless pain and suffering.
More than 5,000 available raw ingredients that have already been tested are already available and used by cosmetic manufacturers, requiring no new animal testing.

The safety of new product formulations used to market an exclusive new product, and made from well known existing cosmetic ingredients, can be assured using available non-animal testing methods. This scientific testing includes in vitro methods which predict outcomes based on chemical structure and reactivity using computational modelling, genomics and metabonomics.

Already cosmetics manufacturers in the EU are compelled to use methods such as those already scientifically validated by the European Commission's European Centre for the Validation of Alternative Methods.

The End Cruel Cosmetics Bill 2014 amends the Industrial Chemicals (Notification and Assessment) Act 1989 (the ICNA Act) to prohibit developing, manufacturing, selling, advertising or importing into Australia cosmetics, or ingredients for cosmetics, which have been tested on animals.

The Bill amends Part 3B of the ICNA Act, which already provides for standards for cosmetics imported into, or manufactured in, Australia.

The Bill does not apply to:

- therapeutic goods within the meaning of the Therapeutic Goods Act; or
- substances that are not tested for use in cosmetics, but are animal-tested for some other use such as in medicines; or
- cosmetics with ingredients that were tested on animals in the past; or
- ingredients prescribed by the regulations.

This Bill is not discriminatory under international trade law: it effectively applies the same prohibitions to domestic products as it does to imports.

Further, Article XX(a) of the GATT authorises member states to deviate from their other WTO commitments where "necessary to protect public morals" and in Article XX(b) where "necessary to protect human, animal, or plant life or health...".

The Bill also provides that its effect on the importation of a substance is subject to Australia's international obligations.

This Bill allows Australia to follow the path already made by governments around the world, and trodden by the cosmetic companies in those countries:

- The European Union, including the UK, began phasing in a ban on the testing and marketing of cosmetics or their ingredients which have been tested on animals in 2009, with a complete ban taking effect in March 2013.
- Israel banned the testing of cosmetics and household cleaning products on animals, with a complete ban on the import, marketing and sale of animal tested cosmetics, personal care or household products taking effect in January 2013.
- India banned the testing of cosmetics and their constituent ingredients on animals in June 2013, and is moving towards banning the sale of animal tested products.
- Even China—that country to which Australian exporters cast their sights—has removed its mandatory animal testing requirements for domestically manufactured cosmetics products, which takes effect in June 2014. The China Food & Drug Administration has stated that once the new system is established, it may be expanded to include imported products and "special use" cosmetics.
- A Bill was introduced into the US Congress in March 2014 that prohibits animal testing in the US cosmetics industry and phases out sale of cosmetics tested on animals in foreign countries.

Whilst Australia is not blazing a new trail, we can make sure we're not left behind.
This Bill meets national and international expectations in prohibiting actions that are strictly not necessary for the manufacture of cosmetics. The majority of Australians and a growing number of major international regulators judge these practices to be unacceptable.

The Bill promotes scientifically validated, alternative testing regimes that are already legislated as the only acceptable option in 30 countries, with the US and China expected to soon follow.

Around the world, NGOs have been working hard with communities and governments to end the use of cruel cosmetics. The team working on this bill has crossed countries and oceans to build this campaign, and I thank Humane Society International, Humane Research Australia and Choose Cruelty Free for their invaluable advice. The Animal Justice Party has also been a driving force. And I thank and acknowledge Voiceless, Animals Australia and many other groups committed to ending cruel cosmetics.

Senator RHIANNON: I commend the bill to the Senate and I present the accompanying explanatory memorandum. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MOTIONS

International Development Assistance

Senator McEWEN (South Australia—Opposition Whip in the Senate) (15:53): I, and also on behalf of Senator Moore, move:

(a) notes:

(i) the importance of the Australian aid program to sustainable economic and social development and poverty alleviation for Pacific nations,

(ii) the contribution of the Australian aid program to Australia’s national interests through support for regional stability, security and prosperity,

(iii) the verbal commitment by the Minister for Foreign Affairs to not cut Australian development assistance to Pacific nations, and

(iv) the announcement by the Minister on 18 January 2014 that $650 million will be cut from Australia’s development assistance in 2013-14, including $61.4 million to the following Pacific country and regional programs:

Papua New Guinea – $5.3 million,
Solomon Islands – $14.2 million,
Vanuatu – $6.2 million,
Samoa – $3.6 million,
Fiji – $2.8 million,
Tonga – $2.7 million,
Kiribati – $3 million,
Other small Pacific islands – $3.6 million, and
Pacific regional – $20 million;

(b) calls on the Minister to meet her commitment to not cut Australian development assistance to Pacific nations; and

(c) calls on the Government to reverse its $4.5 billion in cuts to Australia’s aid program and work to reinstate funding to levels published in the 2013 14 Budget.
Senator RHIANNON (New South Wales) (15:53): I seek leave to move two amendments to the motion.

Leave granted.

Senator RHIANNON: I move the amendments circulated in my name:

After subparagraph (a)(iv), insert:

(v) the United Nations has urged developed countries to commit to a 0.7 per cent gross national income (GNI) target by 2015 to meet the Millennium Development Goals;

Paragraph (c), omit all words after “Australia’s aid program and”, substitute “to work towards 0.7 per cent of GNI allocated to overseas aid by increasing funding to 0.5 per cent of GNI by 2017-18”.

The ACTING DEPUTY PRESIDENT (Senator Marshall): The question is that the amendments be agreed to.

Question negatived.

Senator RHIANNON (New South Wales) (15:54): I seek leave to make a short statement.

The ACTING DEPUTY PRESIDENT (Senator Marshall): Leave is granted for one minute.

Senator RHIANNON: It is incredibly disappointing that neither the Labor Party nor the coalition will today support the United Nations Millennium Development Goal of a target for aid funding of 0.7 per cent of GNI. Countries such as the Netherlands, Denmark, Norway and Sweden have all met this goal. Not only has Australia lagged behind, but the recent Labor government, under a succession of ministers, continually deferred even a conservative target of 0.5 per cent of GNI. In 2008 foreign minister Stephen Smith committed Australia to a target of 0.5 per cent of GNI by 2015-16. This was reaffirmed in 2009, 2010 and 2011. In 2012 foreign minister Bob Carr deferred this target to 2016-17. In 2013 he delayed it again, to 2017-18, despite the ALP’s own platform calling on the party to work towards a goal of 0.7 per cent. It is disappointing to see them vote with the coalition to block such a call in the Senate.

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

Question agreed to.


The ACTING DEPUTY PRESIDENT (Senator Marshall): Leave is granted for one minute.

Senator FIFIELD: The Australian government strongly refutes the assertion that neither the Labor Party nor the coalition will today support the United Nations Millennium Development Goal of a target for aid funding of 0.7 per cent of GNI. Countries such as the Netherlands, Denmark, Norway and Sweden have all met this goal. Not only has Australia lagged behind, but the recent Labor government, under a succession of ministers, continually deferred even a conservative target of 0.5 per cent of GNI. In 2008 foreign minister Stephen Smith committed Australia to a target of 0.5 per cent of GNI by 2015-16. This was reaffirmed in 2009, 2010 and 2011. In 2012 foreign minister Bob Carr deferred this target to 2016-17. In 2013 he delayed it again, to 2017-18, despite the ALP’s own platform calling on the party to work towards a goal of 0.7 per cent. It is disappointing to see them vote with the coalition to block such a call in the Senate.

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

Question agreed to.

Senator FIFIELD: The Australian government strongly refutes the assertion that the Minister for Foreign Affairs made a verbal commitment to Solomon Islands and Vanuatu to not reduce Australian development assistance. The official records of the meetings between the minister and her Solomon Islands and Vanuatu counterparts do not support the assertion. In the case of Nauru, the foreign minister committed that the proposed 2013-14 budget would be met and has kept this promise.

The government notes that Ms Plibersek and Mr Thistlethwaite were invited to tour the Pacific with an official delegation as part of a longstanding tradition of a bipartisan nature initiated by the Howard government. The false assertions levelled by the opposition with
regard to meetings to which they were invited clearly undermined the bipartisan spirit of this tour. As announced before the election, the government are refocusing our aid, trade and diplomatic efforts in our region where our national interest is and where we have the most capacity to make a difference.

COMMITTEES

Environment and Communications Legislation Committee

Reporting Date

Senator KROGER (Victoria—Chief Government Whip) (15:57): At the request of the Chair of the Environment and Communications Legislation Committee, Senator Williams, I move:

That the time for the presentation of the report of the Environment and Communications Legislation Committee on Australia Post be extended to 14 April 2014.

Question agreed to.

MOTIONS

Human Rights: Sri Lanka

Senator MILNE (Tasmania—Leader of the Australian Greens) (15:57): I move:

That the Senate—

(a) expresses concern:

(i) at the arrest and subsequent detention of Ms Balendra Jeyakumari, an advocate for families of the disappeared, and the arrest of her 13 year old daughter Vidushika, by the Sri Lankan police on Thursday, 13 March 2014, and

(ii) that these arrests followed both Balendra and Vidushika Jeyakumari being featured in media photographs and videos when British Prime Minister Mr David Cameron visited northern Sri Lanka during the Commonwealth Heads of Government Meeting in 2013;

(b) notes, with concern, reports that Australia is working to actively undermine the United States (US) resolution, entitled 'Promoting reconciliation, accountability, and human rights in Sri Lanka', to be voted on at the upcoming meeting of the United Nations Human Rights Council (UNHRC); and

(c) calls on the Australian Government to:

(i) intervene and call for the release of Ms Balendra Jeyakumari and for her to be reunited with her daughter, and

(ii) desist from watering down the resolution proposed by the US at the upcoming meeting of the UNHRC.

Question negatived.


The ACTING DEPUTY PRESIDENT (Senator Marshall): Leave is granted for one minute.

Senator FIFIELD: The Australian government is aware that on 13 March 2014 the Sri Lankan police arrested a Tamil widow, Ms Balendra Jeyakumari, and her 13-year-old daughter for allegedly harbouring a former cadre of the banned terrorist organisation the Liberation Tigers of Tamil Elam accused of shooting and injuring a policeman. We are now
aware that Ms Jeya Kumari has been detained under the Prevention of Terrorism Act and her daughter has been released on probation. At this stage, the facts remain unclear and the Australian High Commission in Colombo continues to seek clarification.

Reports that Australia is actively working to undermine the US-led resolution on Sri Lanka on the Human Rights Council are completely unfounded. The decision on whether Australia will co-sponsor the resolution will be made after due consideration of the final text and the balance of issues it raises. The Australian government remain in regular contact with the full range of Sri Lankan political officials and community figures and other interested parties, including the US and UK governments and Australian NGOs, ensuring that we are well informed of the spread of views.

COMMITTEES

Environment and Communications References Committee
Meeting

Senator KROGER (Victoria—Chief Government Whip) (16:00): I move:
That the Environment and Communications References Committee be authorised to hold a public meeting during the sitting of the Senate on Tuesday, 18 March 2014, from 5 pm to 6 pm, to take evidence for the committee's inquiry into the Direct Action Plan.
Question agreed to.

Reporting Date

Senator KROGER (Victoria—Chief Government Whip) (16:00): I move:
That the time for the presentation of the report of the Environment and Communications References Committee on the Direct Action Plan be extended to 26 March 2014.
Question agreed to.

Foreign Affairs, Defence and Trade References Committee

Reporting Date

Senator KROGER (Victoria—Chief Government Whip) (16:00): I move:
That the time for the presentation of the report of the Foreign Affairs, Defence and Trade References Committee on overseas aid be extended to 27 March 2014.
Question agreed to.

MOTIONS

Fulton, Ms Roseanne

Senator SIEWERT (Western Australia—Australian Greens Whip) (16:00): I move:
That the Senate—
(a) acknowledges:
(i) Ms Rose Anne Fulton has been held in custody in Kalgoorlie for 18 months without a trial or conviction, and
(ii) that it is unacceptable for people to be held in custody indefinitely without conviction;
(b) notes:

(i) the failure of the Northern Territory Government to provide suitable accommodation and treatment options in order for the Western Australian Government to safely and securely transfer Ms Fulton back to her home in Alice Springs, and

(ii) that Ms Fulton is directly under the guardianship of the Northern Territory Minister for Health, Ms Lambley, as she remains an adult guardian client of the Northern Territory Minister and Mr Ian McKinlay; and

(c) calls on the Federal Government to take leadership and negotiate a transfer of Ms Fulton to Alice Springs to enable her to be close to her family.

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (16:00): Mr Acting Deputy President, I seek leave to make a short statement.

The ACTING DEPUTY PRESIDENT (Senator Marshall): Leave is granted for one minute.

Senator SCULLION: I understand the frustration people feel in relation to this case. It is a very complex matter. The full details simply cannot be captured by a motion like this. It is a matter for Western Australia and the Northern Territory to try to find a resolution.

In saying that, I have recently written to the attorneys-general of Western Australia and the Northern Territory, as well as the Minister for Health, on this matter. My office has spoken to Ms Fulton's community guardian, Mr McKinlay. I would be happy to keep Senator Siewert abreast of updates in relation to Rosie Fulton's circumstances.

Senator SIEWERT (Western Australia—Australian Greens Whip) (16:01): I seek leave to make a short statement.

The ACTING DEPUTY PRESIDENT (Senator Marshall): Leave is granted for one minute.

Senator SIEWERT: I appreciate the words from Minister Scullion. The fact is that Ms Fulton has been in detention for 18 months without trial or conviction. Additionally, there is a number of people around Australia with a disability who are in prison without conviction or trial. It is time that Australia dealt with these issues that are allowing people to be held in this matter—in particular, Ms Fulton. It is really inappropriate for her to be held in Kalgoorlie in detention when her family is in Alice Springs. It is time that Australian governments resolved this issue. That is why this motion is calling on the federal government to show some leadership to ensure that Ms Fulton is not held in this manner in Kalgoorlie for a moment longer. It is time that she was out of these circumstances. I urge the Senate to support this motion to encourage and urge the government to show some leadership.

Question agreed to.

DOCUMENTS

Great Barrier Reef Marine Park Authority
Order for the Production of Documents

Senator WATERS (Queensland) (16:03): I move:

That there be laid on the table by the Minister representing the Minister for the Environment, no later than noon on 27 March 2014, any draft or final documents after 1 June 2013 relating to the internal
concerns of the Great Barrier Reef Marine Park Authority (GBRMPA) with the following applications by North Queensland Bulk Ports Corporation, including departmental and ministerial briefings and any documents which were given to the Minister:

(a) application for an approval under the Environment Protection and Biodiversity Conservation Act 1999 for proposed capital dredging at Abbot Point (EPBC 2011/6213);

(b) application for a permit under the Great Barrier Reef Marine Park Regulations 1983 to dump Abbot Point dredge spoil in the Great Barrier Reef Marine Park (ref 34897, dated 6 January 2012); and

(c) application dated 4 March 2013 for a permit under the Environment Protection (Sea Dumping) Act 1981 to dump Abbot Point dredge spoil at sea.

Question agreed to.

Maules Creek Project
Order for the Production of Documents

Senator WATERS (Queensland) (16:03): I move:

That there be laid on the table by the Minister representing the Minister for the Environment, no later than noon on 20 March 2014, the following documents:

(a) the independent review of offsets for the Maules Creek coal project submitted to the Minister in accordance with Condition 10 of the approval of the project (Ref: EPBC 2010/5566);

(b) any correspondence between the department and the following parties between 1 December 2013 and 17 March 2014:
   (i) Whitehaven Coal,
   (ii) Hansen Bailey,
   (iii) Cumberland Ecology, and
   (iv) Alison Martin;

(c) any ministerial briefing notes concerning any matters related to the Maules Creek coal project prepared between 1 December 2013 and 17 March 2014; and

(d) any internal departmental emails and memos regarding the independent review of the offset arrangements of the Maules Creek project between 1 December 2013 and 17 March 2014.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Education Funding

The ACTING DEPUTY PRESIDENT (Senator Marshall) (16:04): The President has received the following letter from Senator Siewert:

Pursuant to standing order 75, I propose that the following matter of public importance be submitted to the Senate for discussion:

The failure of the Abbott Government to address educational inequality and deliver needs-based funding across Australia.

Is the proposal supported?

More than the number of senators required by the standing orders having risen in their places—
The ACTING DEPUTY PRESIDENT: I understand that informal arrangements have been made to allocate specific times to each of the speakers in today's debate. With the concurrence of the Senate, I shall ask the clerks to set the clock accordingly.

Senator WRIGHT (South Australia) (16:05): In many ways I am saddened to begin this debate on the coalition government's failure to address educational inequality and deliver needs based funding across Australia. I am saddened because, really, the writing was on the wall. The coalition's contempt for a more equitable Australia has always been pretty clear, particularly in relation to schools funding. Certainly it was clear before the election, despite the sleight of hand that was played on the Australian public by the education shadow minister at that time, when Mr Pyne professed that they were on a unity ticket with the previous government.

I am also very proud to stand here again to make the case for a schooling system in Australia where every child will have the chance to succeed and where not one child will be denied a future just because of their background. Since coming to government the coalition have done nothing to address the staggering inequality gap in education in Australia. In fact, their duplicitous policy manoeuvring will further entrench privilege and advantage in some schools over others—just like the Howard government did before them.

Far from working towards a national needs based funding model, the Abbott government has diligently undermined the work of the Gonski review panel at every opportunity, with a distraction here or there, a few blank cheques here or there, and at every step of the way by using the language of command and control to sneakily undo anything that might—just might—give disadvantaged kids in Australia the same educational opportunities as Australia's most privileged children. I want to be clear that there is no needs based school model for Australian schools being delivered by this government. In fact, it has been remarkably consistent in its opposition to funding targeted towards those students who need extra help. So, despite promises of a unity ticket before the election and a whole lot of policy gymnastics afterwards, this government has only ever had an eye to the politics and never made a real commitment to resolving the problem.

The problem is that here, in the land of the fair go, as we like to think, conservative governments have created one of the most inequitable school funding systems in the world. The problem is that the gap between the top and bottom 20 per cent of year 9 students' reading performance, for example, is up to an equivalent of five years schooling. But the coalition government are not concerned about the problem or the social and economic costs of leaving 20 per cent of the population behind. If you look at what they are saying on the record, the Minister for Education, Christopher Pyne, and the Prime Minister, Tony Abbott, deny its very existence. They have consistently denied that there is inequality in Australian schools. This is in the face of compelling evidence from Australian and international sources. So they are being wilfully blind.

Mr Pyne uses falling rankings from PISA test data to justify educational red herrings to distract, but like too many struggling schoolkids he could obviously use some help with his reading comprehension, because what PISA really exposes—and this is the commentary from some of the PISA experts—is a shocking inequality of opportunity in our country in 2014. It is this social segregation, where family wealth in Australia is the best indicator of success, that is driving Australia's educational performance down. There is a clear and evident fix for
this problem, and that is needs based funding. It is about directing extra resources to the most disadvantaged students, which will raise educational outcomes for the whole country. Indeed, the OECD say that this type of investment brings economic benefits twice as high as the initial outlay.

Despite throwing cash without conditions at Queensland, Western Australia and the Northern Territory, the Minister for Education, Mr Pyne, insists on saying that money is not part of the solution. He bleats that money does not matter and says that government spending on education has never been higher. For that I will give him half a mark, because education spending on non-government schools has never been higher in Australia, but we are leaving literally millions of students behind by failing to properly fund public education. It is no surprise that all the extra money coalition governments have funnelled into private schools has made no difference in lifting educational outcomes. Giving more money to the wealthy has not worked. That coalition policy is a complete and utter failure.

So let's try something new; let's try something novel. How about investing in the most needy in accordance with the recommendations of Australian and international evidence? Too often in this place I hear those on government benches talking about the Gonski school funding system as throwing money at a problem, but let me make it clear to everyone on the government benches: the Gonski reforms are about targeted spending; they are about spending where there is disadvantage on evidence based programs to help those children in those schools reach their potential. There is no throwing of money and there are no blank cheques. Well, there were not until the coalition came to government and set about actively avoiding needs based school reform.

So let's be really clear. The Abbott government's failure to deliver needs based funding in Australia is not a mistake; it is not incompetence; it is because many—too many—on the government benches, and particularly the education minister, do not want a meritocracy in Australia, because a needs based funding system turns our schools system on its head. It does away with our longstanding sector-against-sector war. It will put kids first—not lobbyists and not the most privileged. In the words of Gonski panel member Ken Boston, Gonski requires a fundamental reimagining of Australian education. He said:

If school performance is neither advantaged nor disadvantaged by parental income, ethnic background, religion, school size and location, or whether a student attends an independent, Catholic or public school, success at school will be determined essentially by the student's ability, application and hard work.

So if we reduce disadvantage we also reduce privilege, and the Abbott government is frightened of a future where privilege is challenged. From day one, Minister Christopher Pyne understood that the recommendations of the Gonski panel, if they were taken up, would turn the system on its head. That is why he opposed the Gonski reforms from day one, and he is doing everything he can now to tear up the even playing field that true needs based funding would create.

Let me quote Ken Boston again:

At present, it is mainly the hard-working and talented children of the privileged who have access to the very highest levels of educational achievement. If Gonski is implemented, such access will be available increasingly to the similarly hard-working and talented children of the socially disadvantaged. This is
equality of opportunity, not equality of outcomes: differences in outcomes will inevitably exist between children, but they will no longer be the result of factors such as poverty, religion or sector of schooling.

The Australian Greens are on the record as saying that what the previous government delivered is far from perfect, but the basis was there. The school funding system was based for the first time on the needs of students and a plan to make a big investment in the future of our country by boosting funding levels.

What the Abbott government must grasp is that this is more than a political game. The future of millions of students is on the line, and our country's future is also on the line. To reject needs based funding is to lock in current disadvantage—the disadvantage faced by Aboriginal kids, country students, those with a disability, children with English as second language and low-income families. Rejecting needs based funding means that too many public schools will struggle for the basics while the most wealthy schools will prosper. To reject needs based funding will also mean rejecting improvement to our economy. PricewaterhouseCoopers have done an analysis which suggests that we stand to lose as much as $1 trillion by the end of the century if we do not make the investment in education in the areas where we need it in a timely way.

The Australian Greens believe in a future where education outcomes are achieved by hard work and talent, not by wealth, power, income or possessions. We want to live in a country where every single kid can achieve their potential, no matter where they live and whatever their background. The coalition government's failure to address educational inequality and deliver needs based funding across Australia, their passionate defence of the already privileged and their push to maintain the status quo are denying many Australian kids a future and are making our country immeasurably poorer.

Senator Ryan (Victoria—Parliamentary Secretary to the Minister for Education) (16:15): After that particular contribution, it is quite apt we are debating education because that was a great contribution in creative writing. We simply heard the classic Greens phrases, where they threw around the word 'privilege' and made accusations about the Liberal Party, such as that we have a contempt for equity, but do not base them on fact or reality. Let's look at this. The Greens have a contempt for equity when we consider what is a very important value to the coalition and has been since the 1960s—and that is choice in education. Their contempt is for the equity that provides for people to choose an appropriate education that reflects their values and their family's desires. The Greens do not care about choice; they do not care about diversity. They just throw around phrases.

Their record is one of removing choice. It is not just about the ongoing assault on the non-government and independent sector; the Greens supported the abolition of the only Commonwealth schools, the Australian technical colleges. They were about choice. They were about equity. They were about re-creating a vocational pathway in schools that Labor governments all around Australia had closed down in the 1980s. They provided real equity and choice. But the Greens opposed them when the Howard government tried to bring them in and then supported the Labor Party in their abolition. The only people in this place who have voted to close down schools are the Labor Party and the Greens when they closed down the coalition government's Australian technical colleges.

The Greens do not want needs based funding. They want penalties for people who choose. That is the record of the Greens. They criticise our concern with command and control, as the
minister has described it. Apparently, according to the Australian Greens, all wisdom resides in Canberra. We actually trust school communities to run their own schools. That is why we support all sectors of the Australian school system. We also support public schools in doing that, which is reflected in our support for independent public schools.

Before the Labor Party rail against those, I will say that they did not do anything about school autonomy in Victoria when they were in office for 10 years. The autonomy that was set up by the previous Kennett government under Schools of the Future was, in the main, left intact. I have not heard the Greens complaining about that in the Victorian parliament. But when they come here they accuse us, on the one hand, of not funding enough but then, on the other hand, of not tying the hands of the organisations in Queensland and Western Australia where we said, 'Canberra doesn't know best.' We trust the states and school communities to run their own schools. They know a lot better than the 76 people in this place and the 150 people over the corridor.

There is a role for the Commonwealth, and I will turn to that. It is a role to support institutions, structures and funding. Let's go to the Commonwealth's record. The coalition government is providing $2.8 billion of additional funding to schools over four financial years, beginning this year. That is $1.2 billion more than the Labor Party committed to when they ripped out funding from Western Australia, Queensland and the Northern Territory in the Pre-Election Economic and Fiscal Outlook.

Senator Lines interjecting—

Senator RYAN: Before we listen to the interjections from those opposite and their then buddies in government, the Australian Greens, again I will say that the only people in this place who have cut funding to schools are the Labor Party. They cut funding to schools before the last election. They hoped no-one would notice. But everyone in Western Australia, Queensland and the Northern Territory knows that their students and families were considered not as deserving of support because they had not signed up to Labor's particular plan. Only the Labor Party have cut funding to schools in this parliament.

Total Commonwealth funding to schools is estimated to be $60 billion over the next four financial years from 2014 to 2017. The coalition government is providing 75 per cent more in additional funding to schools compared to the previous government—$2.8 billion of funding versus $1.6 billion provided by Labor because of that sneaky funding cut that said that Queenslanders, Western Australians and Northern Territorians did not count in their grand education plan. Commonwealth funding for government schools is increasing, on average, by 10 per cent per student per year over the coming four years—an almost 50 per cent increase in total. Total Commonwealth funding for non-government school students is increasing by an average five per cent per year over the same period—just over 22 per cent. Are the Australian Greens and the contributions we will soon hear from the Labor Party saying that it is unfair because non-government schools are getting half the funding increase of government schools? Is that unfair?

Too often in this debate the language of equity is used as a cloak for that 50-year debate that we thought had ended—the school wars that Senator Wright mentioned. Too often it is used by those who wish we did not have the unique education system we have in Australia that provides parents with choice, that reflects their values and that allows school communities in many places to run their own schools. The truth is that many on the other side
and in the Australian Greens do not believe there is a role for public funding of non-government, independent and Catholic schools. That is a principle that we stand behind. Choice in education is a tenet of the coalition's faith. It is not something we will run away from.

But we will hear soon, as alluded to by Senator Wright, that somehow the promises of Labor and the Greens about education were significant. I am sick of hearing this, because in the last parliament the Labor Party and their Greens government partners were expert at making promises, but they were pathetic at delivering, such as with the promised increased higher education funding that was stripped out last April, allegedly to fund schools. But then they stripped out the school funding in the dying days of the government in August before the Pre-Election Economic and Fiscal Outlook update and they were sprung because of the Charter of Budget Honesty.

Senator Payne: $1.2 billion.
Senator RYAN: Yes, $1.2 billion. I do not know where that money went under the previous government. That is a question we will be examining for decades, I imagine. With the funding for Senator Carr's favourite plan, the Green Car Innovation Fund, half a billion dollars was stripped out overnight. We do not know why. Promises were made, promises were breached and promises were never delivered.

So can I say to the people of Australia that a Labor promise is not worth the paper it is written on. Even less so when it is a promise made off the forward estimates. We know the only reason the Labor Party made all the promises for years 5 and 6 was that no-one had to count them. They were not in your budget estimates, they were not in any of the fiscal updates and they were meaningless promises. They were as meaningless as everything else you did in government.

The record of the coalition supports parents and believes in the importance of teacher quality, because we know that what matters more is not just what school a child is in but what classroom they are in. I come from a family of teachers. I know how important good teachers are. So we are supporting teacher quality. We are supporting a school economy that underpins teacher quality. But, to the Labor Party and to the Greens, all that matters is how much money we pour in. They do not care about what happens next.

Senator LINES (Western Australia) (16:23): It is just amazing that I have to put up with another rant from the government side in this place. What is missing in this whole MPI debate is student outcomes. I have yet to hear the government, in the six months that they have been elected, actually talk about student outcomes. I am really sad that we had an era of hope and opportunity in this country to improve student performance by finally fixing our school funding model so that not only was it fairer and more equitable but it delivered better outcomes for students but that hope and that opportunity has now been squandered by a government which just want to play politics with education and which has never, ever since September talked about improving student performance.

At the very heart of Gonski and at the heart of Labor's National Plan for School Improvement was improving school performance and having a clear goal of being in the top five highest performing nations when it came to student performance. That was a clear, deliverable and publicly stated goal on student achievement.
The coalition conned the Australian public. They said before the election that they were on a unity ticket. The Abbott government simply cannot be trusted on education. They have flipped and flopped on education. When Labor first announced its plan to lift student achievement, the then shadow minister, Christopher Pyne, called Labor's plan a 'conski'. But, as the election drew near, the rat cunning of the opposition took over as they sniffed the air around them and discovered that Australian voters overwhelmingly favoured what Gonski had to say.

So without a blink and without even an apology, they suddenly adopted Labor's plan lock, stock and barrel. On 2 August, Mr Pyne, as the shadow minister for education, said those famous words:

... you can vote Liberal or Labor and you'll get exactly the same amount of funding for your school.

Mr Pyne signed up for a faux unity ticket with his boss to win an election. The real 'conski' is the con that Mr Pyne took to the election, the con he fed to voters. He obviously never agreed with the Gonski reforms and never intended to honour the agreements that made education more equitable and focused on improving student outcomes, which the government is completely silent on.

Now the truth is out. Despite state premiers signing up to Labor's deal—the unity deal—Minister Pyne has dumped Gonski. It seems Minister Pyne cares more about sound bites and media grabs than he does about student outcomes and a fairer education system. The unity ticket on Gonski was critical to the coalition's electoral success. The 'conski' is the Australia people. This speaks to both the government's lack of commitment to education and the coalition's lack of credibility.

Gonski was a once-in-a-generation reform that would have taken essential steps to turn around the nosedive in disadvantage in public education, which has been instrumental in Australia's fall in international test results. For six years, the coalition has told us that the Howard government's model for school funding, the so-called SES—that is, the socio-economic status model—was working. This was despite plummeting test results in schools and an increasing divide between public and private schools. It was an education model for those who could afford it, not a model of choice.

It was an education model for those who could afford it, a model that has been widely discredited. It was a system that entrenches inequality; a system that entrenches disadvantage; a system that does not produce better outcomes for students; and a system that produces young teenagers, at the age of 15, who are three and four years behind in reading levels compared to where they should be. That is the legacy the coalition have left. That is the legacy of the coalition's unfair funding model and their lack of commitment to student education and student outcomes.

Gonski was designed to make a system that was better for all our children, where funding was allocated on the needs of the students and topped up with additional funding to appreciate the factors—factors which the coalition seem to ignore—that affect student outcomes. They are student outcomes that the coalition do not even bother to talk about. Students are disadvantaged in our schools. We need to further assist our Aboriginal students, refugee students, remote students, regional students and students with disadvantage. We need to advantage those students so that they achieve, regardless of their background, disadvantage and postcode. That is something you never hear the government speaking about.
Minister Pyne claims that his new model will be flatter, simpler and fairer. Again we see this feature of the government—a 'dumb and dumber' model, a dumbing down: 'Let's dumb down the funding model. Let's just think that, if we put some money in, somehow having independent schools will fix that.' It will not, and for the government to rest its case on the Western Australian model is simply to show again its complete ignorance about what is actually happening in schools and its complete inability to focus on what really matters. What really matters is student outcomes and lifting student performance, something the government seems to think will magically happen if you make schools independent. Let us have a look at Western Australia, because there is no academic research to say that the independent model that has been foisted on schools in Western Australia actually works. We do not see any improvement in student outcomes.

Surprise, surprise, Mr Pyne's Liberal colleagues do not agree with him. They want what they signed up for. Mr O'Farrell, the Premier of New South Wales, the largest state in the nation, the state with the most schools, has said this matter has been poorly handled. He says that what the Liberal coalition government is doing with education is unacceptable. He at least acknowledges that we are talking about the educational outcomes of Australia's future generations. Equitable education should not be partisan. It is not something to play politics with. Another Liberal colleague, Victoria's Minister for Education, Martin Dixon, questioned the minister's decision to walk away from the Gonski agreements. Mr Dixon hit the nail on the head when he told his parliament:

We signed the agreement with the federal government, not a political party.

Mr Dixon recognises that all the government is doing is playing politics with future generations of Australians and not focusing on what is at the heart of the funding system, and that is improving student performance.

As I and others have said in this place, before the election the Prime Minister and Minister Pyne said they supported Labor's plan, and now suddenly we have this 'dumb and dumber' plan, this 'fairer, simpler' plan. Again it demonstrates the government's complete inability to understand education in Australia and that it needs to be focused on students. The real failure of the Abbott government is the fact that not once in six months since the election have the words 'student achievement' or 'student outcomes' been uttered by the Minister for Education—a complete failure.

**Senator McKenzie** (Victoria—Nationals Whip in the Senate) (16:33): It would seem that both the Greens and Labor have a complete tin ear when it comes to the evidence that we have heard on the subject of this MPI—educational inequality and needs based funding—in the Senate Select Committee on School Funding. Labor and Greens speakers here today sit on that inquiry. We have heard from the department, the Catholic school system, the independent school system and the AEU, and the evidence that we have been given has made it very, very clear that the claims by Senator Wright that there are no needs based funding models are completely erroneous. State governments have needs based funding models. We have heard from the Catholic Education Commission. Their model distributes money from within their system appropriate to needs, to Indigeneity, rural and regional, disability et cetera. Loadings apply from within each system to ensure that funding flows where it is needed. So to say that there is no such thing as a needs based funding model in existence in our nation at the present time ignores what is actually going on in state education systems. In fact, from the evidence
we were given last week, the only sector operating under the failed Gonski—'I’ve walked away from my own model!'—system is the independent schools sector. They are the only ones operating under that model, and they do not like it.

Another claim made in the debate today is that those of us on this side of the chamber do not think money matters in education. That is just ridiculous. Of course it matters.

Senator Wright interjecting—

Senator McKENZIE: Senator Wright, I hear you badgering me from the side, but of course it matters. But the reality is: it is a case of diminishing returns. In a constrained fiscal environment, we need to make sure that we get the biggest bang for our buck. Again, that comes from the evidence, but I will go into that later. We have heard that on this side of the chamber we just want to throw blank cheques at education. Could there be any greater and more failed experiment in throwing blank cheques at education than Building the Education Revolution and the $16.2 billion that was wasted?

Senator Wright interjecting—

Senator O’NEILL: That was a brilliant investment.

Senator McKENZIE: That is a lot of schools, Senator Wright. That is a lot of teachers, Senator O’Neill. That is a lot of infrastructure that could have been done.

I would like to put some facts onto the Hansard record. The Abbott government is providing $2.8 billion of additional funding to schools over the next four years, beginning in financial year 2014. Total Commonwealth funding to schools is estimated to be $60 billion over the next four financial years. The Abbott government is providing 75 per cent more in additional funding to schools compared to the previous government. I know you do not like to hear it, but it is a fact. We are also increasing Commonwealth funding for government schools, on average by 10 per cent per student over the four years. Senator Wright, I hope you are listening. We are only increasing funding to non-government schools students on average by five per cent, so those students in state government schools are receiving more of our attention, because we do recognise a parent’s capacity to pay.

We have made a mockery of the claim that Gonski exists. What we inherited—contrary to the false claims perpetuated by the $20 million education media campaign prior to the election—was different funding arrangements across the three schooling sectors, public, Catholic and independent, and 27 different models. There was not one Gonski model at all, and we had nine governments which had been unable to come up with an agreement with the previous federal government because of the dysfunctional way it approached this particular vexed question.

If we want to go to international comparisons, it is about all of us as a nation deciding the things that need to be done—based on evidence, based on research—that will have a positive impact on the educational outcomes of Australian students. Simply boiling it down to it being all about more money, Senator Wright, ignores the international evidence.

Senator Wright: It depends where you target it.

Senator McKENZIE: If we go to the international results, the latest results are a serious wake-up call for Australian education. They show a serious downwards trend since 2009 in our student performance, Senator Lines, under the previous government. Mathematical
literacy in Australia fell from 15th to 19th; reading literacy fell from 9th to 14th; and scientific literacy, of particular importance, fell from 10th to 16th. So under the previous Labor government our international results decreased, but the international evidence also shows that other nations are investing a lot less in their education systems with larger class sizes but are achieving better results—better student outcomes, if that is how you choose to measure educational quality.

But comparisons can be made in our federation. If we look at the states: the amount spent per student in my home state of Victoria is one of the lowest and yet we achieve one of the highest NAPLAN results. That is because we have had a long-term focus on school autonomy which ensures that local principals and communities can make decisions about what works best for their schools and students. We know what works and it is what you do not want to admit—because your benefactors, the AEU, hate it—and it is that teacher quality, which, as Hattie, who did an extensive review of literature, said 'is the single most powerful influence on student achievement'. It is the single most powerful influence, and yet we refuse to look at performance based pay.

I do want to turn briefly to Senator Lines's commentary on the WA election to recognise that under the coalition government in WA teachers are the highest paid in the country and funding to public schools is the highest per capita in the nation. That is a good story. They have independent schools with locals in charge of what occurs in their own communities. That is what 'empowering community' actually means and it can be delivered by a government that is focused on real outcomes in education.

Senator O'NEILL (New South Wales) (16:40): I rise with some concern at the funding saga that has sadly become the focus of the government's interest in education. They talk about the money and most of the time they talk about making a lot less available. Senator McKenzie has said, 'Of course the money matters.' We knew that a long time ago and yet we have an articulation of a determination to take money out of education and refuse to invest in it. They decry fantastic programs that have been implemented in schools to revitalise teachers and to renew buildings.

The topic for consideration this afternoon is the failure of the Abbott government to address educational inequality and its failure to deliver a needs based funding model across Australia. I think we need to backtrack a little and think back to what came out of the Gonski report. The report was created by a review panel—which is now embodied by the Gonski bus that is moving around and is in Canberra today—to educate Australian parents and the broader population, who care about education, on what is wrong with the system. After 40 years of funding reviews, Australian children who are born into families in rural and remote communities, who are Indigenous, who are from a low socioeconomic background or who start school with a language other than English are consistently underperforming. Schooling, as it is currently funded, has been unable to make up the gap in life disadvantage.

I do note Senator McKenzie's comments on John Hattie's work. It is a brilliant piece of work, but let's be clear about what he said: the teacher is the most significant in-school factor to change the learning of students. We all know that; we have had teachers who have made those changes for us. The reality is that kids come to school from the context in which they were born. The reality is that there are children who are currently in their sixth or seventh week of kindergarten who have never experienced having a book read to them at bedtime.
Their understanding of literacy is best provided by the throwaway brochures that come into the letterbox. These are kids who are hungry for learning but who find that as their only source of visual stimulation. Kids try to teach themselves to read because of their parents' inadequate skills.

We know that not all children in Australia are born with equal opportunity into a family that is going to find those talents and develop them. We have heard comment after comment from an illustrious group of business people, philanthropists, leading experts in university and Australian public life: Ken Boston, Carmen Lawrence, Kathryn Greiner, Bill Scales, Peter Tannock and David Gonski. Through their own work, observation and wide consultation and informed by a national body of literature and international research, they have concluded that children going to school in Australia will find inequity. Those who start at the bottom of the pile will end up even further behind by the time they finish school compared to their cohort who started at the same time but who had advantages. That leads to educational inequality. The reproduction of that inequality occurs year in, year out, as young people are forced into 13 years of schooling by the laws of this land. Education is supposed to be the great liberator, not the great oppressor. We need to invest in making up the ground for kids from low-SES backgrounds, for Indigenous kids, for kids from non-English speaking backgrounds, for kids who live in rural and remote communities and for kids with disabilities. When they have their needs met they can perform at a very high level in tests. But more importantly than that, when we properly fund for need, which is what the Gonski model advocates and what this government is so opposed to delivering, need we give children right across this country, no matter what gate they walk through, whether it is a Catholic school, an independent school, a small rural school—we give every Australian child an equal opportunity to commence and to continue their studies and to find their capacity.

That is a very different vision of Australia's education system from that which is offered by the Abbott government. Firstly, in terms of educational disadvantage and inequality, we have got a constant call of denial. The dissonant voice, as described in the AEU's submission to the funding inquiry that is going on right now, is all coming from Prime Minister Abbott and the Minister for Education, Christopher Pyne. In the face of all of the evidence, they continue to assert that there is no equity problem in Australian schooling. When you commence your decision making in government from a false premise like that, you are determined to set up and maintain disparities. The existing systems, they say, are not broken. The Howard government's funding model works well, they say; schools are getting the money that they need and of course money really is not the solution. These are the sorts of things we are hearing from the government. As Senator Lines pointed out, where is the focus in that language on students achieving outcomes? That is not what we hear from the Abbott government, because if they were to talk about outcomes they would have to begin to acknowledge that there is indeed great educational inequality.

Needs based funding is the only way that we are going to get some redress to the current inequalities that exist. In terms of the loadings, I have mentioned a few times that people born in particular situations need special assistance. They are low SES background, Indigeneity, English language proficiency, disability and special needs, and the size and location of schools. To fund for those qualities we were determined to establish a schooling resource standard, which is a base level of funding for every student and loadings that target that
disadvantage. What we are seeing from the current government is a determination to break away from that. I think I heard Senator Ryan say that in any of the funding that they are going to give, which is wholly inadequate in sum and wholly inadequate in intent, they simply trust the states.

Senator Kroger: It's good federalism.

Senator O'NEILL: They are going to hand over federal money to states that they call now non-participating states without any accountability mechanism to make sure that that money, that Australian taxpayers' money, is going to address those clearly identified needs. We just trust the states, they say. While they are trusting the states, we are already seeing that money is being pulled out by those states, which no longer have to account for what they are spending the money on that they receive from the federal government.

In contrast, we do have participating states, and I would like to address New South Wales because that is the state that I represent here in the parliament. I have to give ticks, not crosses, to Premier O'Farrell and the Minister for Education in New South Wales for signing up to a deal that is going to advantage the students of New South Wales, for signing up to a deal that means that they are willing to commit $1 of state funding for every $2 that they receive from the federal government, for signing up to a deal where they will be advancing plans and be accountable for responding to student need, to sign up to a plan where they will be accountable for the money they receive from the federal government in their determination to address educational inequality. How can it be that children in New South Wales have a government that could see this disadvantage and is now going to provide them with further opportunities, while students in the Northern Territory and Western Australia are going to have funding just ripped out of the bottom of the system and their disadvantage grow?

We talk about federalism, and I heard the interjection from a senator opposite. Federalism to me means that every Australian has a series of rights that are not different because you are born into the wrong state at the wrong time. Our vision, Labor's vision and the Gonski vision, was about equity that enhances the lives of Australians and improves our whole country in terms of its wellbeing and also its prosperity. (Time expired)

Senator SIEWERT (Western Australia—Australian Greens Whip) (16:50): As I am sure everyone in this chamber and those listening know, the Australian Greens have long been advocates for all Australian children having access to high-quality education. We realise that having access to high-quality education is vital to a child's future. From early childhood education through the schooling system to options such as TAFE or university, we believe that Australian kids have a right to educational outcomes that do not depend on wealth and location.

With the portfolios that I have, which include community and family services, disabilities and Aboriginal and Torres Strait Islander affairs, issues around education are always present and always on my mind. We know that for many of the people and the children that I deal with, who often come from disadvantaged families, having access to high-quality education is absolutely essential to their future. That is why the Greens are so passionate around education, because we know what the value of a good-quality education is. It is absolutely critical for ensuring that our children have the capacity to choose their own path in life.
I should acknowledge that I am the product of a good education and also that I had access to free university education, and I am always aware of that. There is absolutely no doubt at all that my family could not have afforded to send me to a private school or university if I had not had access to the system that was available in the late seventies and early eighties.

Decades of underinvestment in Australian schools has caused deep inequalities between our most advantaged and disadvantaged schools, and unfortunately these gaps keep getting wider. We know that high-quality public education is crucial to realising our vision of a smart and innovative Australia. We believe that the recommendations that Gonski made are critical to delivering our vision of a smart and innovative Australia, and part of that has to be high-quality public education. We have in fact been lobbying for reform to the funding model for decades. For many years we have been advocating for fairer school funding and urging governments of both persuasions to reform the funding model. We have been advocating very strongly for the implementation of the recommendations of the Gonski review to ensure—and this is absolutely fundamental—that every Australian child has access to a good education, no matter where they live or how much money their parents have. This is absolutely critical. In my home state of Western Australia, we are deeply concerned about the future of education—in particular, the cuts that Mr Colin Barnett intends to make to our WA schools. We are very concerned about disadvantaged kids who have no other way of getting an education other than through the public education system, particularly Aboriginal children in rural and remote areas in Western Australia. We need more investment, not less.

In August last year, the Western Australian government announced that a new funding model would be implemented from 2015. Under this model, schools will have a one-line budget item comprised of a salaries component and a cash component, with the capacity for resources to be moved between these two components. In his announcement, the Western Australian minister for education stated that the new model would be accompanied by 'reforms to improve the efficiency of WA's public education system, which include staff reductions where positions could no longer be justified'. Needless to say, that is causing some concern. While overall teacher numbers have been maintained in 2014, there have been reductions in central and regional office positions, particularly those of educational assistants. This is cutting very hard. I have had representations from constituents who are deeply concerned about the cuts to school aides—in particular, Aboriginal school aides in regional and remote areas.

The feedback that we have had is that it is often the school aides, particularly the Aboriginal school aides, who have been in schools in regional areas the longest. I am sure it is the same situation for schools in other states as it is in Western Australia, where teachers who have not lived in regional areas tend to come and go. We have teachers for a couple of years and then they go, but the aides are more often than not from the community, so they are the ones who have been there long term. They know the history of the school and the history of the students, which is particularly important when it comes to Aboriginal educational aides. Their funding has been cut. People have been moved from perhaps full time to part time. This is having a fundamental impact on children's access to education. Those aides are there for a reason, and that is to improve children's access to education. The story that we are hearing in Western Australia is that, because of these cuts, schools are losing this knowledge—and that is a tragedy for those students.
In Western Australia, there have been reports that the new funding model will result in class size increases, school closures and amalgamations. The school support program resource allocations, which provide students with additional support in literacy and numeracy skills and in dealing with behavioural concerns, will also be cut by a third. This is extremely concerning. It has also been reported that the education department has put a new levy on schools to cover the cost of long service leave liability. This is now impacting on parents. They are concerned about the future of education both in my home state of Western Australia and in other states. I would like to quote from Jane, from Western Australia, who says:

I have a year 6 and a year 9 child and am strongly committed to the public education system.

I have been increasing alarmed at the lack of funding for basics at the children's primary schools even extending to insufficient teachers, and longstanding teachers' aids being forced to leave even when they are an integral part of the community and workforce within the school.

Fiona, who lives in a small town in the south-west of Western Australia, says:

I have three children, two of whom are school age, the third is awaiting her big chance. The school they attend is a district high with less than 100 students from K to Year 10. It is staffed by fantastic teachers, professional and enthusiastic. I am concerned that with insufficient federal funding support our school will suffer loss of resources. We are small, but we are not insignificant. In the lives of our children and in the lives of those in our community the school is mightily significant. In fact there is talk of somehow making it possible for students to attend Year 11 and 12 through the school here (instead of kids having to commute two hours a day to the nearest regional high school.

I am very much in favour of the Gonski report and would like to see the recommendations tabled in that review put into practice. I'm sure our school and our students would benefit.

Of course, they would benefit significantly if they did not have to travel two hours to school. Again, when you live in a town where the students can only go to year 10, it is highly problematic for them when they have to leave town to continue to go to school.

Phillipa from Western Australia says:

I want a great public school system for all kids. I find myself in the difficult situation of needing to buy my first home and therefore knowing i will be moving from my current rental and my kids will change schools. Where housing is 'affordable' the schools are of a low standard. In a country with resources and relative wealth we shouldn't be questioning funding for a good school system.

These are the accounts of parents in Western Australia who are extremely concerned about the future of the public education system in Western Australia. It is time we got absolutely serious about how we fund education in Western Australia and how we fund it on a needs basis. I am passionate about education for the most disadvantaged. It is absolutely critical that we get this right for future generations.

Senator KROGER (Victoria—Chief Government Whip) (17:00): First, I would like to acknowledge the group of students who have only just left, in the last two minutes, the gallery above us here and to commend their teachers, who have brought them to this place to further their education about the democratic principles—they were in the gallery in front of you, Senator Scullion—that underscore our great country and, in particular, this place. But how confused must they have been while listening to some of the contributions made in this debate. They would be saying, 'Who were they actually talking about?' Here we had some students who had been brought here, clearly, by great teachers, who consider it important to teach them about the importance of this institution. I also think about those who are listening
to the broadcast, because what we have heard in so many contributions on this matter of public importance is, sadly, a denigration, trashing and talking-down of the education system that we actually have in Australia—that is, a great education system.

  Senator Wright: Except for the gap. Except for the gap.

  Senator KROGER: It is not perfect. It needs to be improved. But how lucky are we in Australia to have the education system that we have today? We are very lucky. To sit here and listen to people trashing it and talking it down does no credit to those who have engaged in such ideological ranting as we have heard here today.

  Senator Wright interjecting—

  Senator KROGER: That is the perspective—and I take the interjection from Senator Wright—that is supported by many international reports. I refer to just one of them because I have only three minutes left to speak, and that is the PISA 2012 report. It says, to take a very quick point out of it, that Australia has a high-equity education system. What the report highlights is the importance of quality teaching, principal autonomy and parental engagement in lifting educational outcomes. So, when we hear from people like Senator Lines, on the other side of the chamber, I wonder: what cave has she been living in? She said that the Abbott government never talks about student outcomes—that Christopher Pyne, the member for Sturt, the Minister for Education, never talks about student outcomes. What cave was she living in when he was announcing and talking up his Students First policy? The Abbott government Students First policy is all about focusing on four pillars, and they are: developing quality teaching; promoting school principal autonomy; engaging parents so they are more actively involved in education; and, lastly and most importantly, ensuring that there is a rigorous and relevant curriculum.

In their contributions, Senator McKenzie and Senator Ryan covered a lot of those issues already in terms of the importance of those four pillars. But, with Senator Scullion having just arrived in the chamber, I am reminded of the wonderful op-ed piece he wrote that was in the paper—I think it was in November 2013—on the critical need to get Indigenous children to attend schools. So we hear about inequality in education and that nothing is being done about it, but the minister sitting in front of me is actually going to the heart of the issue in Indigenous communities and ensuring that it is fixed. The Prime Minister's Indigenous Advisory Council has been convened. It is so important that it is now run out of PM&C. Whilst the council's remit is broad, one of the critical aspects of its role is to focus on improving school attendance and educational attainment. Minister Scullion, I commend you for this. You mean this; it is not ideological rhetoric, and I commend you for your efforts and support you in your endeavours.

  The ACTING DEPUTY PRESIDENT (Senator Sterle): Order! The time for the discussion has expired.

NOTICES
Withdrawal

  Senator MOORE (Queensland) (17:05): I withdraw a notice of motion that I and Senator Singh submitted in error this afternoon on South Sudan.
The ACTING DEPUTY PRESIDENT (Senator Sterle) (17:05): I table a communique from the 19th National Schools Constitutional Convention held at Old Parliament House from 12 to 14 March 2014.

Senator McKENZIE (Victoria—Nationals Whip in the Senate) (17:05): I move:
That the Senate take note of the document.

I am sure I will not be the only senator in the chamber today wanting to take note of the 19th National Schools Constitutional Convention. I am reminded as I look through the communique that the convention seeks to promote an understanding and informed discussion by young people of our great founding document—

Senator Smith: Hear, hear!

Senator McKENZIE: the Australian Constitution. I note a friend and fellow scholar in these matters, Senator Dean Smith, from WA. I welcome the fact that we have provided an arena for young people—and senior students particularly—to explore constitutional issues, encourage debate and increase student awareness of constitutional matters. This year, the communique states that students were discussing whether water and health should come under Commonwealth jurisdiction in our Constitution. While our federation has expanded—and I do welcome WA—since the founding document was agreed to, one thing we can be sure of is that our Constitution still ensures that the people of Australia are sovereign in the conduct of our affairs.

The first national convention that tried to get a constitution up and going failed dismally—because state parliaments sent their chosen few to discuss whether a constitution was agreed to or not. It was when the people decided who was going to speak for them that our Constitution was agreed. The chosen delegates came together and constructed the document after undertaking consultation right around the nation in the latter part of the 19th century. There was a third constitutional convention under Whitlam in 1973. Again that did not include the people, again delegates were chosen by the federal and state parliaments and again it was a failed project. The take-home message for us is: include the people of Australia in such discussions. They are sovereign and they like to be involved in any discussions about the Constitution.

The states are uniquely represented and reflected in this place. I think that the unique thing about our Constitution is that our states, on forming a federation, continued to have their own relationship with the Crown. That was very different from other approaches developed over time. As a result of external pressures—the Great Depression, the world wars—the Commonwealth's role has become more pervasive over time. I think that has been to our detriment, particularly so in the case of the taxation power given to the Commonwealth. That has allowed the Commonwealth to dominate Commonwealth-state relations through the grants system.

Our Constitution is difficult to change, and so it should be. The young people at the convention went through a mock process over a couple of days. They covered how to conduct
a referendum: construct a question, debate it and then take it through the voting process. Their two questions were whether to give the Commonwealth jurisdiction over water and over health in the Constitution.

I note that previous conventions with young people over the last three years have looked at how to increase Commonwealth power. Previous topics included whether we should be a republic and whether federalism was a dead construct. These are the sorts of things we are getting our senior students to discuss instead of getting them to look at how the Constitution enshrines their sovereignty and disaggregates power—and the effect of that on their lives. But I was delighted that young people were interested enough to come up to Canberra and participate in the debate. I think we could do a lot more of that in our schools.

I wanted to let the Senate know the outcome from the 117 formal votes that were lodged. As an aside, after three days of discussing and debating how to conduct a referendum, I think the fact that there was one informal vote from that highly educated population was probably a result of someone exercising their freedom as a citizen rather than as a result of a lack of education about the voting process. That said, the vote to have the Commonwealth take over health was defeated. Young people of Australia voted no quite resoundingly. The only anomaly was my home state of Victoria, so I have some work to do with those who voted yes. I think, though, that that outcome might be because the GST carve-up is making it particularly difficult in Victoria for the state government. The way we spend our money locally is under increasing pressure because of the changes in the GST distribution.

The second vote was over the Murray-Darling Basin system—whether water should come under Commonwealth jurisdiction. After a lot of debate—and the communique goes into the detail—young people decided to say yes. They thought that was a good thing because rivers cross state boundaries. I note, however, that the only state to vote no—and the only state which usually votes no to any constitutional change—was WA. I note that New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory are all impacted by the Murray-Darling Basin system, both economically and socially. For WA, there is not a lot of impact, yet they were not prepared to cede that power to the Commonwealth. I find that fascinating.

I am delighted that young people from around Australia came together to debate our founding document. I am pleased to see that our young people—and you can see this from the communique—appreciate the importance and the value of localised decision making. They appreciate that states are an important facet of our federation and that they need to be retained. That these young people could see the value in that is, I think, great news for the Senate.

Question agreed to.

Korea-Australia Free Trade Agreement
Order for the Production of Documents

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (17:14): I table documents relating to the order for the production of documents concerning the Korea-Australia Free Trade Agreement.

Senator WHISH-WILSON (Tasmania) (17:14): by leave—I move:
That the Senate take note of the document.
I thank Senator Scullion and the government for providing the new Korean free trade deal modelling. The process we went through is that we requested the Korean free trade modelling three weeks ago, but we received modelling that we could clearly see had been prepared a couple of days before it was given to us. We were most interested to see what work had been done to back up statements that had been made by the government over the last three months in relation to the Korean free trade deal. We seem to have no debate in this country around free trade deals. We know that the government has put significant weighting on pushing through as many free trade deals—or so-called free trade deals—as possible in its term of government over the next three to four years. In fact, you could say that the government has hung its hat on free trade deals.

This concerns me, and it concerns the Greens party. I know it also concerns many in the community and in the Labor Party. Although an open economy definitely brings benefits—and no-one is disputing the benefits that trade does bring to our economy—our economy has already been opened significantly, especially over the last two decades, and one wonders what we have left to trade with other countries. Looking at the way trade deals and trade negotiations are evolving, a number of new areas of public importance and matters of public concern have come to our attention in what we suspect has been underlying our recent free trade negotiations such as the Trans-Pacific Partnership Agreement.

One of these issues is an old issue but a very important one, and that is the inclusion of what are called ISDSs, or investor-state dispute settlement clauses. We call them Trojan Horse clauses. They give corporations the ability to sue sovereign governments should decisions and legislation impact the future profits of those corporations under certain conditions. These ISDS agreements have been in place for some time, but they are proliferating.

Given the changing nature of trade deals relating to a whole range of matters of public interest and public concern, we would like to see more information around the modelling on trade deals and, for example, what impacts have been looked at by the government in these trade deals. We are looking at the basic modelling. We know that modelling in simple econometric models—input-output models—looks at changes to tariff arrangements and consequential impacts on national income. They are very basic models. They have been around for a long time. They do not include trade in services, only trade in goods, and they certainly do not include many of the complexities that we know are evident in modern trade deals.

We have had 24 hours to look at the new KAFTA modelling. It was limited. Clearly it did not cost much. It was not put out to tender. It did not meet the threshold that Senator Wong determined during estimates. Not only did it not attempt to model any of the complexities and the risks inherent in modern trade arrangements, but it could not—it was not capable of doing that. So my point is a simple one: if you are going to go out spruiking the economic benefits of trade deals, you need to have a basis for spruiking those potential benefits. There has been no recognition of the costs associated with these deals.

Of particular interest under the Korean free trade agreement that has recently been negotiated and signed by cabinet but is yet to be ratified by parliament was the information coming out of the car industry, especially late last year, and statements made by Toyota, Ford and Mitsubishi that changes to tariff arrangements were killing their industry. We also had
experts from the car industry saying that if the Korean free trade deal were negotiated it would officially kill the car industry in this country. In isolation, changes to tariffs might not be enough to collapse an entire industry. But, given the difficulties that industry was facing from a number of other areas such as a high Australian dollar, this has been one of the major contributors to the collapse in the car industry in this country and the loss of 20,000 to 30,000 jobs.

Have these things been factored into our trade agreements? That is the simple question we are asking here, and we want an honest answer. If we are going to have a debate in this country around trade, let's have an honest debate. While we acknowledge that there are definitely benefits to trade—there always have been—we would like to see those benefits scrutinised against the potential costs and the potential risks. Hence our asking for this modelling, and we will spend some more time reviewing it. Did the government know, and did it have negotiations with the car industry, especially around free trade? Over the last four years, did the previous government have negotiations around the impact on the car industry of these trade negotiations?

It has never been acknowledged. The risks of this trade deal have never been acknowledged. In fact, the modelling we received shows that the Korean deal, for example, is going to be beneficial to the car industry because of manufacturing of automotive parts. Considering that we have had an entire collapse in the industry and the industry is shutting down from 2017—with a corresponding loss of those jobs—this modelling seems a bit light on. There is no evidence in what I have been given to show that those risks were incorporated and that there was any factor put into these models relating to the collapse of the car industry and the loss of these jobs.

One of the reasons that we are raising these concerns now is that we are seeing a proliferation of free trade deals. We are talking about new bilateral trade deals with, for example, China at the moment and Japan. We are seeing multilateral deals being negotiated, such as the Trans-Pacific Partnership Agreement. Another one is RCEP, which potentially involves another 10 countries. In fact, we have so many complex layers of trade deals on top of trade deals on top of trade deals. The logic behind trade deals is pretty simple: you open up your market; you remove barriers; you provide opportunities for exporters or for importers. It helps maximise competition and benefits to the economy. But it is always assumed in trade theory that there are winners and losers. It is assumed in theory—and I say 'theory' with a lot of emphasis on that word—that the losers are compensated by the winners. But you show me any compensation from trade deals that has come from those countries that have benefited.

An example that is very obvious is what Ford and Mitsubishi were saying about the Thai free trade deal, where 170,000 Thai cars were brought into Australia last year and only 160 Australian SUVs were exported into Thailand in return. We got some agricultural benefits; there is no doubt about that. We had some primary industries selling more produce and commodities into Thailand. But where was it assessed that we would have this impact in this country? What risks were acknowledged or modelled in these deals?

We have to be very careful to get it right. We have to have a mature conversation in Australia around these trade deals, which now include investor-state dispute settlement clauses—which even John Howard would not include in the US free trade deal. The former Labor government refused to include ISDS provisions. The German government just this
weekend said they will not be negotiating a European free trade deal with America if ISDS provisions are included. We have even seen some far Right think tanks in America say that the US government should also not sign these deals because they are a barrier to democracy.

In a strange way they also cast a negative light on the current legal systems that we have in this country. In fact DFAT said on their website back in 2004 that there was no need to include these provisions in our trade deal with the US because we already had well-established legal systems and they were not necessary. The Productivity Commission has modelled them and said they add nothing to trade deals. We have seen similar evidence provided by overseas economic institutions. They do not necessarily increase the level of trade or investment flows between countries, but what they clearly do is provide a risk to the sovereignty of the nation in terms of making legislation for the public good and for the interests of the communities. If those interests defer to special interests, we have problems. We do not need to go down this road.

The Korean free trade deal will be the first deal that this country has signed with ISDS provisions in the last 12 years, so it is significant that we look at this now. I am hoping that this will get looked at very closely by the foreign affairs and defence committee very shortly and that we can have some good robust debate around whether we need these Trojan Horse provisions in modern trade deals. I am looking forward to having that debate with other members of the chamber.

Question agreed to.

COMMITTEES

Treaties Committee

Report

Senator FAWCETT (South Australia) (17:25): I present the 137th report of the Joint Standing Committee on Treaties, the committee's first report of the 44th Parliament, together with the minutes of proceedings of the committee and the transcript of evidence.

Ordered that the report be printed.

Senator FAWCETT: by leave—I move:

That the Senate take note of the report.

The report contains the committee's views on the Agreement between the Government of Australia and the Government of the United Arab Emirates on Cooperation in the Peaceful Uses of Nuclear Energy. This proposed treaty was first referred to the committee in the 43rd Parliament but lapsed following the proroguing of parliament. During that inquiry the committee held two public hearings and received nine submissions. The proposed treaty was referred to the current committee on 15 January 2014 and, as all the relevant issues had been aired in the 43rd Parliament, the committee resolved to report without taking further evidence.

The Agreement between the Government of Australia and the Government of the United Arab Emirates on Cooperation in the Peaceful Uses of Nuclear Energy will enable Australian uranium miners to export uranium to the United Arab Emirates, the first country to implement a civilian nuclear power program in 27 years. The agreement will ensure that Australian uranium, uranium products and related materials are subject to the highest standard of safety and security available. For example, the agreement will prohibit the use of Australian nuclear
materials in weapons and will enable Australia to impose penalties on the UAE, including stopping the supply of Australian nuclear materials, if the UAE fails to comply with the highest international safety standards.

The committee was pleased to note that the UAE's approach to developing a civil nuclear program is a model of openness and transparency. The UAE is making considerable use of international expertise to construct its reactors to ensure that international standards are met. Further, the UAE accepted an International Atomic Energy Agency regulatory review mission in 2011, which found a number of good practices in the UAE regulatory system while also recommending a number of improvements. Finally, the UAE has appointed an international advisory board to oversee the regulation of its civil nuclear program. The board includes a number of eminent international experts in nuclear power and its reports will be made public.

The committee is aware of the dangers posed by nuclear power and has made some recommendations to ensure that the safety and security standards applying to exported Australian nuclear materials remain the highest in the world. The recommendations are that, prior to ratification of the proposed treaty, the IAEA undertake physical inspections of UAE facilities that will handle Australian obligated nuclear materials; that the government report to the parliament on what action it has taken to implement the recommendations of the United Nations System Wide Study on the Implications of the Accident at the Fukushima Daiichi Nuclear Power Plant; and that the government explore and report to the parliament on mechanisms to strengthen the resourcing of the IAEA.

The committee is of the view that the highest international standards for transparency demonstrated by the UAE in developing its civil nuclear program ought to be encouraged and replicated elsewhere. The committee considers that, subject to the above recommendations, binding treaty action should be taken.

On behalf of the committee I commend the report to the Senate.

Question agreed to.

**Human Rights Committee**

**Report**

**Senator SMITH** (Western Australia) (17:29): On behalf of the Parliamentary Joint Committee on Human Rights I present the committee's fourth report of the 44th Parliament on the examination of legislation in accordance with the Human Rights (Parliamentary Scrutiny) Act 2011, together with the minutes of proceedings of the committee and the transcript of evidence.

Ordered that the report be printed.

**Senator SMITH**: by leave—I move:

That the Senate take note of the report.

I rise to speak to the tabling of the Parliamentary Joint Committee on Human Rights fourth report of the 44th Parliament. This report examines 17 bills introduced in the period 3 to 6 March and 49 legislative instruments received in the period 22 to 28 February. The report also includes the committee's comments on 12 responses to matters raised in previous committee reports.
As senators would be aware, the committee's function is to assess legislation for compatibility with the seven international human rights treaties to which Australia is a party. In broad terms these treaties cover the range of civil, political, economic, social and cultural rights expressed in the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

In its relatively brief existence the committee has established a nonpartisan and consensus based approach to its work. This approach is an appropriate foundation for the committee's mandate to report to both houses of parliament on the compatibility of legislation with human rights. To do that, where legislation engages and would appear to limit human rights the committee's assessment of its compatibility with relevant rights is based on three core questions. These are, firstly, whether the limitation is aimed at achieving a legitimate objective; secondly, whether there is a rational connection between the limitation and that objective; and, thirdly, whether the limitation is proportionate to that objective.

I know that members of this place will recognise that these core questions are, although perhaps not in the same terms, the same questions we are regularly asked to consider when we come to this chamber to consider the necessity and merits of any legislation proposed or already in operation. The value of the committee's assessment of the compatibility of legislation with human rights is therefore its capacity to inform our consideration of both proposed and operating laws. In that spirit I draw senators' attention to the contents of the current report.

Of the bills considered in this report I note that the following are scheduled for debate during this sitting period commencing 17 March 2014: the Farm Household Support Bill 2014 and related consequential bill, the Quarantine Charges (Collection) Bill 2014 and three related bills; the Export Market Development Grants Amendment Bill 2014 and the Civil Aviation Amendment (CASA Board) Bill 2014.

The committee has also considered the Qantas Sale Amendment Bill 2014, which is currently before the Senate and was introduced to, and passed by, the House on 6 March 2014. Of the 49 instruments considered by the committee for this report, I am pleased to advise that none appears to raise any human rights concerns, and all of them are accompanied by adequate statements of compatibility.

However, the committee notes that a number of instruments exempt from disallowance under the Legislative Instruments Act 2003 were not accompanied by a statement of compatibility. While such instruments are not required to be accompanied by a statement of compatibility under the Human Rights (Parliamentary Scrutiny) Act 2011, the committee is required to assess all legislative instruments for compatibility with human rights. The committee therefore regards the preparation of a statement of compatibility for exempt instruments as a best-practice approach in support of the work of the committee.

In relation to responses to matters previously raised by the committee, the report contains consideration of 12 such responses. Of these, responses relating to one bill and one instrument have adequately addressed the committee's concerns, and the committee has concluded its interest in these matters. However, the committee has sought further information or the inclusion of safeguards in relation to three bills and seven instruments. This includes a package of amendments to various pieces of migration legislation.
I note for the benefit of senators that the committee will again write to the relevant ministers in relation to these matters. With these comments I commend the committee's fourth report to the 44th Parliament and to the Senate.

Question agreed to.

DOCUMENTS

Tabling

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

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

Indexed List of Files

Tabling

The Clerk: Statements of compliance are tabled in accordance with the continuing order of the Senate relating to departmental and agency files.

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

COMMITTEES

School Funding Select Committee

Membership

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson) (17:34): The President has received a letter from a party leader seeking variations to the membership of a committee.

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (17:35): by leave—I move:

That Senator O'Sullivan be discharged from and Senator McKenzie be appointed to the Select Committee on School Funding, and that Senator O'Sullivan be appointed as a participating member.

Question agreed to.

COMMITTEES

Report

Senator McKENZIE (Victoria—Nationals Whip in the Senate) (17:36): Pursuant to order and at the request of the chairs of the respective committees, I present reports from legislation committees on the 2013-14 additional estimates, together with the Hansard record of proceedings and documents received by committees.

Ordered that the reports be printed.

Legal and Constitutional Affairs Legislation Committee

Report

Senator McKENZIE (Victoria—Nationals Whip in the Senate) (17:37): On behalf of Senator Macdonald, the chair, I present the report of the Legal and Constitutional Affairs Legislation Committee on the provisions of the Migration Amendment (Regaining Control Over Australia's Protection Obligations) Bill 2013, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.
Minerals Resource Rent Tax Repeal and Other Measures Bill 2013
Second Reading

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

(Quorum formed)

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (17:40): I am pleased to rise tonight to speak on the Minerals Resource Rent Tax Repeal and Other Measures Bill 2013. Those opposite claimed they would be a no-surprise government, but what a joke, because Australian families are waking up to this government and its surprises. They are waking up to a new surprise every day. They are waking up to this government trying to abolish the schoolkids bonus in this bill, costing the average family $15,000 over the period of their children's schooling. They are waking up to the attacks by stealth, such as abolishing the low-income super contribution but keeping generous tax concessions for high-income earners. They are waking up to the fact that they will be thousands and thousands of dollars worse off as they cut the superannuation guarantee increase. Small-business owners are waking up to the fact that they will be thousands of dollars worse off as the instant asset write-off is slashed from $5,000 to $1,000. And regional communities are waking up to the fact that they will lose hundreds of millions of dollars in funding through the abolition of the Regional Infrastructure Fund and the Regional Development Australia Fund.

The Prime Minister and those who sit on the opposite side of this chamber did not explain to the Australian people that when they said 'axe the tax' they actually meant 'cut your retirement savings, hurt small business, make it harder to pay for your children's education and let rural and regional communities fall into disrepair', but that is what they actually meant. I know that is not as catchy—it is not a three-word sound bite—but it is a lot more honest. As they like the three-word sound bites, the Liberal-National government could have found some to honestly campaign on to convey their intentions to the Australian people. 'Cut the super' could be one. They could have used 'business tax increase', 'no new uniforms' or 'help rich miners'. 'Let regions rot' would have been another accurate three-word catchphrase of the government.

I am wondering why the government did not campaign on any of those. They knew that, if they actually took the time to explain that their policies deliberately targeted the Australians who are the least well off, no-one would have voted them in. Those opposite will say that they mentioned them in passing, but they certainly did not appear in the TV ads or in the flyers that appeared in people's letterboxes. No Liberal door-knocker knocked on a family's door to tell them that the schoolkids bonus would be axed and that they would not even reinstate the education tax refund which it replaced. No radio ad was targeted to the 2.7 million small businesses to tell them that the instant asset write-off would be reduced by 80 per cent, and no fridge magnets were handed out saying that the income support bonus for people over 50 on Newstart would be cut.

Perhaps the three-word slogan they should have campaigned on was 'lack of vision', because it takes an extraordinary lack of vision to not see that helping those on the lowest incomes build up their retirement savings helps the whole of Australian society. It takes an
extraordinary lack of vision to not see that ensuring that parents can afford the required books, stationery, computer equipment and uniforms results in better educational outcomes for the child and higher productivity for society in general. It takes an extraordinary lack of vision to not see that regional Australia is in need of infrastructure to drive growth in the economies of rural communities and improve the quality of life of people in those communities.

The explanatory memorandum to this bill gives the financial impact of discontinuing the Regional Infrastructure Fund and the Regional Development Australia Fund. It also explains that no legislative changes are required to discontinue the Regional Infrastructure Fund and the Regional Development Australia Fund. We have already seen the axing of the Regional Development Australia Fund. The purpose of the Regional Development Australia Fund, RDAF, is to support regional areas of Australia with infrastructure needs.

I am disappointed that the Nationals are once again supporting cuts to regional Australia. You would think they would have fought harder for the communities they claim to represent. I know that they got a win over GrainCorp last year, but are they going to fight any other battles for regional Australia? It is absolutely ironic that it was the Nationals' leader and Deputy Prime Minister Warren Truss who revealed that the government will not fund projects in round 5 of regional development. These projects were worth about $3 million to my home state of Tasmania. Even when the minister responsible for regional Australia is the Leader of the Nationals they still cut investment in infrastructure in regional Australia.

Some of the projects that have been axed by the Liberals and the Nationals in Tasmania include: $112,500 for a new interactive playground on the foreshore at St Helens; $150,000 for three separate new playgrounds in the Central Coast municipality; $109,200 for a sports training venue at Geilston Bay; $89,000 for a new water slide at the Devonport Aquatic Centre; $61,500 for a new boat-launching facility at Triabunna; $96,200 for a lawn bowls development at Glenorchy; and $135,000 for a walking track between Ranelagh and Huonville. These are all projects that would have improved the quality of life for people in these and surrounding communities, created jobs and improved fitness and general welfare. These are projects supported by the local governments in these regions. So it is disappointing that those opposite are just continuing to hack away, axing projects without thought.

The former Labor government’s $6 billion Regional Infrastructure Fund, RIF, was to invest in nation-building projects to build productive economic capacity so that we can sustainably grow our economy with low inflation in the years to come. The RIF would have meant more investment in rail, roads, ports and other critical economic infrastructure to support the workforce and jobs in regional and mining communities. It is disgraceful that the Nationals sit over there and will not stand up for regional communities.

I am utterly surprised that the legislation to cut the schoolkids bonus is in this bill today. What a sneaky, underhanded trick. Generally, when you put together a bill it contains only things that are relevant to the issues to hand. You do not just shove random provisions into the bill. The schoolkids bonus is not, and should not be seen to be, relevant to this bill. It was enacted in the Family Assistance and Other Legislation Amendment (Schoolkids Bonus Budget Measures) Bill 2012, not in the Mineral Resource Rent Tax Bill. It was never to be funded by the MRRT and linking it this way is a shameless way to axe it. If you want to scrap the schoolkids bonus, why not present it to this place as the Schoolkids Bonus Repeal Bill 2013? That at least would be open and honest rather than hiding it in the MRRT repeal bill.
The schoolkids bonus delivers parents some extra help to meet the large costs associated with sending their children to school. It comes automatically to eligible parents just when they need it to buy uniforms, school books, laptops or tablets, stationery and other things that children need. Those opposite are including it in this bill, simply to make the financial impact of this bill look artificially better than what it actually is. It is why discontinuing the RDAF and Regional Infrastructure funding is included too. It is pretty disingenuous.

When the schoolkids bonus was introduced, those opposite opposed it because they claimed it was not specifically targeted to education. They called it a 'cash splash' and they did not trust Australian families to spend it on the educational needs of their children. They said the education tax refund was a better way despite the fact millions of families were not getting their full entitlement, mainly because receipts got misplaced throughout the year. Now the Liberal-National government are scrapping the schoolkids bonus and not even reintroducing the education tax refund. Those opposite not only supported the education tax refund, but promised to increase it if elected at the 2010 election. But now they are scrapping the measure that replaced it and, as I said, not replacing it with anything. They scream blue murder over placing a cap of $2,000 per person on work-related self-education expenses for highly paid professionals, but do not provide anything—not a cent—of education tax concessions for primary schoolchildren. They do not really care about supporting Australian families. They do not care about supporting the education of Australian children, as their recent double backflip on education showed.

It is utterly amazing that in debating this bill today they are giving billions of dollars of tax breaks for mining companies, while at the same time they are getting rid of tax breaks on super for those earning under $37,000 and getting rid of all support to meet children's education costs. Where are your standards—giving billions of dollars of tax breaks for mining companies, while at the same time getting rid of tax breaks for small businesses? This tells you something, I think, about the priorities of this government: help those that bankroll the Liberal-National party and to hell with the rest; help your mates in the mining sector, and your former mates like Mr Palmer down in the House, and tread on everyone else!

We on this side of the chamber believe that a profits-based tax on profits from the minerals sector—minerals which belong to the Australian people—is a good reform. It is about ensuring Australians get a fair return for their resources. The minerals resource rent tax applies only when miners are making extraordinary, incredible profits during those times in the cycle—and, yes, they do come and go—when prices are booming. According to your own financial impact statement in the bill's explanatory memorandum—your numbers, not ours—this bill will give big miners a $3.3 billion tax cut over the forward estimates.

Senator Gallacher: How much?

Senator BILYK: A $3.3 billion cut over the forward estimates. And you want to scrap it and you want to make people on $37,000 or less pay more tax on their super? I do not understand that logic. To add insult to injury, while cutting the low-income super contribution to millions of Australians, including 2.1 million Australian women, the Liberals and Nationals are boosting the super for 16,000 people who have over $2 million in super balances. I think that says a lot.

A significant percentage of the women affected by the abolition of the low-income super contribution, the LISC, are mothers working part-time while looking after young children.
This is exactly the time in a woman's career when an additional $500 a year going into superannuation would be of most benefit for building savings for her retirement. Industry Super Australia estimates that, when combined with the proposed delay in increasing the super guarantee to 12 per cent, the removal of the LISC will reduce national savings by $53 billion by 2021-22. As everyone listening would know, some of the major investors in Australian infrastructure are superannuation funds. This thoughtless attack on low-income earners is not only hurting the lowest paid Australian workers but also thoughtlessly sabotaging Australia's capacity to build infrastructure into the future. The lack of vision of those opposite is startling.

The other major concern with this bill's removal of the LISC is that it is an example of a retrospective tax measure—a fact confirmed by the Parliamentary Budget Office's checking of the coalition's election costings. Low-income earners entered the 2013-14 financial year on the understanding that they would be refunded their superannuation tax. Now we are part way through the financial year and the government wants to slug low-income earners while giving generous tax breaks to those on high incomes. There is something wrong in a system where working Australians on average wages are providing excessive support to people with millions in their superannuation account. It is utterly ridiculous and unjust. Those on the other side bemoan income being transferred in our society. In this case it is being transferred from those on low incomes to those on high incomes and, quite frankly, it stinks. Talk about wrong priorities.

The bill would also abolish the income support bonus, a tax-free payment which came into effect earlier this year to help people prepare for unexpected living costs such as medical expenses or car repairs. If the proposed abolition is successful, around 1.1 million low-income Australians, primarily people receiving Newstart or youth allowance, will lose the payment. The income support bonus is an income-tax-exempt, indexed, non-means-tested payment made twice every year to eligible social security recipients. It was introduced in early 2013 'in recognition of the fact that the current rates of income support allowance payments are manifestly inadequate'. The bonus provides $210 a year to single recipients and $350 a year to most couples where both partners are eligible. The bonus is paid in instalments in March and September each year and is vital for people receiving income support to make ends meet. ACOSs were concerned at the axing of this payment and noted in their submission to the Senate economics committee inquiry:

... 57% of Parenting Payment recipients and 28% of Newstart Allowance recipients could not afford to pay utility bills on time compared with 12% of all Australians. Over 40% of both groups could not afford dental treatment when needed.

That is what this government is about: attacking those that it thinks will not hit back.

This bill also attacks small businesses and reduces their ability to survive. This bill will increase taxes on up to 2.7 million small businesses and close the loss carry-back scheme, taking away tax breaks for up to 110,000 businesses. The coalition's plan to remove these small business investment incentives has united big and small business in opposition, with both the Australian Industry Group and the Council of Small Business of Australia speaking out against the removal. Even the coalition's friends in the Australian Industry Group do not support the provision that would reduce the small business asset write-off threshold. In evidence given to the Senate economics committee's inquiry into this bill, Dr Burn, from the
Ai Group, stated that the existing arrangement provides a very important boost to a company's cash flow 'at a time when they need it most and at a time when it is going to be most critical in ensuring the survival of that business'. He also informed the committee that the Australian economy faced a 'large gap in investment, particularly outside the mining sector'. He stated that the proposal to remove the instant write-off facility for small business would have a material effect on them and 'decrease investment at the time it is needed most'. In his view, waiting for the tax review in these cases is 'poor timing' and the 'timing needed is right now'.

You do not have to cut off your nose to spite your face.

This bill also has extremely negative effects on geothermal energy exploration. Under current arrangements, geothermal energy exploration and prospecting expenditure is deductible in the income year that the asset is first used or expenditure is incurred. Under the new legislation, this expenditure would not be immediately deductible. The Australia Institute observed that this measure 'seems to contradict the intention behind Direct Action'. It argued in evidence to the inquiry:

If this measure is repealed geothermal exploration will not have the same incentives as any ordinary explorer looking for fossil fuels will get. If anything the playing field should be tilted in favour of geothermal energy exploration.

The Australia Institute suggested that this decision should not go ahead or, if it does, that the measure should be replaced with measures to boost the attraction of investment in geothermal. It is utter madness to discontinue this measure without the government advancing viable alternatives to encourage geothermal energy exploration.

I would just like to remind those opposite that they do not have to try and destroy everything the previous government has done. Government does not involve just indiscriminately attacking all the changes that have come before. Those opposite got elected on three-word slogans. Now they have to realise that governing is about more than three-word slogans, glib sound bites and relentless negativity. Now they have to explain to the Australian people why a bill on repeal of the mineral resource rent tax means people are going to lose their schoolkids bonus. Now they have to explain to 2.7 million small businesses why they are getting a tax hike. The senators opposite need to explain to 2.7 million small businesses why they are getting a tax hike. The senators opposite need to explain to the people who receive the income support bonus why the Liberal-National government are taking it away, just when these people need their car fixed or their fridge replaced. These people cannot just be brushed aside, and I doubt that three-word slogans are going to cut it. The Australian people are hearing nothing but three-word slogans from this Liberal-National government, and they are hearing one in particular. It is a slogan which is evident in every act of this government, and it is this: Abbott doesn't care.

**Senator WRIGHT** (South Australia) (18:00): I rise to speak on the Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 and to oppose this bill. This is a bill designed to repeal the mining resource rent tax, or the mining tax as I will refer to it today. The mining tax should not be abolished. Instead, it should be retained and, indeed, it should be strengthened. The Australian Greens supported the Henry tax review, which recommended imposing a tax on mining. We welcomed the tax in its original inception and reluctantly supported it in the form in which it was ultimately legislated, knowing as we did then that it was a shadow of the tax it should have been.
Experts consider a mining tax to be vital for properly distributing the national gains associated with mining in Australia. At the time it was enacted, the Treasurer forecast it would raise $4 billion a year, although in its current form the mining tax is now forecast to raise $500 million this year. In fact, it has only raised $232 million so far this financial year. Despite this, the profits of the three big iron ore companies it applies to—BHP, Rio Tinto and Xstrata—rose by 81 per cent this financial year. Their combined half-year profits are $14.6 billion.

As Ross Gittins, economics writer, said in Monday's Sydney Morning Herald, 'For an industry to truly benefit Australia's economy, its income must be spent in Australia.' Currently our mining industry is about 80 per cent foreign owned, which means that almost all of the profits go to overseas shareholders. As Ross Gittins said, 'For our economy and our workers to benefit from companies extracting minerals, our government has to ensure it gets a reasonable share of the economic rents that these companies pay.' In its current form, the legislation fails this test, and it also fails to tax profits on gold, silver, diamonds, uranium, rare earths, nickel, copper, zinc and bauxite. Instead of repealing the mining tax, the government should broaden it to include all minerals.

So here we have a repeal bill which advantages a small number of big companies. They will be the winners: BHP Billiton, Rio Tinto and Xstrata, among others. On the other hand, it will hurt millions of households, up to 10 million workers and hundreds of thousands of small businesses because the government will, by repealing the tax, willingly forego revenue and it will have to take measures like cutting services to make up the shortfall. The losers from this package are workers with compulsory superannuation contributions, millions of households with children and many small businesses. Instead of cutting taxes on a small number of mainly foreign owned corporations, the government—our government, in relation to our minerals—should be enhancing those taxes to raise revenue.

The passage of the Minerals Resource Rent Tax Bill 2011 inspired a campaign of confected hysteria about sovereign risk and impoverished mining companies decamping to some other mining nirvana. Who can ever forget the images of Gina Rinehart and other exceedingly wealthy mining executives proclaiming the end of the world as we know it with the passage of the legislation? But back here on earth, the act was actually an overly modest means of distributing the vast wealth associated with our precious and our very finite mineral resources in a fairer way.

The Australian Greens supported the legislation—the MRRT—as a first step towards a fairer, more efficient tax system. An optimal tax system would ensure that Australians can have a fair share of the rich mineral wealth that we own in common. The mining tax in its current form has some serious deficiencies and, as I said, ended up being a pale shadow of its former manifestation—the resource super profits tax, which was originally conceived in response to the Henry review. The MRRT contains an effective tax rate of 22½ per cent rather than the 40 per cent that was originally proposed. And, as I said, there is the failure to tax profits on minerals such as gold, silver, diamonds, uranium, rare earths, nickel, copper, zinc, bauxite and coal. This was a major omission. The fact is our mineral resources are finite and non-renewable. They can only be dug up once. So any wealth that we derive from this one-chance mining must be invested in Australia's future. Once gone, they are gone forever. We
need to invest in those longstanding public goods—education, health—and in industries that will transition us into a future that does not rely on dig it up, cut it down and ship it away.

To this end, the Australian Greens remained resolute in our position that the mining tax should be strengthened rather than abolished. And we are not alone in this. A poll in January this year showed that 54 per cent of Australians believe that multinational mining companies do not pay enough tax. The revenue from a strengthened mining tax should be invested in things like genuine needs-based education reform so that every child in Australia can be guaranteed of having a quality education no matter where they live and no matter what their background. We should be investing in having a fairer legal system. We should be investing in having a transformed framework for mental health services—there is a crying need for better mental health services throughout Australia. We should be investing in fair and caring entitlements for the veterans who go off and serve in our name overseas, who then come back to experience often significant health and mental health difficulties. These are all key priorities in my portfolio areas of education, legal affairs, mental health and veterans' affairs. The things we could do with that money!

Let us turn first to education. There is no question that education is opportunity. For some kids it will actually be the best opportunity they will ever have to be able to move beyond the difficult circumstances in which they may live and into which they may have been born. So ensuring that our education system is fair and is available to every child no matter what their background is the single best way to fix disadvantage in Australia. With a good education they can then move into employment, and we know how important jobs and employment are for people.

The Gonski Review of Funding for Schooling remains the single most relevant reform, as a pathway to ensuring this equity that will give every kid the fighting chance that they need to be able to reach their potential. We know the coalition government talked the talk on having a 'unity ticket' on Gonski funding, but events since the election have shown that they are failing to follow through on that in government. So the no-strings-attached deals with five of the eight states and territories mean that many of our school systems will not guarantee a needs based funding system—no different to what has gone before.

The Greens believe in a future where every child can have a world-class education, no matter what their social background or the degree of their family's wealth. We cannot do this without money. A society's values can actually be judged by the choices it makes. There is money for the diesel fuel rebates for wealthy miners, but, at this stage, we are told there is not enough money to guarantee that we can actually invest in education in the way that all the research indicates we need to and that the Gonski review recommended. Critically, school funding must include the extra funds for disability that the Gonski review earmarked. A needs based, sector-blind system is the only way to deliver this for all Australian students, but we need to take steps now to make our economy work for people and not the other way around.

We cannot let this government's strategic distractions in education policy dissuade us from the crucial reforms we need to make. So the political and premature review of the Australian Curriculum and Minister Pyne's rough draft on the back of an envelope of an independent public schools system are nothing more than distractions and red herrings. They will do nothing to improve outcomes for our kids.
Australian public schools in particular have been underfunded for too long, creating one of the most inequitable school systems among our peers, right here in the land of the fair go. Creating a great school for every kid will cost money. It has to cost money, because a great school for every kid involves providing the relationships within schooling that children need to be able to reach their potential. It is money that pays great teachers. It is what builds classrooms. It is what pays for special literacy and numeracy programs. It is what pays for computing equipment. We will not fall for the minister's distractions, because a school funding model that targets disadvantage will remain the most pressing issue in our schools. Better revenue from the mining tax could ensure equity in our schools system.

Let me turn to legal affairs. There is no doubt that the state of access to justice in Australia is in a crisis. The Attorney-General cites a limited funding bucket as the reason he wants community legal centres, for instance, to move away from advocacy and reform of systemic issues which affect many people, to focus only on so-called front-line services. Of course, there is an efficiency in challenging systemic issues rather than fighting matters—the myriad of injustices that these systemic issues cause—on a case-by-case basis. I believe that restricting an organisation's ability to do advocacy is always ideological. The restrictions are not just policy based, though; they also relate to resources. So while Aboriginal and Torres Strait Islander Australians are grossly overrepresented in prison populations—they are some of the most imprisoned peoples in the world—the organisations who provide their legal assistance are being defunded. And why? We are told there is not enough money.

The general legal assistance sector has been struggling to meet need for some time. This manifests as community legal centres who need to turn clients away, and legal aid commissions whose eligibility guidelines have become stricter and stricter. We also know—all the evidence shows—that, unless we properly resource justice now, we will all pay for it down the track because the costs associated with unmet legal need flow on to loss of productivity, to housing and homelessness, to mental health issues and the family support services that are needed to support families under pressure. We cannot afford to underfund legal services now, because it simply represents deferring the costs to society until later.

Let me turn now to mental health. We could invest revenue from a decent mining tax—a tax over the mining of our shared resources—in proper reform of mental health services. Decades of underinvestment in mental health have left us with an inadequate mental health system which is cracking under the pressure of increasing demand. Around 20 per cent of Australians will experience a mental health issue in any given year—one in five of us. Many of these people will not have access to suitable services. I know that this is particularly the case in rural areas, where people with mental ill health are not able to access the help they need in a timely fashion. In some cases the services are not there. In some cases people need to travel large distances. As a result, we have far more people reaching crisis than there would be if we were to provide those services in a timely way.

During my rural mental health tour in 2012, I travelled to some of Australia's faraway places to talk to people about what mental health services and support looked like in their towns and regions. Rural Australians have unique pressures affecting their mental health and are often at serious risk of becoming socially isolated if they live in remote areas and do not get the assistance they need. Wherever I went, I heard about the desperate need for
community based solutions to take the pressure off crisis driven services. As one service provider told me, 'We need a mental health safety net, not an ambulance.'

By investing in mental health we could make this safety net a reality. We could increase resourcing for community based mental health and wellbeing centres. We could strengthen civil society and therefore the resilience in those country areas by supporting neighbourhood houses. We could roll out a national social inclusion campaign to tackle the stigma surrounding mental health—one of the most significant barriers preventing people from getting the help they need. We could establish a national institute for mental health research to put Australian researchers at the cutting edge of innovative mental health treatments and to transform the research into practical assistance for people living with mental ill health right now. We could choose to support mental health nurses by increasing funding to the Mental Health Nurses Incentive Program. They play a pivotal role in improving access to primary mental health care and promoting mental health and wellbeing in the communities they serve. We could reintroduce the option of six extra exceptional circumstances sessions in the Better Access scheme, so that people can actually access the psychological assistance and continue with the treatment they need. More than 30,000 Australians were affected by the removal of these sessions and many are no longer receiving the care and assistance they need to help them live full and happy lives.

We could invest in a suicide prevention campaign and implement reforms to improve the accuracy of suicide statistics, as recommended by the Senate Community Affairs Committee in its 2010 report, *The hidden toll*. Why do we need this? Because, tragically, six Australians take their own life each day, leaving families, loved ones and entire communities bereft. This money that we could get from an adequate mining tax on our shared resources so that those profits are not solely going overseas would be an investment in life, in wellness, in potential, in restoring hope. These are lives that could be changed through proper reform of our mental health system. Imagine the difference this kind of investment could make.

Let me now turned to veterans' affairs. Revenue from an adequate mining tax could be used to introduce a fair and equitable system for veterans' pensions. As well as indexing veterans' pensions fairly, we could invest in their wellbeing, because we know that veterans and their families suffer from a range of physical and mental impacts as a result of their service. If we are willing to send these men and women away to serve on our behalf, the least we can do—the only fair, right and proper thing to do—is to adequately look after them when they return. We could use the mining tax revenue to fund a range of innovative programs to support the wellbeing of not only veterans but also their often long-suffering families, who are incredibly supportive in difficult circumstances.

A classic and topical example is payments under the Veterans' Children Education Scheme and the Military Rehabilitation and Compensation Act Education and Training Scheme. These payments, for children of defence personnel following the death or incapacity of a parent who has served overseas, amount to about $211 a year. There are about 1,200 children around Australia who are eligible for these payments. The government announced on Monday, 17 March that these payments, costing $260,000 annually, will end as soon as it repeals—yes—the mining tax. The government states that the money is not there—or it will not be anymore once the tax is repealed.
We could use the money to fight stigma associated with mental illness and mental ill health in the services, which is particularly prevalent in the military community, and to enable veterans to get the support they need and deserve. We could be investing in research into the unique needs of female veterans to ensure that we adequately care for this growing group of people.

Revenue from a strong mining tax could be used to appropriately recognise all those who have served our nation—groups such as the British Commonwealth Occupation Force, the Women's Land Army, and the nurses who served in Vietnam as part of the Southeast Asia Treaty Organisation. These are all people who served in difficult circumstances on our behalf but who are at this stage not eligible for the assistance that they need.

We could see our injured service personnel appropriately looked after, addressing the current inequity whereby ADF members are financially worse off if injured during deployment, because of the vagaries of our taxation system. As I said, we could invest in adequately supporting veterans’ families.

In conclusion, the Greens' position on the mining tax has never wavered. We believe it is the only way to ensure that all Australians get a stake in the resources boom that we have seen and in the minerals that we collectively own in this nation. We believe it should apply in the form it was recommended by the Henry review. We believe that instead of repealing it at the behest of big business, this tax should be strengthened. The economic benefits of Australia's resources should be distributed more fairly than just amongst a few multinational corporations. We could invest the proceeds in our future in my portfolio areas alone—in education, in legal need, in mental health services and in veterans' wellbeing—and there are many other areas of need in Australia. That way we would ensure that the resources 'rush' of the early 21st century in relation to our finite resources does not pass us by and does not leave us with nothing but environmental impacts and stranded infrastructure.

Senator SMITH (Western Australia) (18:20): It is a particular pleasure as a Western Australian senator to rise to speak to the Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 and make a contribution to this debate about repealing the former Labor government's mining tax. I am surprised that Senator Ludlam has not rushed into the chamber to ask Senator Wright to sit down, because if Western Australians are listening to the broadcast today they would have heard Senator Wright talking about 'strengthening' the mining tax. They would have heard Senator Wright talking about the mining tax being 'a shadow of itself'. Senator Ludlam is going to pay a very heavy price for that speech on 5 April. I hope it goes viral.

There is no better symbol of the Labor Party's complete inability to understand Western Australia than its continued support of this tax. It is no coincidence that Labor's federal representation in Western Australia now stands at a historic low. Labor's primary vote in Western Australia on 7 September last year was just 28.7 per cent. Senators on the other side will not be surprised by that because I regularly refer to it in this place, but there is a very good reason for that. It is because Western Australians have formed the view—correctly, in my mind—that over the last six years of the Rudd and Gillard governments they were seen as a cash cow for Canberra. Labor was more than happy to take Western Australia's money yet reluctant to spend it on any West Australian initiatives or listen to the concerns of Western Australians across a range of issues. Together with the carbon tax, Labor's mining tax will
forever serve as a prime example of the former government's complete fiscal and political ineptitude.

The mining tax has long history. It runs like a river through almost all of the previous government's time in office. Along the way, it caused division and suspicion within the government, significantly contributing to the downfall of one Prime Minister and haunted another right through to the very end of her period in office. However, of greater concern to me is the damage this tax has done to Australia's mining and resources sector, which is so vital not only to the interests of my own state of Western Australia but it also underpins the ongoing strength of our national economy. The fact at the moment is that, when Western Australia is diminished, we are all diminished.

What we have now come to know is the minerals resource rent tax had its genesis in the Henry tax review, which was commissioned by the first Rudd government. That review put forward the idea that became the resource super profits tax. The original forecast was that this tax would raise just under $50 billion in the five years from July 2012. This tax was lobbed, like a grenade, into the boardrooms of Australia's mining companies. It was announced by former Prime Minister Rudd and the former Treasurer, the member for Lilley, with virtually no consultation whatsoever. Needless to say, the reaction from the mining sector and much of the wider community, particularly in Western Australia, was swift and savage.

The Rudd Labor government seemed genuinely surprised by the intensity of the opposition to its plan, which goes to show you how much Labor understands the nature of business in Australia and goes to show how much Labor understands Western Australia. The mining companies, as is their right, worked together and developed an advertising campaign to alert Australians to the broader implications of this tax and the damage it would do to our economy overall. Labor's reaction was to do what it does best: launch a political advertising campaign in opposition using taxpayers' money. It is perhaps an insight into the siege mentality under which former Prime Minister Rudd operated, but what is often forgotten in discussion surrounding the mining tax was that the former Prime Minister regarded it as a matter of the utmost importance.

We all recall his pronouncement that climate change was the 'great moral challenge of our time'. Less well remembered was his strident insistence that the introduction of his mining super profits tax constituted a 'national emergency'. I refer to a report from The Age on 29 May 2010, which reads as follows:

The Rudd government has crashed through its own accountability guidelines to rush $38 million worth of tax reform advertisements to air in an effort to counter a negative blitz by the mining sector.

In order to rush the campaign to air, the government suspended its own processes for having officials check that advertisements are free from party political content. Special Minister of State Joe Ludwig has scope to ignore the guidelines in cases of national emergency, extreme urgency or 'other compelling reason'. That is an insight into the mindset of the Labor Party. A group of private companies choose to spend their money to highlight the dangers of government policy, and Labor responds as though it were wartime, suspending normal processes and virtually declaring a national emergency in order to use public money to suit its own ends—this from the same Labor Party
that now comes into the Senate and preaches about transparency and accountability. Of course, it was wartime, but the war was happening inside the government.

For those senators who may not yet have had the chance, I commend to you an excellent series of articles in the Fairfax press last year by Peter Hartcher, which examine the collapse of the previous Labor government in lurid detail. It is a five-part series, but part 3 is particularly instructive as it sets out events surrounding the coup that removed Mr Rudd as Prime Minister in June 2010. It is worth placing on the record the key role the mining tax played in those events. The newspaper report says:

The mining tax was the policy backdrop to the political machinations. After breaking an election promise by postponing the carbon emissions trading scheme, Rudd had launched immediately into the announcement of a super-profits tax on coal and iron-ore. The newspaper report says:

Ferguson says: We announced the tax on the Sunday. By the end of the week we had lost the debate. The industry had been told that the potential revenue would not be included in the forthcoming budget. The next week, it was not only booked in the budget, it was allocated to be spent.

The article goes on:

A furious Rudd privately blamed Swan for bungling the consultations with the companies and the states. Swan denied the accusation.

Of course, we know what happened the following month. Mr Swan banded together with former Prime Minister Julia Gillard to knife Kevin Rudd. The Gillard ascendancy also meant the super profits tax was off the agenda, replaced by the minerals resource rent tax—the tax that the coalition is now determined to abolish.

When former Prime Minister Julia Gillard came to office, she set about portraying herself as the great negotiator, presumably in contrast to the autocratic approach of her predecessor. The MRRT was portrayed as exhibit A of the new Prime Minister's marvellous, conciliatory approach. So let us take a look at what Australia got as a result of this arrangement, an arrangement that she struck with Australia's three biggest mining companies. It is worth remembering that the negotiation was very, very limited. The first point was that the revenue-take from the tax was significantly revised, from the almost $50 billion projected under Kevin Rudd to around $26.5 billion under the new iteration negotiated by Prime Minister Gillard. That was the first reduction in the revenue forecasts. It was not the last.

Labor's inability to get the basics right was demonstrated again and again, as we saw write-down after write-down in the projections of what the mining tax would raise. In February last year, the then Treasurer, the member for Lilley, who was instrumental in the negotiations that delivered the MRRT, was forced to concede that in the first six months of its operation, the mining tax had raised $126 million. That was $126 million from a tax that was designed to raise tens of billions of dollars. So former Prime Minister Gillard's much vaunted negotiating skills and the member for Lilley's economic management skills succeeded in creating a tax that raised virtually none of its projected revenue yet added significantly to business compliance costs.

There are only around 20 companies in all that have actually had to pay the mining tax yet there are around 145 other mining companies that have been required to submit all the paperwork for it. So around 145 companies were required to pay accountants, lawyers and other advisers so that they could meet the compliance requirements and submit paperwork for a tax they ultimately have not been required to pay. How many millions of dollars has this
wasted? How many jobs could have been created or what new projects could have been supported had this government not erred so appallingly in the design and implementation of this mining tax?

This is a real tribute to Labor's economic skill—a tax in its design that significantly increases business costs in the mining sector, harms economic growth and jobs creation in the resources industry, destroys a Prime Minister, yet at the same time raises no revenue. It is a remarkable accomplishment! Only the Australian Labor Party could have done it and, bizarrely, they are still defending it.

_Senator Gallacher interjecting—_

_Senator SMITH:_ Is that a defence, Senator Gallacher?

**The ACTING DEPUTY PRESIDENT** (Senator Whish-Wilson): Please direct your comments through the chair, Senator Smith.

_Senator SMITH:_ Removing this tax will restore confidence in our mining sector. It will allow our resources companies to get on with their business instead of having to spend time complying with paperwork requirements for a tax that does not raise revenue.

The mining sector is very, very important to the Western Australian economy and to the national economy as a whole. Almost 250,000 people were directly employed in the minerals industry in 2013, an increase of 40 per cent in the previous three years alone. Of these workers, 95 per cent are full-time employees. The average full-time salary for workers in the mining sector is close to $130,000 a year. If you extrapolate that out, that is approximately $10 billion in personal income tax that the mining companies generated through the wages of their employees. Yet the former Labor government thought it was a good idea to depress employment growth in the sector by hitting it with another new tax. It does beggar belief.

The sector contributes to the Australian society in broader ways. In 2011-12, as an example, mining companies in Australia spent $33 billion on community infrastructure and the employment of local contractors in regional areas as well as supporting Indigenous communities in regional areas. Yet, if you listen to the rhetoric of the Labor Party, it always portrays miners as greedy, selfish and unwilling to contribute to society more broadly. It is a cheap and inaccurate caricature, one that I would have hoped we had left behind long ago. Sadly, under former Prime Ministers Rudd and Gillard, faux class war was all the rage. I had thought that perhaps with the defeat of the former government and the election of its new leader Labor may have left this sort of rhetoric behind. Alas, many of the comments from Labor members and senators over the last six months have shown this hope to be forlorn.

Of course there is another aspect to this tax, one that is having implications much wider than for just the mining sector. As I outlined earlier, this tax has raised barely one-tenth of the revenue it was projected to bring in. It has brought in around $400 million in total. Yet, seemingly undeterred by reality, the former Labor government locked in $16.7 billion in expenditure, all supposed to be funded through its flawed mining tax. There were no shortage of self-serving and cynical actions undertaken by the former Labor government, but this one has to rank near the top of a long list. Who is hurt by this craven and cynical approach to public policymaking? It is those local communities, many of them smaller regional communities, who were promised the earth by the former Labor government and who now
find that the money they were promised for the completion of local infrastructure projects or other activities does not exist. It never existed.

Labor ministers—and many of them remain in this parliament and on the opposition frontbench—ran around Australia before the election making a raft of promises in marginal seats, all to be funded by revenue raised by a mining tax they knew was flawed and was not bringing in anything like the revenue that had originally been forecast. That level of cynicism is still breathtaking to many of us. I can think of several instances in my own state of Western Australia where local communities in the Great Southern region were told by the then Labor government that key local projects would be funded through the Regional Development Australia Fund and the Regional Infrastructure Fund. The ministers knew there was no money in the funds; it was all supposed to be funded by a mining tax that was not raising revenue. Yet they kept making promises and misleading regional communities in an attempt to buy votes. It just goes to show how little respect the Labor Party has for regional communities around Australia, but particularly in my home state of Western Australia, that they would mislead people in this way.

Worse still, now that the coalition is in government and has to try to sort out Labor's mess, the very same Labor Party is trying to prevent it by opposing these bills and continuing to support a mining tax that everyone agrees does not work. We are hearing from the Labor Party the same tired class rhetoric about big miners and millionaires.

I think one of the more eloquent criticisms, even if it was merely an implicit one, of Labor resorting to class warfare during the Rudd and Gillard era came from within the Labor Party itself. The former Minister for Resources and Energy and now former member for Batman, Mr Martin Ferguson, was forced to resign from the ministry last year during one of Labor's regular leadership stoushes. Subsequent to that, Mr Ferguson announced on 29 May last year that he would be leaving the parliament. During his final speech in the House of Representatives on that day, he said this:

When I look back on my career, firstly at the Miscellaneous Workers Union, then as ACTU president and finally as a member of parliament, my main motivation has been to get Australians into decent, well-paying jobs. This is what the Labor Party means to me: helping those less fortunate in life by providing new jobs and opportunities to achieve a better quality of life. Creating opportunities by working with business is not the same thing as pointless class rhetoric. In essence, we need to grow the pie to share it.

That is valuable advice that Labor should heed.

By refusing to support this legislation and continuing to support the mining tax, the Labor Party is essentially thumbing its nose at the people of Australia, who with their votes on 7 September expressed their strong support for the coalition's clear and longstanding commitment to scrapping the mining tax.

Last week, the Leader of the Opposition, Mr Shorten, was in my home state of Western Australia. He was there to try and win support for the upcoming Senate election. During his visit, he gave an interview to Sky News's David Speers. It was one of the most excruciating public performances many of us would have ever seen. It is worth watching again. It is important to watch again for what he does not actually say.

The leader of the Labor Party, Mr Shorten, was recently in Western Australia. Five times, David Speers asked the Leader of the Opposition whether he and his party still support the
mining tax. Five times Mr Shorten replied with waffling, equivocation and stonewalling. He refused to admit what we all know is true: Labor still want this mining tax, but are desperate to avoid saying so before 5 April.

However, in my last remaining minutes I do have to applaud one federal Labor MP from Western Australia. Her candour—wrong-headed as it might be on this policy issue—at least provides a welcome contrast with the tricky, dishonest approach of Labor's current leader. I am speaking of the newly-minted shadow parliamentary secretary for Western Australia, the member for Perth, Alannah MacTiernan.

When she was appointed to her new position with great fanfare by the Leader of the Opposition, Mr Shorten said that Ms MacTiernan's appointment would:

… make WA's voice inside Labor even stronger.

Sadly for the people of Western Australia, it was clear within 24 hours that this strong new voice was singing from a very old hymn sheet. Far from heeding the lessons of last September or using her new responsibilities to actually stand up for the people of WA, Ms MacTiernan immediately declared her strong support for Labor's flawed mining tax. She said that it was sound and that there were strong arguments in favour of keeping this failed tax. I am not sure where Ms MacTiernan and the Labor Party have been hearing these strong arguments that support their tax—perhaps it was from their allies in the Australian Greens movement—but I sincerely doubt that they have emanated from my home state of Western Australia.

This legislation to abolish Labor's disastrous mining tax is a core element of the coalition's plan to restore confidence not just in the mining sector but also across the Australian economy more broadly. It shows that Australia, again, has a government that values the contribution that the mining and resources sector makes to the strength and growth of our national economy. It understands that the best thing that government can do is to get out of their way and allow them to get on with the job. This legislation will help to close the book on the long, drawn-out saga of the Rudd-Gillard leadership wrangle; the incompetence that underpinned the six years of the Labor government; and the anti WA policy agenda that Labor and their Greens allies have long pursued.

Senator CAROL BROWN (Tasmania) (18:40): I rise to speak against the Abbott government's legislation to repeal the minerals resource rent tax. Just to start with, I would like to take up some of the comments that Senator Smith made in his contribution here tonight. As it was, the contribution was largely wrapped up, again, with slur and personal attacks, but that is something we have come to expect in this chamber from many of those on the other side. However, he did talk about a class war. If there is a class war, I think that what the contribution from Senator Smith showed—if anything—is that the coalition is, has been and always will be for the big end of town.

What the Labor Party has been saying in terms of the minerals resource rent tax is that all Australians should share in the spoils of our natural resources, not just the big mining companies. The actions of those opposite fly in the face of decent, fair-minded values. Those are the values of sharing—sharing this nation's resources and the benefits that come from them with all Australians. The profits that come from extracting our natural resources should be spread throughout the Australian public. That is what Labor was doing with the minerals resource rent tax.
But, as we know, on a Friday last year and through the faceless mode of a press release, the
coalition announced that they would tear down the MRRT and would take with it a variety of
government payments, support bonuses and tax breaks that benefit Australians. These are
Labor initiatives that were making life easier and more profitable for families, school
children, retirees and businesses. But Mr Abbott wants to make sure that the biggest
companies pay less tax, while small businesses and the lowest paid workers pay more tax. I
will repeat that: the big companies pay less tax and the small businesses and lowest paid
workers pay more tax.

Mr Abbott's government wants to axe the low-income superannuation contribution
retrospectively, increasing superannuation taxes for one in three Australians by up to $500 a
year. If anybody knows someone who actually accesses the low-income superannuation
contribution, they will know that those people are doing it tough. They are not high earners
and any help assists them greatly in making ends meet. So I would suggest to Senator Smith
that he meet some of these workers that he is 'supporting' by ripping away their low-income
superannuation contribution.

The bill also acts as an increase to the instant asset tax write-off, leaving 2.7 million
Australian small businesses worse off through higher taxes and it will leave 110,000
businesses worse off by getting rid of the lost carry-back tax incentives. On top of this, the
schoolkids bonus—and we have heard contributions from this side of the chamber about
that—is going to be axed, even though it has nothing to do with the MRRT. It does not matter
how many times the government insists it is connected; it is not. It knows it is not and it is just
a con on Australian families.

The superannuation guarantee will also be stalled, by two years, as Mr Abbott dillydallies.
He refuses to think of the future and only proceeds with this approach, scrapping the MRRT
and lining the pockets of the big mining companies. These mining companies are profiting
from the natural resources that belong to all Australians. The Labor Party is not arguing that
the mining companies should not make a profit, simply that the money should benefit all
Australians. All Australians own these natural resources and all Australians should benefit
from the profits that they develop. To axe programs, initiatives and payments that help spread
the benefit of our vast natural resources, to help the bottom line of big mining companies, is
simply not good enough.

I will now touch on the schoolkids bonus in more detail. The coalition's bill, the repeal
legislation that we have before us, will leave more than 1.2 million Australian families worse
off when it comes to meeting the education expenses of their children. It is cruel, it is sneaky
and it will hurt struggling families. Not only is this government ripping off Australian
families; it is also trying to fool them about the reasons for doing so. Mr Abbott's government
is claiming the schoolkids bonus was paid for by the minerals resource rent tax. It was not.
We know it was not and the government knows it was not. The schoolkids bonus replaced the
education tax refund. It had nothing to do with the minerals resource rent tax package, and
those opposite know it.

Mr Abbott and his Treasurer, Mr Hockey, are trying to fool Australian families by
repealing the schoolkids bonus as part of the repeal of the MRRT. This repeal will be a big hit
to families: $410 per year for each child in primary school and $820 per year for each child in
high school. This is money for books, technology, uniforms, new shoes and excursions that
will now have to come from somewhere else. If it does not come from somewhere else, children will miss out. It is a kick in the guts for hardworking families putting their children through school. Scrapping the schoolkids bonus means the average Australian family with two kids will be $1,230 worse off every year and $15,000 worse off over the whole of their child's education.

And why aren't these families receiving the money? Because those opposite, under Mr Abbott and Mr Hockey, have decided it is better to give a tax break, a kickback, to big mining companies than to help out everyday Australians. That means that every one of those 1.2 million families will be worse off when it comes to the schoolkids bonus. Australian families deserve to know why Mr Hockey is making life harder for Australian families. Those opposite continue to put the myth out there that the schoolkids bonus is somehow linked to the minerals resource rent tax. Again I stress that the schoolkids bonus replaced the education tax refund. It was nothing to do with the minerals resource rent tax.

My home state is Tasmania. I am glad Senator Bushby is here to listen to my contribution. I am sure he knows that almost 32,000 Tasmanian families are set to suffer if the schoolkids bonus goes. That is 57,700 Tasmanian primary and high-school students who will go without the payment. It is just like those workers that get some benefit from low-income superannuation. Senator Bushby would know that it is not easy and it is costly for these Tasmanian families to put children through school. There are many expenses involved for children to go to school and to be able to participate fully in school activities. All children are entitled to get a full and enjoyable education.

Debate interrupted.

DOCUMENTS
Consideration
The government documents tabled today were called on but no motion was moved.

ADJOURNMENT
The ACTING DEPUTY PRESIDENT (Senator Furner) (18:50): Order! I propose the question:

That the Senate do now adjourn.

Boycotts, Divestment and Sanctions Movement

Senator SESELJA (Australian Capital Territory) (18:50): I would like to bring to the attention of the Senate tonight recent reports in The Australian of anti-Semitic incidents at university O weeks around Australia, including at the Australian National University here in Canberra. They have included verbal and racial slurs as well as someone throwing a paper plane at the Jewish Students' Association orientation week stall which said, 'Death to the Zionist entity. Love from Hamas.' There is another incident under investigation. A student at the University of New South Wales was harassed and verbally intimidated by two men for carrying an Australasian Union of Jewish Students bag, until a third party stepped in. This most recent abuse comes after research by the Executive Council of Australian Jewry found the number of anti-Semitic incidents reported had skyrocketed to the second highest on record. These attacks are to be condemned in the strongest terms.
What is most alarming is that the vile and detestable Boycotts, Divestment and Sanctions Movement has made it seemingly acceptable for some to single out and attack members of the Jewish community. This is a campaign in recent years that has seen activists boycott and harass Israeli linked businesses, including cosmetic companies Seacret, L'Oreal and Jericho, as well as Caterpillar, because its bulldozers are used by Israeli authorities.

This is a campaign that has been openly supported by some senators in this place and by a number of unions, including the Victorian Trades Hall Council; the South Coast Labor Council; various state branches of the ASU, the Teachers' Union; LHWMU; CFMEU; MUA, branches of the AMWU; CEPU; ETU; FSU; HACSU; RTBU; the Geelong Trades Hall Council; Newcastle Trades and Labor Council; Queensland Council of Unions; and, importantly, Unions ACT. While the New South Wales Greens now equivocate about BDS the motion passed by them in 2011, shepherded through by Senator Lee Rhiannon, specifically said that the Greens of New South Wales call upon all Australians and the Australian government to:

… boycott Israeli goods, trading and military arrangements, and sporting, cultural and academic events. This harassment and victimisation of Jewish people at these academic events were clearly a part of the BDS movement's game plan and was specifically foreshadowed in the motion pushed through the New South Wales Greens State Council by Senator Rhiannon.

Time after time, coalition senators have come into this place to express deep concern about this movement and about the support it has had from the Greens and some Labor members and senators. But now that this has transcended to violence and threatening acts it is time for the Greens and Labor to join with the coalition to strongly oppose these vile actions. It is interesting that those who actively push for human rights and equality in parts of the left are some of the strongest backers of this movement. Interestingly, when you look at the treatment of gays and lesbians, and women, in Israel in comparison to other parts of the region, you see they get support from those who claim to be strong supporters of gay and lesbian rights and of women's rights. It is also worth noting Canadian Prime Minister Stephen Harper's comments, which sum things up reasonably well:

Those who scorn modernity, who loathe the liberty of others, and who hold the differences of peoples and cultures in contempt.
Those who often begin by hating the Jews. But, history shows us, end up hating anyone who is not them.
Those forces, which have threatened the state of Israel every single day of its existence, and which, today, as 9-11 graphically showed us, threaten us all.
He goes on:
And so, either we stand up for our values and our interests, here, in Israel. Stand up for the existence of a free, democratic and distinctively Jewish state. Or the retreat of our values and our interests in the world will begin.

The behaviour that we have seen most recently on university campuses but also in the community with vile attacks against Jewish Australians must be condemned in the strongest possible terms.

Tonight I call on both Senator Lee Rhiannon and Unions ACT to condemn these violent acts on university campuses that were clearly foreshadowed by the BDS movement, which
they support. I also recognise the important work that the Community Security Group do in protecting Jewish Australians around the country.

Fred Hollows Foundation

Senator FAULKNER (New South Wales) (18:55): The Fred Hollows Foundation envisages a world where no-one is needlessly blind. I have spoken on numerous occasions in this chamber about the great work of the Fred Hollows Foundation in the prevention and treatment of blindness around the world. This work could not be done without the strong support of many in our community who share the foundation's objectives.

The Sydney Coastrek event has become a vital fundraising vehicle for the Fred Hollows Foundation, as well as developing a reputation as a testing and challenging endurance event in its own right. On Friday, 28 February this year, a record 2,800 trekkers from all over Australia took part in the 2014 Wild Women On Top Sydney Coastrek, the 50-kilometre or 100-kilometre team challenge.

The Sydney Coastrek tracks the stunning and picturesque Sydney coastline, taking in national parks and iconic Sydney landmarks, such as the Harbour Bridge, Opera House, Bondi Beach and Sydney Heads. Teams of four, which must include at least two women, have the option of walking 50 kilometres from Palm Beach to Balmoral or 50 kilometres from Balmoral to Coogee or the full 100 kilometres from Palm Beach to Coogee. It is a challenging course across the soft sand of ocean and harbour beaches, steep climbs and descents along headlands and cliff tops, creek crossings, bush trails and, of course, suburban streets.

Our team, Achilles50, comprised a totally blind walker, Ben Phillips, whose achievements in long-distance walking are well known to senators; Felolina Tumataiki and Carla Lever; and yours truly. I am happy to inform the Senate that we completed the 50-kilometre hike from Balmoral to Coogee in a commendable 13 hours and 29 minutes. Of course, thanks goes to our fantastic support crew who really gave us a lot of support throughout the event.

Congratulations also go to the Wild Women on Top Lunachicks team, who finished the event in 12 hours and 10 minutes, and our Senate Chamber attendant, Rebecca Herringe, who is very well known to all of us in the chamber, was again a member of that team. Congratulations to her and the other members of the Lunachiks. I am happy to inform the Senate that as of a few minutes ago, the 2014 Wild Women on Top Sydney Coastrek had raised a record $2,572,712 for the crucial work of the Fred Hollows Foundation, exceeding its target of $2.5 million and smashing last year's record of $1.7 million.

I do want to acknowledge the great work of Di Westaway and all the Wild Women on Top team who coordinate this event for the Fred Hollows Foundation. I want also to thank the 200 volunteers and 40 event staff who made this year's Coastrek so memorable—a big thank you to them all. Finally, I should say to those who are still interested that it is not too late to donate. It is probably never too late to donate, but if anybody would like to donate to the work of the Fred Hollows Foundation, please visit the Sydney Coastrek website, hit the 'donate now' button and I particularly encourage people to search for the Achilles50 team or the Lunachiks team, because, and remember this: all donations, big or small, are greatly appreciated and all go, of course, to the critically important work of ensuring that no-one is needlessly blind.
Bachelor of Agricultural Business Management Course

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (19:00): I am delighted this evening to stand in this place and record that the Bachelor of Agricultural Business Management course conducted by Charles Sturt University here in New South Wales is now once again being offered in Western Australia at the Muresk Institute of Agriculture, where I had the privilege of being an academic for some 13 years. It is a long story. Muresk was the first institution in Australasia back in 1976 to commence a degree course in agribusiness, recognising the importance of professional education and training beyond the farm gate, from production through to the customer's plate. Over the years it was a highly successful course. Graduates were in high demand. Employers would have said it was because of the fact that the students themselves had their feet in the soil of agriculture, that they had a deep understanding, and of course the business aspects of the program made them very employable.

It is regrettable that over the years, particularly in the last four or five years, this agribusiness degree course, then conducted by the Curtin University based in Perth, lost its impetus, the students were removed from the Muresk campus some 100 kilometres east of Perth at Northam down to the city and the course fell apart. I think it was a tremendous effort by a lot of people: the Western Australian government, the federal government and particularly a group of us who saw the absolute need for it, supported strongly by industry, supported in fact by many graduates of the original agribusiness degree course who were moving towards their retirement and asking where was the succession plan.

It fell then to a decision taken, and I am very pleased the decision was taken, by the Western Australian government led by the Premier, Colin Barnett, to involve Charles Sturt University, with its basis in Wagga, where I had the pleasure of meeting the vice-chancellor and the deans of agriculture and veterinary science. They had already got themselves to the stage where they were in a position to offer the academic programs at the Muresk campus. Muresk in the meantime had passed over the management of the degree to the CY O'Connor Institute under the direction of a very competent, hardworking and visionary gentleman by the name of John Scott. It was John Scott, along with others—one of the directors of Muresk Institute, Dr Ian Fairnie; Mr Brian Piesse, very much involved in agribusiness in the south-west; and others—who worked with the Western Australian government, a succession of ministers, particularly ministers Murray Cowper and now Minister Kim Hames, to ensure that this course got up and running. I am delighted to report to the Senate that it was the intervention, in some part, of then Senator Chris Evans, who was instrumental in ensuring that there would be Commonwealth supported places from Charles Sturt. I must say it was Charles Sturt places that were offered from New South Wales rather than new places in Western Australia, but it all came together.

There are now, I understand, some 22 students enrolled and underway in the first year of this Bachelor of Agricultural Business Management course and I am pleased to report that I believe three of those people are mature farmers who have come back to undertake this course. That fits very much the pattern of the past, where those who had been graduates of the Diploma in Agriculture from Muresk had gone either back into farming or back into other aspects of agribusiness or indeed industry itself, came back to complete their course in
agribusiness and they became very employable. The job opportunities have been enormous. The places in which they have found their employ over the years have been enviable.

In the few minutes left to me I also want to place on record the work of the Hon. Hendy Cowan, Deputy Premier of Western Australia at the time to Richard Court, who was detailed by the Western Australian state government to go to industry, talk to people and report on whether there was a need for the agribusiness degree course to be resumed. I am delighted to report that I chaired a Senate committee which reported in June 2012 into higher education and skills training to support agriculture and agribusiness in Australia. One of the key recommendations of that report was that nationally we should work far more closely to break down the silos to ensure a national spread of expertise. It is wonderful that Charles Sturt is running that program.

**Brain Cancer**

**Senator BILYK** (Tasmania—Deputy Opposition Whip in the Senate) (19:05): I was pleased last night to attend a briefing in Parliament House on a recently completed 12-month study into less common and rare cancers. In this report it was stated that rare and less common cancers make up 30 per cent of cancer diagnoses and 50 per cent of all cancer deaths. One of these less common cancers is brain cancer, and among the attendees at last night's event were representatives of Cure Brain Foundation, founded by neurosurgeon Dr Charlie Teo AM, and Brain Tumour Alliance Australia. As co-convenor of the parliament's Brain Tumour Awareness Group, along with Senator Ryan, and being a brain tumour survivor, I am honoured to have an ongoing association and to work with these great organisations.

Brain cancer is a terrible disease. It is often sudden in onset, late to diagnose and hard, often impossible, to cure. We have no idea what causes it, we cannot prevent it and there is no cost-effective screening. Only two out of 10 people diagnosed with brain cancer survive for five years, so I do consider myself one of the most extremely lucky people in this chamber.

Compare this to breast cancer where nine out of 10 people survive for five years. Clearly, brain cancer treatment has a long way to go.

Of particular concern to me is a little known and barely acknowledged fact: more children die from brain cancer than from any other cancer or disease. Are you surprised? Let me say it again: in Australia, under our watch, more children die from brain cancer than from any other cancer or disease! I am a bit shocked. I have known that fact for a while but I am still a bit shocked—and I hope that people listening are too, because it is time that we did something about it. If we as a nation cannot find a way to allocate more money, even in a tight budget year, for research into the disease that is the biggest killer of our children then I think we are failing in our principal duty—that of protecting our children.

Another little known or acknowledged fact is that brain cancer kills more people under the age of 39 than any other cancer. It kills people in the prime of their life—people who, had they lived, would have made valuable contributions to their communities, societies and families. So it is clear to me that we need a new model of funding for cancer in Australia, one that prioritises our collective future, our children, and is weighted towards those with families and those in productive work. Of course, this will benefit brain cancer research.
I realise it is not possible for government to ensure that all cancers are treated equally but government can ensure that the most appropriate funding model is used by all government agencies, such as the National Health and Medical Research Council, when considering funding applications. We know that increasing research into a particular cancer helps to increase survival rates, but research costs money and less popular cancers are finding it tough in a very competitive funding environment to get traction. The brain cancer survival rate has hardly moved in 30 years. Without a significant injection of funds, it is probable that it will hardly move in the next 30 years. I realise that it is unrealistic to expect the cancer funding pie to grow substantially to the point where research into all cancers, such as breast and prostate cancer, would be funded. So what is needed is a new model of funding—one that puts our children first.

Increasing funding for brain cancer will improve people's survival rates, and not just of those with primary brain cancers. Given the way knowledge is exploding, there is a very strong possibility that brain cancer can lead the way in delivering for other cancers, especially breast, skin and lung cancers, which have a high incidence of secondary brain tumours, which often lead to a quick death, as with primary brain cancer.

The brain cancer community is calling on the Australian government to help our children now. Let us all get behind this plea. Cure Brain Cancer Foundation is driving the national brain cancer research agenda and is hoping for government support to drive an increase in survival rates. Its mission is to ensure that, within the next 10 years, at least five out of 10 people with brain cancer survive for five years. I urge all senators and members to support the Cure Brain Cancer Foundation in this important initiative. Let us work together to ensure that brain cancer is no longer the No. 1 killer of our children.

Fulton, Ms Roseanne

Senator PERIS (Northern Territory) (19:10): I rise tonight to speak in support of Roseanne Fulton. Specifically, I speak in support of the release of Roseanne Fulton from prison in Western Australia. She is in prison without conviction. This is a disgraceful situation. She should be released immediately.

People may be familiar with the plight of Roseanne, as it has been featured in the media in recent days, particularly on the ABC’s Lateline program. I have been advocating on behalf of Roseanne and her supporters since January, when I first became aware of this issue. By way of a brief background, a court found that Roseanne was unfit to plead because of a mental impairment that Roseanne has had since birth—foetal alcohol syndrome. Foetal alcohol syndrome can occur as a result of high levels of alcohol consumption during pregnancy.

Someone found by a court to be unfit to plead guilty should not be imprisoned. However, Roseanne is currently in Kalgoorlie prison. Her imprisonment is in breach of the law and her basic human rights. Her advocates have requested that she be accommodated at the Alice Springs secure care facility, which was custom built to accommodate people with complex care needs, such as Roseanne.

Roseanne grew up in Alice Springs and so she should be looked after in an appropriate facility there. The secure care facility was constructed to accommodate people whom a court had determined unfit to plead guilty, just like Roseanne. The secure care facility was constructed by the previous Northern Territory Labor government so that it could meet its
legislative obligations in relation to people declared unfit to plead. However, in June last year, the new Country Liberal Party government decided to turn over half of the facility to an alcohol prison. They decided that the best way to deal with people with an alcohol addiction was to lock them up against their will. Every single expert in the field of treating alcohol addiction told the Northern Territory government that this approach would not work, but they pressed ahead regardless.

At the time the government announced that half of the secure care facility would be used for a forced alcohol treatment centre, the Northern Territory health minister said in a press release on 18 June last year:

The demand for adult secure care in Central Australia is well short of capacity.

So, in June last year, demand was well short of capacity, yet now we are getting the ridiculous excuse that the facility does not have the capacity to accommodate Roseanne Fulton. In January this year, I wrote on behalf of Roseanne to the relevant Northern Territory ministers, including the Minister for Health and the Attorney General. All I received from both offices were bureaucratic excuses. It was very clear that there was absolutely no will on the part of the government to have Roseanne released from prison. Remarkably, the email I received from the office of the Minister for Health, Robyn Lambley, even described the forced imprisonment of Roseanne in Western Australia as 'currently in care'. She is not in care. She is in prison.

I have heard a lot of bureaucratic jargon in my life but to describe someone in prison, against their will, without any conviction as being 'currently in care' is unbelievable. Unfortunately, this is typical of the current approach of the CLP government. They deal with health and social issues via the criminal justice system. If they can lock someone up then they will do it. Their mentality seems to be one of: when a difficult situation arises, the best response is to put the problem behind bars. Prison is seen as the solution to health and social issues. The government simply put all of these issues into the too-hard basket and then threw the basket into jail.

The Northern Territory government has introduced a raft of new laws in the last 18 months that all treat health and social issues with a criminal response. The mandatory alcohol treatment legislation means that people who have committed no crime, no offence at all, can be locked up against their will for having an alcohol addiction. Alcohol protection orders mean that people who have not been convicted of any crime or offence other than drinking can be sentenced to a prison term. Let me state very clearly that anyone who commits alcohol related crimes should face the consequences of the law. But I am talking about people who are simply drunk, people who have issues with alcohol, people who have committed no crimes but who are locked up all the same. There has also been the introduction of mandatory sentencing provisions, and all of these new laws will clearly lead to an increase in the incarceration of Aboriginal Territorians.

Aboriginal incarceration rates in Australian prisons have never been higher. In fact, countrywide rates of imprisonment are worse per capita for the black population of Australia than they were for the black population of South Africa during apartheid. If the Country Liberal government had decided 18 months ago that they wanted to lock up as many Aboriginal people as they possibly could, they would have not have done much differently
from their current approach. They could not have done a much better job than what they are doing now. It is disgraceful.

Now we are seeing it again. In response to Roseanne's situation, the Northern Territory government have floated the idea that they will criminalise drinking while pregnant—yet another example of dealing with a health issue with a criminal justice response. The government could have said that they would increase education and awareness programs to actually help address the situation of women drinking whilst pregnant. They could have said they would put support structures in place to ensure that these women are taught about the dangers and implications of doing so and to encourage them not to drink whilst pregnant. And perhaps they could have asked the women why they are drinking when pregnant: what are the underlying issues here? But, instead, they decided that the best approach is to lock them up. The Northern Territory government are cutting education rather than investing in it. They say they care about the child, but is being born in prison really the best solution?

Legislation seems like a cheap, short-term response. It does not cost much to pass new laws. In the short term, it certainly costs less than education and awareness programs. But, in the long term, we know the costs of high incarceration rates are enormous, and that is what happens when you deal with health issues through the criminal justice system. Mr Vince Kelly is the head of the Northern Territory Police Association and the Police Federation of Australia. He summed it up best when, earlier this month on 7.30, he said:

… the fact of the matter is no matter what legislation we introduce, we're not going to arrest our way out of alcohol abuse and Aboriginal disadvantage in the Northern Territory.

In summary, I call on the Northern Territory and Western Australian governments to immediately release Roseanne Fulton from prison; I call on the Northern Territory government to reinstate the secure care facility to serve the purpose it was originally built for; and I call on all governments to stop responding to health issues by locking people up.

I would like to thank all of the people who have supported the call to have Roseanne Fulton released from prison. Over 100,000 people have signed the petition to free Roseanne. There is absolutely no doubt that the government would prefer that she was forgotten, but, much to the government's displeasure, Roseanne's advocates have certainly not forgotten her, and there are many of them—as I said, more than 100,000. I want to sincerely thank them for the work that they are doing to pressure these governments into doing what is right and just. Let's free Roseanne Fulton.

Manufacturing

Senator MADIGAN (Victoria) (19:19): I rise this evening to speak about perception and reality. If we believe the newspaper headlines, the perception is that we are in a state of crisis. In my home state of Victoria, newspapers have headlines about the closure of Alcoa and the pullout of Holden, Toyota and Ford. You would think the proud city of Geelong was on its knees if you read the newspapers. Meanwhile, the government encourages a race to the bottom with its policies of slash and burn, and, while it does this, it encourages—screeches at—manufacturing and small business to innovate.

Well, I have a message for the government: the best of Australian manufacturing, our smaller to medium-sized companies, many of them located in regional areas across Victoria, are alive and thriving and at the forefront of their sectors, and the best of them are all
innovation leaders. Why do I say that? Because these companies—manufacturers, food processors, smaller engineering plants and exporters—have to be innovative to survive. So, when the government's industry minister, Ian Macfarlane, or the former government's industry minister, Kim Carr, tells business to innovate, I tell you this: the manufacturers I speak with have been madly innovating, in spite of successive governments' policies and pronouncements. The former government did do some good things for manufacturing; many companies I speak with acknowledge this. But the fact remains that the best companies in Victoria and across Australia are industry leaders in their fields because they are tough, they are smart, they treat their employees well and they are constantly innovating.

In the last eight weeks, I have visited more than 40 small- to medium-sized manufacturers in Melbourne, Geelong and Ballarat. Manufacturing is one of my passions, and I am a regular visitor to factories and plants across my home state and elsewhere. Additionally, we are now planning our next Australian Manufacturing and Farming Program Industry Day in Geelong, for 29 April. The AMFP was started more than 2½ years ago. It is a program supported by, and undertaken with the cooperation of, Senator Xenophon and Bob Katter. The aim of the program—and I have to say it has been very successful to date and it is continually evolving—is to get people to focus on what unites them and not what divides them. It is not about me; it is not about you; it is 'we'. The program reaches out to primary schools, to the students in them, and to secondary schools through grants for Australian-made equipment.

We have already had almost 30 companies from Geelong and further afield commit to participation in the next AMFP Industry Day in Geelong on 29 April—and every day we are getting notice of more companies coming on board. It is going to be a great day, and I invite all senators and members to come along and see firsthand what successful manufacturing, farming and food processing is all about. This will be the fifth AMFP Industry Day. Previously we have had successful days in Ballarat, Canberra, Adelaide and Dandenong.

In the minutes remaining, however, I would like to give you some examples of innovative Geelong based manufacturing and food processing. These people and these companies are success stories, and they are the tip of the iceberg. Boundary Bend is Australia's leading producer of premium extra-virgin olive oil and owns Australia's two top-selling home-grown olive oil brands, Cobram Estate and Red Island. On a recent tour of the company's plant we saw the biggest olive tree propagation program in Australia. The company is celebrating recent wins for its olive oil in New York and LA, where it was up against oils from Spain and Italy. Boundary Bend also has one of the world's leading olive oil laboratories and has invested in a state-of-the-art olive-harvesting manufacturer in Mildura.

Air Radiators are engine-cooling specialists, with 15 per cent of their product exported directly. Their main factory is located in Geelong, with other factories in Thailand and Adelaide. Major clients include Kenworth Trucks, who are in Bayswater in Melbourne, and Caterpillar. Hitachi are also a major client, and they are known for expecting extremely high standards of manufacturing before they will put their name on a product.

Carbon Revolution is a privately owned Australian company at the cutting edge of the carbon fibre revolution. The first composite wheels developed by the company's founders appeared in 2004, and they are competing in the global market for SAE vehicles. Carbon Revolution has a vision for a new carbon based manufacturing precinct in Geelong that could
see a new-age automotive component sector emerge. Currently its plans include an initial manufacturing plant in Geelong to produce 50,000 carbon wheels a year.

Baum Cycles is another Geelong success story. From its nondescript factory in a Geelong backstreet, Baum Cycles manufactures state-of-the-art, handcrafted, high-performance road bikes. It exports around the world, and former clients include Cadel Evans.

Yet another company in Geelong that exports to the world is GD Manufacturing Engineers, which manufactures components that are exported to China for Caterpillar.

A famous Australian company is Backwell IXL, the manufacturers of a product that is a household name: IXL Tastic. This company has been innovating since 1858—156 years of manufacturing innovation—and is a true Australian and Geelong manufacturing success story with a state-of-the-art foundry.

A smaller, recently started business is The Food Purveyor. It is a Geelong company that packages up the produce of 35 small-enterprise local food producers into gift hampers. The Food Purveyor recently made its first big sale into one of Australia's biggest retailers and took these smaller businesses onto the national scene.

Another Geelong success story is the AGB Group of companies, which is the collaboration of AGB Engineering, AGB Human Resources and SafetyZone. They are training people to help them meet the challenges of the future.

With the help of the Geelong Manufacturing Council and the Committee for Geelong, we are currently contacting another 400-plus companies. We commend the AMFP Industry Day on 29 April to the Senate, and we look forward to seeing people there to support our manufacturers, our farmers and our food processors.

Arts

Senator SINGH (Tasmania) (19:27): I rise to address the chamber on the state of the arts in Australia and the extraordinary actions of this government in placing freedom of speech in jeopardy. Last week the arts came under attack. A warning was issued from the highest levels of the Abbott government in a wide-ranging and strident denunciation of artists and freedom of expression. The attack was all the more disturbing because it came from a quarter you might least expect it to—indeed, from the man charged with the duty of defending and developing the cultural life of the nation: the Minister for Arts, who, as Attorney-General, is a self-proclaimed defender of freedom of speech.

The minister took aim at two targets: artists and the arts organisations which fund and develop them. In particular, the minister targeted the Sydney Biennale, which this year contains works from more than 85 prominent artists from Australia and around the world. These include the Berlin based duo Libia Castro and Olafur Olafsson, Chinese artist Yingmei Duan, Australian Professor Callum Morton, and the winner of the Turner prize, Douglas Gordon.

But, beyond this, he targeted the biennale itself, criticising the board of directors and attacking the integrity of the organisation that had delivered a globally significant festival of visual arts to Sydney for over 40 years—41 years, in fact. The core of the minister's concerns lay in an attempt by artists recognised by the biennale to assert their right to freedom of expression and association by distancing themselves from sponsorship arrangements with a company that carried out the management of detention centres under the coalition's Operation
Sovereign Borders policy. The artists felt that the high calibre of the artists of the biennale and the international respect in which they were held were now being linked to an organisation that undertook work as part of a policy to which they morally objected.

Responding to this difficult situation, the artists voiced their concern in a collective letter to the biennale. They asserted their right to freedom of expression, to choose how their work would be communicated and understood and to reject the incorporation of their art into a broader project of legitimising the practices in which the sponsor had been engaged. They also claimed their right to freedom of association—to choose how and with whom they would ally themselves and their works. Forty-one artists signed this letter, which said, in part:

We urge you to act in the interests of asylum seekers. As part of this we request the Biennale withdraw from the current sponsorship arrangements … and seek to develop new ones. This will set an important precedent for Australian and international arts institutions, compelling them to exercise a greater degree of ethical awareness and transparency regarding their funding sources. We are asking you, respectfully, to respond with urgency.

Our interests as artists don't merely concern our individual moral positions. We are concerned too with the ways cultural institutions deal with urgent social responsibilities.

Now, that is not that unexpected for artists, because artists, as we know, each day, are very much part of the social discourse in our country in the way that they express their art. In doing so, they were expressing themselves through this letter.

Following this letter, and at personal and often financial loss, several artists took the step of withdrawing their work from the exhibition and boycotting the biennale. At first, only a handful did so, but the number soon grew to five and kept on increasing. With the integrity of the biennale under threat, the board took action, announcing that it was moving to new sponsorship arrangements.

But what happened next was quite unbelievable. The minister responded to this by directly threatening the funding for the biennale on the basis that it had taken into account the wishes of the artists and their demands to express their opinions and to choose with whom they would associate their art. In a letter to the Australia Council, the minister wrote:

No doubt when renewal of the funding agreement beyond 2015 arises for consideration, the Australia Council will have regard to this episode and to the damage which the board of the Sydney Biennale has done.

Not content with his attempt to assert government control over artistic expression indirectly, the minister also issued a secondary plan of more direct intervention. In an unprecedented move, overstepping the appropriate boundaries for ministerial action, he asserted his power to assert direct control over Australia Council policy. He requested the Council to develop a policy:

... which deals with cases where an applicant for Australia Council funding refuses funding offered by corporate sponsors, or terminates a current funding agreement.

The policy should further consider whether all future funding agreements should contain a clause that stipulates that it is a condition of Australia Council funding that the applicant does not unreasonably refuse private sector funding, or does not unreasonably terminate an existing funding agreement with a private partner.
Should the policy generated by the Council not sufficiently match the wishes of the minister, the letter suggests that he will overrule it and put in its place his own set of standards. While it may be correct that such a move is technically within the powers of the act, there is a large distance between what is legal and what is appropriate use of power.

If there were any doubts that the conduct of the Minister for Arts, Senator Brandis, had entered the realm of the indefensible, he dispelled them in an interview on national radio where he talked to Fran Kelly on ABC Radio National on the morning of Friday, 14 March. When asked whether his position would go to the extremes of forcing artists to accept funding from companies that are as morally questionable as those in the tobacco industry—businesses which, I think, perhaps even the Liberal Party now, but definitely the Labor Party, have decided are an inappropriate source of donations—the minister stated:
I myself don't think that arts companies should reject bona fide—arts—sponsorship from commercially sound ... prospective partners on political grounds ...

The implication of this is that the Minister for Arts becomes an enforcer, almost, of ethically dubious corporate organisations in their efforts to assert control over the arts. This is unbelievable. This will lead to the fact that they will be encouraged to make arts organisations offers that they cannot refuse, and if they do reject them the minister will be standing by there to change their minds.

Threatening arts organisations with cuts to their funding if they do not toe the party line put forward by Minister Brandis is a direct and open challenge to artists everywhere, exposing them to the removal of the funding they receive—and have to live upon—if they say things in their work that their sponsors do not like, or if they conduct themselves in ways of which the minister does not approve.

While this may have directly harmful effects on particular artists targeted under this policy, it will also have a more widespread, deadening effect on artists' production across the nation. That effect, I believe, is self-censorship. Self-censorship will grow as cultural producers start to stop expressing themselves and addressing issues in ways which might endanger their corporate interests. Not only that; who is setting this standard of unreasonable acceptance that Senator Brandis referred to? Is it something that he is going to set himself? Or is it something that is simply written by him and put to the Australia Council?

At a time when we have a minister and an Attorney-General who is espousing that freedom of speech should be more common, this interference is quite remarkable. The irony is that this major attack on freedom of expression by cultural producers is coming from a person who has claimed to have its defence as his raison d'être and his goal as the nation's Attorney-General. The hypocrisy of the Attorney in claiming to defend freedom of expression and advance the interests of artists and others to say what they want in the public sphere on the one hand while moving to undermine artistic autonomy on the other—(Time expired)

### Diabetes

**Senator MOORE** (Queensland) (19:38): Last Saturday morning I jumped out of a plane. I began a speech exactly 12 months ago with that exact same statement—Senator Birmingham, I think you may have been in the chamber then; I am pretty sure you were. I said last year that, having done it once, I was going to give it another go. The reason was that I had an offer
I could not refuse from a young man called Josh Burton in Queensland. Josh, with many other young people, is a member of the juvenile diabetes ambassador group. I think most people in this place have had the exceptional honour of meeting some of these kids and their families and hearing what it is like to live every day with juvenile diabetes and of their hopes for the future. They know that some day, with a lot of work, a lot of money and a lot of scientific knowledge, we will be able to find a cure for this disease that dominates their lives and the lives of their families.

I enjoy 80 per cent of jumping out of a plane—but the first 20 per cent, I have to admit, is not my favourite time. You would understand that I had to appear as though it was totally cool; I was having a really good time; and it is what everyone should do. I admit that I grew very close this year to a boy called Jason who was able to assure me he had jumped out of a plane at least 6½ thousand times—which made my second attempt seem not quite so important. On this day, there were 40 people jumping at the Ramblers organisation on the Sunshine Coast, a group jumping on the Gold Coast and a few in Cairns. They were working together on the Jump to Cure Diabetes day in Queensland to raise funds for diabetes research. We were hoping that the combined fundraising would reach around $75,000. I assure you that, if we could be sure that that money would be raised, many of us would go back over and over again. If what we are doing can raise awareness in the wider community and ensure that kids like Josh and others working and living with diabetes can have their hopes that there will be a cure fulfilled, then it is 'jumps well done'.

Last year I spoke little bit about Josh's own experiences and how he talked with me about what it was like to be told that he could expect to be injecting several times a day for the rest of his life—at the moment it is insulin, but there is work being done to see whether we could have any variations into the future. It is a constant monitoring process. Often there is pain, headaches and fatigue. They will also know that the likelihood of other diseases coming into their families over future years is very high. So it is not just the issue of diabetes.

One of the things we need to understand is that diabetes is a serious condition. I think many of us have become complacent because diabetes has been known in our community for many years; there has been great research; and we have proven methods of working with the disease—though no cure. Diabetes has almost been shrugged off as we learn more about other kinds of health conditions and research. People think: 'Diabetes is fine; we've got it under control.' Well, we haven't. And those of us who are not living with the condition every day have no right to dismiss the importance of working in this area.

We know that there are two types of diabetes: diabetes 1, which people are born with, and diabetes 2, which people acquire. There are all kinds of discussions around what causes someone to have the condition or not. Too often there is a level of complacent judgement when we talk about the issue—that somehow it is to do with lifestyle and diet and that, to an extent, people who acquire diabetes have brought it upon themselves. That is so judgemental, and there is so much that it does not understand about our medical knowledge and what we need to know about the impact on lives.

I spoke earlier about the juvenile diabetes ambassadors. These kids do an extraordinary job talking to parliamentarians, to community groups and among their peers to make sure people understand this disease and how we hope for a cure. Those of us who have been involved with Kids in the House in this place understand the significance of the issue and also the passion
many people share to work to find a cure. When I was talking with Josh I remembered the first Kids in the House that I attended in this place, which was in about 2004. A friend of mine, a good mate from Perth, had come across as one of the parents in that group with his daughter Emma. Emma was then 12 years old and a wonderful kid. I am not going to say how old she is now, but it is not too hard to do the maths. Emma is now an extraordinary young woman who is working in Perth. She has grown into the kind of young woman that we all hope we could be. This was her statement in 2004:

Many times I wish that I could just close my eyes and it would go away. I want to know what it is like to lead a normal life so that I can eat what I want, when I want, and not worry about my blood sugar levels getting too low or too high. My biggest worry is about getting too low. Most people have blood sugar levels between five and eight, and their bodies automatically release insulin to keep their sugar levels constant. When you have diabetes this just does not happen. You have to try to add insulin by injecting it to balance the food that you eat. There is a lot of guess work involved and your blood sugars go up and down like a roller-coaster. So many lives are ruined by diabetes. My story is just one of them. I am a youth ambassador for the Juvenile Diabetes Research Foundation and we are desperately seeking support for getting us a cure. My parents and I help fundraise and I talk at workplaces about what it is like to have diabetes. People are usually very kind. Please talk to your colleagues about diabetes and help us find a cure.

Emma, you asked me to do that several years ago. I hope that over the years many of us have been able to talk to our colleagues and raise money in the hope of finding a cure. Last Saturday people were gathered together. One of the families that were jumping together was Josh, his mum, Chez, and his younger brother, Caelan. We were able to talk together and we had the opportunity to talk with local media at the Sunshine Coast. There was a genuine interest.

That is the reason that things like jumping out of a plane are important. Just maybe, by having that hook to get people involved and interested—and with the wonderful help of people who have been so generous to donate to the cause—we will be able to get more knowledge out into the wider community about the issues around diabetes so that it will not be dismissed. We will not judge people who identify that they have that condition, but we can work a little bit harder to understand what it is like to be told that you have a condition that is going to be with you for life. We can learn a little bit more about what it is like not to be like every other kid. It is so important for people to understand that.

I do not know whether, in 12 months time, I will be standing here talking about my extraordinary experience of being a long-term jumper from planes. I hope that, at least in this area, we will have people who say, when they hear about the issues of diabetes or some fundraising activity that is going on or some community gathering, 'Yes, I want to be involved in that.'

Young people like Josh and Emma rely on us, because we are the people they meet, and they know we are the people who are in positions in a political party or in a parliament who can ensure that this message is never lost. We can look at putting in place processes to donate to organisations. In this country we can continue to lead the world in extraordinary scientific knowledge. We heard, at the recent international diabetes convention in Melbourne, Australian scientists and Australian researchers being honoured for the work that they have done. Diabetes is an issue not just in Australia but internationally. We must raise the issue and be true to the expectations that people like Emma and Josh have placed on us.
Government and Politics

Senator MARK BISHOP (Western Australia) (19:47): Having been absent from this place during my secondment to the United Nations, and as I draw closer to the end of my term, I thought I would put on the record some of my observations about the current state of government and politics. In the aftermath of the last election it was a novel experience to observe events in Australia from a distance and within the context of US politics and government, which has some direct implications.

As a generalisation, I think it is true to say that around the world good government flowing from sound policy is nearly always challenged by politics. It is part of the business we work in. Politics, as we know, is, at its base, effectively about power and control of the Treasury—through which ideology and the vested interests behind political apparatus can be satisfied.

In the last election it was no different, except that the level of incompetence on policy formulation reached new depths. On the one hand the government was stuck with a budget deficit and therefore limited in the scope of its vote-winning handouts. The Abbott opposition, by contrast, made no policy announcements. Rather like the wolf in sheep's clothing, they said they would go along with almost everything, using the mantra, 'Trust us.' They had no policy announcements apart from tearing down such things as the mining tax, the renewable energy target and the carbon tax—each of which was based upon slogans rather than serious policy analysis and justification.

It is interesting to speculate on this appalling shortfall in quality policy, especially when compared with that of the Hawke-Keating time, about which there has been considerable comment and speculation in the press of late. Policy now is not thoroughly researched, groundbreaking reform, fully explained and properly implemented by competent administration of the kind pursued by Hawke and Keating, much of which remains in place today and was Australia's salvation in the more recent GFC.

Some commentators have correctly identified the causes of this switch from policy thoroughness and competence. There are a number of factors. First, the quality of elected representatives who have experience in policy formulation and government administration remains poor. The contrast here might be drawn with the first Hawke ministry—trained and disciplined by Bill Hayden, who deserves all the credit. That ministry had a core of competent, good minds, who brought to bear a collective intellectual strength which has been unmatched since.

Second, staff were far fewer but again of unsurpassed quality, through experience and intellect. They were supported by a well-led and visionary ACTU, which, after Hawke, was led by quality leaders such as Martin Ferguson, Simon Crean and, of course, Bill Kelty. There were many talented thinkers and strategists whose single focus was reform and the national interest—far superior to the green and inexperienced juniors we have come to rely on. In fact, we are now seeing within the government the recruitment of lobbyists and others with vested interests, simply because the policy focus is now on satisfying the demands of the rent seekers.

Third, the policy of government, immediately on Howard's ascension, was simply political—that is, how to garnishee, secure and keep votes. The gamekeeper under Malcolm Fraser became the poacher, and there were handouts to all and sundry from booming revenue.
That continued at a jolly old pace. Even Mr Howard's $50 million gift to his bankrupt brother's business is now clearly a policy precedent, and business is lining up for further dole-outs. Policy went out the window, and satisfying interest groups—provided that they were conservatively inclined—was the new deal.

As well as this Santa Claus paradigm, good policy was hijacked by fads and daily causes. Continuing microeconomic reform was forgotten. Long-term ideology and polemics took over. Productivity and efficiency fell out of the daily lexicon. Everyone felt well off because of low inflation, relatively full employment, growing employment, and consumer prices which fell dramatically thanks to the strong dollar. Superannuation accounts were fattening up nicely as disposable incomes grew. Middle-class handouts became a daily fare. The benefits of tripartism, which are now denounced as part of the return to the polemics of the 1950s of class struggle and labour versus capital, were lost. Those who suggest its reinvention have been publicly pilloried by both sides of politics. Yet those who want more welfare, including business and even multinationals, want more and more and more.

Policy initiatives and responses to various crises, however, remained the same: no new long-term policies to suit the times but knee-jerk reactions of doling out huge sums of money. Short-term tax cuts, which in retrospect were clearly unaffordable, and gifts to all and sundry cannot be sustained. The budget became a magic pudding, always replenished by rapidly and seemingly endlessly growing revenue. New institutions and bureaucracies were created as symbols of initiative, and policy commitment was measured in financial terms regardless.

The commitment to education and defence, for example, is measured purely in those terms without any real measurable outcomes—just continuing waste and extravagance. Defence is probably the classic, where policy righteousness is still today judged by funding as a percentage of GDP—simply stupid for an organisation which wastes billions with impunity, refuses to reform, is accountable in no way and has never addressed productivity or changed its institutional structure to suit more modern times. I will speak on that matter at length on another occasion.

This is a depressing scenario, not to mention the economic outcomes of all this, including gas and electricity prices going through the roof; housing prices now the most unaffordable of all time; the manufacturing industry being reduced to rubble; depressingly slow improvement in Aboriginal living and employment conditions; a retail sector too slow to adjust to the new world of online shopping; employment conditions which, while flattening out slightly, make us uncompetitive in every facet of the economy; managerial attitudes which look too much to the rear-vision mirror, fat remuneration and perks, and the removal of government constraints intended to control sharp practices; an absolutely rapacious finance industry about to be relieved of sensible regulation which seeks to control its greed; an education system going backwards, regardless of the ongoing financial generosity of government; health costs which are out of control; urban public transport failure choking our cities and costing billions in lost productivity; and continuing procrastination concerning a new airport for Sydney, despite the land having been bought by the Labor government in 1989. While we know every element has to be addressed urgently and separately, the lack of political will is sure, I think, to stymie any worthwhile action.

I think we can be sure that good economic and management discipline and rationale will only be applied where the politically weak are affected and where traditional conservative
sacred cows, like defence and primary industry, are exempt. Paul Keating's dictum that good policy is good politics is not understood. As we recall, none of these difficulties were identified by the then opposition prior to the election, and of course, because of that, no remedies have been proposed since, apart from the usual empty slogans. All we had were calming assertions of support for Gonski, the new disabilities program and a promise not to return to Mr Howard's Work Choices. There were no core or non-core promises, just platitudes and a concentration of all the faults with the then government. Indeed, we should have asked ourselves whether the conservatives had gone soft. But, as we see now, it was all a charade.

The true conservatives are back with the old agenda: belt the unions and so undermine the Labor Party some more with a three-year royal commission to continually tar the union brush with tales of shock and horror about the idiocy of some; blame the unions for business failures at Holden, SPC, Alcoa and Toyota, which were all strictly commercial failings of poor management, investment decisions and market failure; unsurprisingly, return to Work Choices after all the pre-election promises, or platitudes, are forgotten; renege on Gonski as a policy of not just throwing money at a problem, confessed as a return to the Howard dogma, but notably continuing the federal interference in state responsibilities; persist with the ridiculous parental leave proposal, which is simply unaffordable; make the same old undeliverable promise of returning defence funding to two per cent of GDP—with the code words 'over time'—while doing nothing about waste and reform; continue handouts to failing political lobbies like Cadbury but in the absence of any articulated industry policy, which is just total hypocrisy; cut the welfare sector, which is an easy, powerless target; treat environmental care as a cost rather than a responsibility—the dig-it-up-and-flog-it paradigm is here again—and continue the rural-socialisation-of-losses policy of the past rather than face up to commercial failure, in the same way as the government is doing and forcing others to do within the manufacturing sector. In other words, it is the same old prejudice and ad hockery of the past, completely free of any policy rationale and, as always, motivated purely for immediate political advantage.

There is a pressing need for reform in government—for example, the need to look objectively at the current industrial framework to make it work better. We need serious structural reform in Defence and the Defence Materiel Organisation. We need to review and reform federal-state relations to remove the overlap and waste, especially in education. We need an urgent look at the way federal policies have affected energy supplies. We need to shave those policies which have benefited the wealthier in society, including on: energy costs; generous concessions and conditions applying to superannuation; parental leave; FBT on car leases; and all other subsidies which simply distort the market and significantly result in lost revenue to the Commonwealth.

In the light of recent events, we desperately need a clear and consistent industry policy where government intervention in the market is desirable, supporting growth and not poor management. We need a national housing policy embracing all facets of supply and demand—not just funding for public housing by way of state grants but also capital gains and negative gearing. Most importantly, we need to see some action to support the rhetoric on infrastructure investment, including for ports and urban public transport. For me, however,
reform of the Defence institution, including DMO, is paramount, as are the contents and approach of the proposed white paper. I will be addressing these subjects in the near future.

All of these matters require policies—and, at present, there are none. I am not aware of any. We have old-fashioned ad hocery and a defence of policies of the past that have clearly failed time and time again. Until such policy is forthcoming, we will continue to drift, opportunities will be lost and the blame game and petty pointscoring will continue.

Youth Connections

Senator O'NEILL (New South Wales) (20:01): This evening I rise to put on the record some remarks regarding an amazing program, established by the Labor government, that I know has been operating across Australia in the last several years: Youth Connections. In the environment of cuts and austerity currently being imposed on the Australian people by this coalition regime, I think it is time here this evening to really talk about how taxpayers' money should be invested. We should make sure we do not throw out the baby with the bathwater at this critical juncture of transition of government.

Since the election, we have heard almost nothing but negativity from the government on the issue of expenditure towards core services. Education, health and infrastructure are a few of particular interest to me and the region in New South Wales where I live. Instead of positive proposals, we keep hearing about an agenda of cuts—to health, education, welfare, vital nation-building infrastructure such as the NBN, and public transport. These cuts will severely damage confidence and capacity within our society.

Parents are worried about how they are going to pay for school supplies after the government rips away their schoolkids bonus. Parents and teachers are concerned about school funding since the government walked away from the Labor Gonski reform agenda. People are fearful of cuts to Medicare and other health services that are being advised to them now in the lead-up to this upcoming federal budget. The notion of being taxed just to see your local GP is causing incredible concern, and communities are angry that vital infrastructure such as the NBN is being abandoned in favour of a hotchpotch, century-old, obsolete copper wire. These cuts are damaging. They are hurting the community now, as they will into the future. Concern is becoming increasingly evident in consumer confidence surveys. The sudden lift on the change of government that is so often the case has withered away very, very quickly.

But it is not only the known pre-advised cuts that are causing concern; it is the impending cuts that people sense. There is much uncertainty and angst about this in many parts of the community, particularly amongst those most vulnerable and least able traditionally to participate in civic processes and have their voices heard. The government has refused to release the Commission of Audit report which does, I expect, detail the many horrors it has in store for us. It has hidden it until well and truly after the WA Senate election in what I would characterise as a cynical act of secrecy that underlines contempt for the very people it should be serving and supporting. My expectation is that such cynicism should be and will be punished by voters at the ballot box in Western Australia.

I also note the coalition have stayed quiet on their half a billion dollar cut to rail line projects in Perth. I do not think that the community appreciates that silence. It is a silence that must be broken. For the sake of those in the community who the coalition's secret agenda of cuts will adversely affect, it is time the government stop treating the public's right to know...
with the degree of incredible contempt that we have seen in this place day after day. We need to have the plans and figures that the government are working with. They need to be in the open so there can be an informed debate about the priorities of government before the die is cast and the negative consequences of that in communities is irrevocable.

Labor believe in providing adequate funds, particularly for health, education and infrastructure. These areas give rise to the expression of our core beliefs which form the founding principles of our party's great social democratic tradition. In government, we put our money into these areas, investing billions in health, education and infrastructure for the benefit of all Australians. Where I live on the New South Wales Central Coast, the positive impacts and outcomes of these investments are clear.

I have heard maligned in this place today the Building the Education Revolution. I just want to put on the record one more time the way in which those buildings have transformed the experience of schooling for young people. They can now gather in places where there were no school halls formerly, whether it is raining or not, to celebrate the successes of their learning. They can gather the civic community around them to identify talent, celebrate sporting achievements and celebrate cultural achievements. They have been provided space for learning and community engagement in new buildings that replaced ones that students frankly described to me thus: 'It was a stinky, old building, Miss. I'm very glad to have a new place to learn. There are no leaks in this room.' That is the kind of transformation of the learning experience that children have had. It has done the same thing in lifting professional esteem. Our school buildings express in a symbolically powerful way what we value. Proper quality in those buildings on the Central Coast has lifted teachers' perceptions of the nature of their work, the professional status that they should be afforded and the high esteem in which they should be held.

I note from the assistant minister's comments in this place last week that all Medicare Locals are under threat, right across the nation. These are agencies that have looked into the community right across Australia, found where the gaps in health provision are and then systematically and carefully gone about filling in those holes in creative, innovative and locally appropriate ways. For example, the Central Coast has a large number of residents who seek retirement there. We have a large number of aged-care settings and aged-care homes available for people to live in as they age and need to move into care.

When a person in aged care has a fall of any kind, the likelihood of breaking a bone is pretty high. In response to that reality, in response to the bed block at Gosford Hospital and in response to the distress of moving an aged person who has had a fall necessarily by ambulance to hospital, there has been a massive change. This is just one program out of Medicare Local that responded to that reality by funding a mobile radiography van. So if there is an incident, it is reported and the van goes to the person. They are in an environment where they are comfortable. This is particularly important for people who might have dementia, just to decrease the stress of the whole experience. This kind of creative response does not happen unless somebody is there doing the coordinating work. It is exactly that kind of work that our Medicare Locals are doing.

In addition to that, I do want put on the record that they were the recipient on the coast of $6.5 million in the Partners in Recovery fund. Partners in Recovery is a vital connecting agency that puts multiple community partners together to wrap care around people who have
had severe and long-term challenges in terms of their mental health and wellbeing. Families and colleagues of people who are receiving this support are very frightened that the recently arrived support is about to be ripped out of our community.

The recent NBN hearing on the Central Coast was afforded an opportunity for the incredible expertise of business, education, health professionals and international communication experts to come on board and say very, very clearly that the economic opportunities for jobs growth on the Central Coast are going to be cut away by this small-minded, short-term vision of the coalition government. That is, by taking away the opportunity of fibre to the premise for every community person, business, home—every place in which an aged person wants to age in place and have the security of not just a little bit faster but reliable and very speedy internet that gives them the chance to live safely in their context.

These are the reforms of government. Politics does not sit outside people's lives. It is absolutely deeply embedded in them and you can see it in those examples that I have given you. We are proud of the reforms that we made in government, but we are deeply concerned by the agenda of cuts that put under threat those particular areas of education, health and infrastructure. The government seems determined to undo this good work by dismantling reforms and slashing and burning, in a vain and petty display of what can only be conceived as partisan vindictiveness by the people who are now receiving the benefit of these programs.

It seems that the Abbott regime is increasingly being defined in the negative. They are known for what they are opposing or seeking to dismantle, rather than articulating anything about an aim to support, build or enable. Today, I call on the government to change course, particularly by committing to fund Labor's Youth Connections program beyond the end of 2014. This is an important issue, because it impacts on very vulnerable young people in our community. The profile of most of the people engaged in this program are young people, disconnected from school or work, under the age of 17.

People who might be listening to this broadcast and certainly people here in the chamber should cast around in their minds and you will know the people whom I am talking about. They are young Australians who have incredible potential but who, sadly, might be robbed of the opportunity of connecting with their future because of a failure to fund a program that is helping them make their connections back to work, into work and back to school.

From 2010 to 2013, Youth Connections cost a mere $286 million. This year, it cost $76.8 million. For under $80 million a year, the coalition could—if they wanted to and if they were willing to listen to these young people and the community that is supporting them—prove to this place, as well as the nation at large, that they actually care about supporting young Australians who need a little bit of extra support to find their way in life.

Worryingly, at recent Senate estimates it was revealed that the government has not funded Youth Connections beyond 2014. The head of department, Ms Lisa Paul—who gives very fulsome answers to very many questions—when asked about the need to address this matter simply said, in a prophetic way: 'That is a matter for government.' It is a matter for government. It is a matter of importance for government and it is matter of importance for the young people who are the beneficiaries of the Youth Connections program.
We established it because we believe that the government does have a role to provide support for the most vulnerable of young people who are falling through the cracks. Youth Connections' mission is to assist young people who are finding it difficult to cope with education and who are not currently in training or work. Also, to help them focus on their future and help guide them towards further study or training in their desired field.

It has been a hugely successful program. It involves over 67 organisations across 113 service regions right across the country. It employs 750 specialised youth workers. When speaking to these youth workers, you really start to understand the level of skill, expertise and communities of care that have wrapped around the kids because of the commitment of ongoing funding to this program. Youth Connections caseworkers work with young people to develop a formal plan for their future in education and training, employment or both.

The mentorship is an important element of the program, helping participants overcome the barriers they face, especially as many come from disadvantaged backgrounds. From my many visits to the Youth Connections program on the Central Coast, I have so many wonderful memories, particularly of meeting men who were highly qualified tradespeople, who could be out making an awful lot of money, who had decided that they had got a hand-up from somebody else and they wanted to contribute to the life of these kids. They were generous in nature, powerful in their communication, mentoring and guiding these young men and women in how to rebuild their lives while teaching them the skills of actually physically building. To get the right person to do that job is no small thing. What we are on the edge of, because of the failure of the government to declare that they will support Youth Connections, is the complete dismantling of a highly skilled and very effective sector of youth workers who are helping to rebuild the lives of kids who did not get off to a good start in life.

Providers are community based. They are mostly not-for-profits with intimate knowledge of the local area. They are really delivering Youth Connections programs very effectively. At Senate estimates, education department officials informed us that Youth Connections has a success rate of 75 per cent, with participants either achieving or working towards achieving a final outcome. The great thing was that, of those who had achieved a return to school or a placement, 93 per cent of them were still in that school placement or learning placement or work one year on. That is a powerful indicator of how good this program is. Seventy-four thousand young people were helped between 2010 and 2013. We know that 20 per cent of Youth Connections clients are Aboriginal or Torres Strait Islander kids. Making a success of this program for them is another step in closing the gap. It is our job in our time to make sure that we do that. We cannot do it by pulling support from the most vulnerable.

I want to put on the record my concern that the evaluation report into the National Partnership Agreement on Youth Attainment and Transitions that was released in December 2012 showed an increase, but we have not been able to get a more recent report, at least not published. It is on the record that it was available in January this year, and I am concerned that it is still not available to the public, because the public deserves to have the information about the success of this program.

I want to give some detailed insight into the life of one young person who has been helped by Youth Connections. The person's name and the places that are mentioned here have been changed to preserve their anonymity. I want to talk about Kate. Kate experienced a severely dysfunctional upbringing. She experienced physical, emotional and sexual abuse from a very
young age, including domestic violence from both her mother and her father. She witnessed a sexual assault from her mother to her sisters and witnessed drug use throughout her life. She was disconnected from her family at age 11 and, although she was placed in the custody of her grandfather, there was still ongoing conflict and she had been in and out of home since the age of 13. Her father had spent the majority of his life in prison and, despite years of abuse and neglect, Kate still seeks and holds a very strong relationship with her father. Her older sister has also been in and out of prison, for drug use and assault, and for her survival she engaged in prostitution. Kate would babysit her sister's children while this was happening. This is the sort of person I am talking about who is getting the funding and support from Youth Connections.

At the age of 14, Kate engaged with a casework team, through a referral from her school. She was, after that, proactive in asking for support and aiming towards what she wanted to achieve. Mid last year she was referred into a living skills program to help her move towards independent living. She completed the course over a six-week period, and the organisation that she was placed with was so impressed with her that they gave an interview to her for a housing program. The caseworkers then advocated for Kate, because she was only 15, and they helped her negotiate and sign a lease to give her a safe home to go to, perhaps for the first time in her life. With the support of the caseworkers and this well-devised plan of support, Youth Connections was able to encourage a partnering organisation to be the guarantor on Kate's lease until she turned 16. She is still successfully maintaining her rental and the program will continue till later in 2014, when she will be skilled enough, based on her track record, to maintain her own accommodation and a job. She belongs to a community of care now, with people in the community who are looking out for her.

ACOSS has stated:
The government must urgently signal its ongoing commitment to fund vital services which assist vulnerable and disadvantaged members of the community, including those which prevent homelessness and address youth unemployment. Surely Youth Connections is one of those programs that deserves a place in the budget. It is eight weeks till the budget. It is five more days of debating here in the parliament. When are we going to hear a compassionate response from this government to those in great need? When are we going to see this outstanding program get the attention that it deserves and the funding that it needs to continue to do its work for the most vulnerable and needy young people in our community?

With youth unemployment remaining stubbornly high, you would think that the government would be racing to continue funding of such successful programs. You would think that they would be there before we could even raise the question 'Do you intend to review your decision around Youth Connections?' We seriously have to question the sorts of motives that are at play at the moment in the coalition's decision making. The overwhelming body of evidence backs the critical importance of completing year 12 and making a successful transition into work or study, showing it reduces the lifetime risk of unemployment and ill health and boosts lifetime earnings. I fear that, in an ideological pursuit for smaller government, there is a meanness that will relegate our young people to a small future. It is time to break free of this self-imposed ideological straitjacket and give the young people of Australia an opportunity. (Time expired)
Western Australia: Shark Cull

Senator SIEWERT (Western Australia—Australian Greens Whip) (20:21): Today I participated in Science meets Parliament, which is a wonderful event that enhances and strengthens our ties with the scientific community. I met and heard some inspiring people both at the dinner last night and at the session with scientists today. They continue to advocate for innovative, evidence based policy solutions to complex issues.

I find it disappointing that the WA Premier, Mr Colin Barnett, and his cabinet could not participate in such a wonderful activity, given that they are not using science as the basis for their decisions. I am talking here about the WA shark cull. The science is just not there to justify this cull. The Premier, who is aided and abetted by Prime Minister Tony Abbott and Minister Hunt, has avoided any scrutiny of the shark cull. Mr Hunt gave an exemption to the cull without even doing an assessment of the impact of the cull and the drum lines that have been set off the metropolitan and South West beaches of Western Australia. I saw many of those on a trip I did to the South West at the end of last week and over the weekend.

The Premier has avoided the scientific reality that culls do not mitigate the so-called risk posed by sharks. Culls are ineffective in dealing with safety issues, but they are having a destructive impact on the shark population and the marine environment. Rather than seeking to learn more about the behaviour of sharks off WA beaches, the Premier has opted for a knee-jerk response that kills or maims marine life in an indiscriminate cull. To compound matters, Premier Barnett is not fulfilling his commitment to minimise the impact of the cull on sharks, particularly small sharks. The science needed to justify this approach is simply not there, but this seems irrelevant to the Premier who wanted an even more extreme approach by culling in the open seas. He even questioned whether the great white shark is a vulnerable species listed under the Environmental Protection and Biodiversity Conservation Act. This is a populist approach taken by the Premier, supported by the Prime Minister Tony Abbott. The great white is prevalent off the WA coast only from September to December, but the drum lines were put in from January until April. In other words, he wanted to be seen to be doing something, rather than taking a more considered scientific based approach.

Unfortunately, last week the WA EPA decided that it would not assess the proposal, despite 23,000 Western Australians asking them to assess it. The EPA said that the impact would not be significant. I will come back to that in a minute. But they did not consider whether this proposal would be effective in reducing shark bites. They did release the second batch of figures for the drum line strategy last week. Up to last week, 104 sharks had been caught. Of these 101 were tiger sharks and 30 of them were over three metres. In other words, 30 of them were directly destroyed. However, 40 were found dead in the line. We do not know the survival rate of the others that were released. I am tabling—and I know that I am not allowed to use props—a picture of a tiger shark that was released off the drum lines yesterday. It is bleeding quite extensively from a gash down its side caused by a hook. The likelihood of that shark surviving is doubtful, as is the likelihood of other sharks surviving. There were some media reports two weeks ago of a lady distressed by a shark that had been damaged by a hook through its head. Even though they have only recorded 40 tiger sharks dead, it is likely that there will be many more. A black-tipped shark and two Mako sharks were also reported to have been caught. Like great whites, the Mako is listed as a migratory species under the Environmental Protection and Biodiversity Conservation Act and so
requires federal government protection. These sharks are being killed indiscriminately, despite the fact that tiger sharks are not implicated in any of the recent unfortunate deaths from shark attacks. It is quite clear that this policy will not take great white sharks, because they are only present seasonally. In other words, the government wanted to look as if they were doing something to reduce the risk of attacks and improve safety without any scientific basis.

The Queensland drum line policy is often quoted in support of the WA policy, but that Queensland policy has recently been assessed by Professor Jessica Meeuwig. She has said that two key questions need to be answered. First, is there clear evidence that drum lines reduce the number of human fatalities from sharks? Second, what is their cost in terms of killing marine life? Jessica and her colleagues analysed the publicly available figures for human fatalities in Queensland to provide an assessment of its effectiveness. Over more than half a century the program has taken a large toll on wildlife, while any increase they find in human safety is equivocal at best. There has been a significant decline in Queensland's rate of shark attack fatalities, but that had started 40 years before the drum lines were first deployed. There has been no further reduction in fatalities since the program began despite half a century of increasing drum line deployments.

In contrast to their contribution to human safety, the report finds that one thing they could be certain of is the drum lines' ecological cost. The most recent available data shows that Queensland caught some 6,250 sharks on drum lines between 2001 and 2013. That is an average of 480 animals per year. This included 35 different species, the most common being tiger sharks and then bull sharks and black tip reef whalers. White sharks, although considered a key target species in WA, represent less than one per cent of the Queensland catch, with about five caught per year. Only three per cent of the sharks killed on the Queensland drum lines are considered not to be a conservation risk. Based on this analysis, they concluded that shark related fatalities in Queensland have declined in both areas with and without drum lines, with the deepest rates of decline before their installation.

The effectiveness of drum lines is difficult to evaluate as the rates of attacks before and after the deployment are both very low. Moreover, 83 per cent of the drum lines are deployed at locations where a fatal attack had never occurred. The ecological cost of the drum lines is high, with 97 per cent of the sharks caught since 2001 considered to be at some level of conservation risk and 89 per cent caught in areas where no fatalities had occurred. In other words, please, Premier of Western Australia, stop quoting Queensland as an example of how drum lines work, because the evidence clearly shows that they do not. The same message to Mr Hunt: don't rely on those Queensland figures, because they do not work.

In Brazil they use a different approach, an approach that does work. I ask: why didn't the Premier and Minister Hunt look at Brazil for an example of what works when you are using drum lines? In Brazil they put them three kilometres out and use circle hooks that do not damage the sharks, so they are able to capture the white sharks on the drum lines because they are not damaged by the circular hooks. Then they take them further out to sea and they let them go. The tracking of those sharks shows that they just go on their migration routes. They do not kill them, and that has had a very high success rate. Where they have seen sharks in Brazil in the past, they have seen them where they have waste flowing out from rivers, highly
contaminated water sources flowing out into the marine environment which sharks are attracted to.

In Western Australia why isn't the government looking much more closely at where the attacks have happened and what environmental influences or non-environmental influences, for example waste going into the water, have been associated with those attacks? In my trip down south I spoke to some of the locals and from their understanding they are not aware of that work being done and they have not been consulted on that sort of information. If you compare Brazil with what has happened in Hawaii, between 1959 and 1976 there were 4,500 sharks killed but there was no significant decrease in the shark bites recorded. So again you have got an unsuccessful program where they were killing sharks, they have not decreased the rate of attacks, whereas in Brazil, where they are using a much more sensitive and selective approach, they have had much more success.

That takes me to the point of what we should be doing to look at the impact of the perceived, because we do not know, increase in great white sharks off the Western Australian coast. We should be looking at what the alternatives are that are also being used overseas besides the Brazil example. There is better investment in research and better investment in understanding the marine environment.

Another issue that was raised with me by locals when I was in the South West is, for example, the increased crayfishing that is occurring there. Apparently great white sharks' favourite food is crustaceans. I saw this myself on the weekend. I could have swum out to the craypots from Yallingup beach. There are craypots there in the mornings just in front of the drum lines, which are just a kilometre off the coast. So not only do the sharks love crayfish, also in those pots we are putting 1.4 kilos of bait in each pot—not to mention the bait on the drum lines. Do you think that is going to be an attractant for sharks? I reckon it is. Why aren't we looking at this information? We are not. The knee-jerk reaction is to put drum lines in that attract the tiger sharks and the tiger sharks are the ones that are dramatically affected.

There is also a very good example from South Africa called shark spotters, where they have put in place a sophisticated approach to having people watching the beaches and using a set of flags that indicate when there is a great white shark. Since they introduced that approach on seven beaches there has been one fatality. Do you know why? Because that particular surfer went in the water when a flag indicating a great white shark was there and he was attacked. So here we have another successful program that does not involve killing these animals.

This is an indiscriminate cull of sharks because our Premier and the government of Western Australia had a knee-jerk reaction and because the Prime Minister and Minister Hunt decided they would aid and abet that to make it look as if they were doing something. The Minister for the Environment abrogated his responsibility for looking after great white sharks. He has abrogated his responsibility to look at the implementation of the conditions that were set on this proposal. He said that he agreed to the conditions that the WA government had imposed on itself. The WA government is not maintaining those conditions, because it is not minimising environmental harm to the sharks of Western Australia. The Minister for the Environment, who has the responsibility of protecting the environment and biodiversity, is not reviewing or monitoring the implementation of those conditions. It is time that the federal
Minister for the Environment stepped up to the plate and said: 'This is enough. It has caused enough environmental damage. The conditions imposed on this cull are being broken.'

Over 104 sharks have now been impacted. That is totally unacceptable in the marine environment. The Prime Minister said two weeks ago that he wholeheartedly supported this cull. I say to the Prime Minister: think again; it is causing unacceptable damage. And I say to the Minister for the Environment: do your job, enforce the conditions, stop this cull.

I seek leave to table the document.
Leave granted.

**Australian Greens**

**Senator KROGER** (Victoria—Chief Government Whip) (20:38): I rise tonight as a witness—the only witness, if you believe the reports in *The Canberra Times, The Sydney Morning Herald, The Vine* and *The Guardian*—to the hypocrisy, duplicity, pretence and double standards that we heard recently in this chamber from Senator Ludlam. These are adjectives that I do not mention lightly, but I have to say that too many Australians have come to associate them with the Australian Greens.

One can only question why my presence in the chamber during Senator Ludlam's contribution was noteworthy, rather than my speech on the incidence of forced underage marriages in Sydney, which I gave, I think, when Senator Moore was in the chamber. I still lament the physical and psychological suffering of those girls who are subject to underage marriage. Whilst my resolve on this issue does not waver, I feel impelled to air my concerns and the concerns that many Australians have shared with me about Senator Ludlam's diatribe.

My colleague Senator Sinodinos, and Senators Brown and McEwen from the opposition benches, were also present for Senator Ludlam's vicious and malicious tirade, but I note that their presence was not reported by the media. Instead, the media chose to report such gems of spite and malice as:

Prime Minister, you are welcome to take your heartless racist exploitation of people's fears and ram it as far from Western Australia as your taxpayer funded travel entitlements can take you.

While we are on the topic of taxpayer funded entitlements, it should be noted that Senators Cash and Johnston are fulfilling their responsibilities as ministers and as senators representing the state of Western Australia—and I have to say that taxpayers have every right to expect that of them.

Given the collapse of the Green vote, as evidenced in Tasmania, I muse about whether a seat up the front of QF719, the 7.10 pm direct flight to Perth this evening, is where Senator Ludlam might be. In last year's federal election, the Greens lost around half a million votes. In last Saturday's Tasmanian state election—and I would like to take this opportunity to extend my full and hearty congratulations to Premier-elect Hodgman and his terrific team—the Greens' support collapsed to 13 per cent. This is not just symptomatic of Tasmania. It is a key performance indicator for the Greens brand across Australia. Who would have thought their woes could be attributed—and I cannot believe I am saying this—to the absence of the former leader of the Greens, Senator Bob Brown?

The Australian Greens remind me of the free-range chooks that my parents had in their back garden: when one of the chickens is decapitated, it keeps on staggering around, living, notwithstanding the fact that it lost its head some minutes before. In recent times, we have
seen a number of examples where the Greens have lurched from one slump to another. Here, in the 2012 ACT election, as my colleague Senator Seselja will well attest, the Greens lost a third of their vote. In a typical parasitical fashion, the Greens recorded small triumphs in New South Wales and South Australia at the expense of their alliance partners, the Australian Labor Party—just like ticks on a sheep, dare I say. It has been speculated that any retention of the Greens vote in South Australia was due to disillusioned Labor supporters looking for a refuge in the flotsam and jetsam of the Left. In the words of the most well-known whip in popular culture—and for those who do not follow House of Cards, I recommend you tune in—'You may think that, but I couldn't possibly comment.'

It is quite amusing to hear Senator Milne try to rationalise and defend the rapid decline in support for the Australian Greens. 'Blame Labor,' says Senator Milne. No-one liked us sharing power with them.' I have to say it is pretty funny, but I could have sworn that I heard the same defence coming from the Rudd and Gillard governments when they were trying desperately to excuse their abysmal polls. How silly of us to assume that a resounding election defeat should be a comment on a party's management or mismanagement, organisation, accountability, transparency and policy objectives. Indeed, we should all borrow Senator Milne's rose-coloured glasses and muffle our amusement when she says:

... this will be as good as it gets for Tony Abbott and the Liberals.

This brings us to Western Australia. It is little wonder that Senator Ludlam got a little hot under the collar a fortnight ago. In the Western Australian state election last year, the Australian Greens lost a quarter of their vote. In that state, under the leadership of Premier Barnett and his Liberal team, they have seen the economic impairment and mutilation that has plagued Tasmania under the Greens experiment. Tasmania's record levels of unemployment and fiscal stagnation show us that the Greens are not to be trusted with any form of economic responsibility. It speaks volumes of the coalition's track record and the exceptionally strong economic team in the Abbott government that the Tasmanian people have resoundingly entrusted the Hodgman team to clean up after the Labor-Greens fiscal vandalism. Time and time again, it falls to this side of the political spectrum to pick up the pieces after a Labor-Greens break-up.

When people are up against it, when their backs are against the wall, things can get nasty—and things certainly got nasty on Monday, 3 March. One of Senator Ludlam's many deceptive remarks was:

... the Abbott government will appear as nothing more than a thin, greasy layer in the core sample of future political scientists drilling back into the early years of the 21st century.

Senator Fierravanti-Wells: What a load of drivel.

Senator KROGER: This is utter hogwash, and I take the interjection from my colleague Senator Fierravanti-Wells, who said, 'What a load of drivel.' A party that espouses such vitriol should look within itself before casting aspersions on others. Senator Ludlam asked the Prime Minister to leave his 'excruciatingly boring three-word slogans at home'. Maybe Senator Ludlam was a little confused. Maybe the intergalactic flight from the land of his former leader, Bob Brown, and his fellow 'earthians' gave Senator Ludlam a bit of jet lag! Or maybe he is just plain wrong—because on the Greens MPs website you are bombarded with a multitude of excruciatingly boring slogans, such as 'sick of coal', 'rallies for refugees', 'stop government snooping' and 'defend climate action', or, if you want a two-word slogan, 'save
Medicare’. It is riveting stuff! But I do not suggest you go there unless you want to waste precious minutes of your time.

No wonder the Australian people are turning away from the Australian Greens quicker than you can say 'carbon tax repeal'. There is no vision for Australia's future, no plan for saving jobs, no action plan to directly help our environment. There are no infrastructure strategies, no transport blueprints, no economic strategies and certainly no plans on that website to help small businesses. There is a policy vacuum coming from the crossbenches, from the Australian Greens, without a doubt. Education policy? Nonexistent. Defence policy? Missing in action. Communications policy? I am going to avoid the pun. It is nowhere to be found.

Senator Ludlam thanked Prime Minister Abbott because:

… every time you open your mouth the Green vote goes up.

I wonder, then, why Senator Ludlam has not spoken about the election result in Tasmania and why he flees this chamber as soon as the carbon tax and the mining tax—two items of business before the Senate that, as I have said, directly impact Western Australia—come up for debate! If there are two policies that directly affect the people in our west, it is those two, yet he is not here to make a contribution to those debates. Nor would he mention today's polling prediction that on 1 July there will be three Liberal senators, two Labor senators and one Palmer United Party senator sworn in to represent Western Australia.

We need only listen to Senator Ludlam's question to my colleague from Western Australia Minister Cormann about the Greens jobs policy. It was pretty breathtaking, listening to that question from the crossbenches—from people who would not know how to run a business if one were gifted to them. We know, and the people of Western Australia know, that to think of the Greens and jobs is oxymoronic, to be straight-up. The Australian Greens have done everything they can to kill the Australian manufacturing industry, to drive Qantas offshore and to make sure that all Australians are struggling under the rising cost of living. If anyone thinks that I am being partisan in suggesting that here, they only have to look at what has happened to the economy of Tasmania since the Greens have wielded such influence in that state.

Tomorrow, my colleague from Victoria Minister Fifield will move a procedural motion that enables the carbon tax and mining tax repeal bills to be put to a vote in the Senate this week. I ask: do Senator Milne and Senator Ludlam want to listen to the Australian people, or do they want to delay this vital vote until after the Western Australian Senate election? The Greens have a number of clear choices in the days and months to come. They can support the interests of Australian workers who honestly want clean unions and a clean building industry, or they can prop up the corrupt union bosses who want business to be conducted as usual. They can continue to pursue foolish, dangerous and peculiar campaigns, supporting Julian Assange and the WikiLeaks movement or advocating for the traitor Edward Snowden.

I urge Senator Ludlam to do his bit for Western Australia and vote to repeal the carbon tax and the mining tax. The Australian people have made it known, loud and clear, that they want these taxes gone. They voted with their feet at the federal election last year. The Australian people want action, not prolonged and repetitive filibustering on items of legislation that have been before the Senate since December. In this chamber, we have now been debating the package of carbon tax repeal bills for in excess of 33 hours. I say to Senator Ludlam: do maintain your silence, because it is clearly the only sound policy that the Australian Greens have.
Senate adjourned at 20:52

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:


Tabling

The following documents were tabled:


Regional Forest Agreement between the Commonwealth and Western Australia—Report of the review of the implementation of the Regional Forest Agreement for the South-West Forest Region of Western Australia for the period 1999 to 2009—First independent review, dated December 2013.

Wreck Bay Aboriginal Community Council—Report for 2012-13, including financial statements for the Wreck Bay Enterprises Limited.

Indexed Lists of Departmental and Agency Files

Tabling

The following documents were tabled pursuant to the order of the Senate of 30 May 1996, as amended:

Indexed lists of departmental and agency files for the period 1 July to 31 December 2013—Statements of compliance—

Attorney-General's portfolio.

Infrastructure and Regional Development portfolio.