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FORTY-THIRD PARLIAMENT
FIRST SESSION—FOURTH PERIOD

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

Senate Office holders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Stephen Shane Parry
Temporary Chairs of Committees—Senators Thomas Mark Bishop, Suzanne Kay Boyce, Patricia Margaret Crossin, Mary Jo Fisher, David Julian Fawcett, Helen Evelyn Kroger, Scott Ludlam, Gavin Mark Marshall, Claire Mary Moore and Louise Clare Pratt
Leader of the Government in the Senate—Senator Hon. Christopher Vaughan Evans
Deputy Leader of the Government in the Senate—Senator Hon. Stephen Michael Conroy
Leader of the Opposition in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Opposition in the Senate—Senator Hon. George Henry Brandis SC
Manager of Government Business in the Senate—Senator Hon. Joseph William Ludwig
Manager of Opposition Business in the Senate—Senator Mitchell Peter Fifield

Senate Party Leaders and Whips
Leader of the Australian Labor Party—Senator Hon. Christopher Vaughan Evans
Deputy Leader of the Australian Labor Party—Senator Hon. Stephen Michael Conroy
Leader of the Liberal Party of Australia—Senator Hon. Eric Abetz
Deputy Leader of the Liberal Party of Australia—Senator Hon. George Henry Brandis SC
Leader of the Nationals—Senator Barnaby Thomas Gerard Joyce
Deputy Leader of the Nationals—Senator Fiona Nash
Leader of the Australian Greens—Senator Robert James Brown
Deputy Leader of the Australian Greens—Senator Christine Anne Milne
Chief Government Whip—Senator Anne McEwen
Deputy Government Whips—Senators Carol Louise Brown and Helen Beatrice Polley
Chief Opposition Whip—Senator Helen Kroger
Deputy Opposition Whips—Senators Judith Anne Adams and David Christopher Bushby
The Nationals Whip—Senator John Reginald Williams
Australian Greens Whip—Senator Rachel Mary Siewert

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(1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

**PARTY ABBREVIATIONS**


**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing

Clerk of the House of Representatives—B Wright

Secretary, Department of Parliamentary Services—A Thompson
GILLARD MINISTRY

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

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

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

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

Shadow Minister for Employment Participation  
Hon. Sussan Ley MP

Shadow Minister for Justice, Customs and Border Protection  
Mr Michael Keenan MP

Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation  
Senator Mathias Cormann

Shadow Minister for Childcare and Early Childhood Learning  
Hon. Sussan Ley MP

Shadow Minister for Universities and Research  
Senator Hon. Brett Mason

Shadow Minister for Youth and Sport and Deputy Manager of Opposition Business in the House  
Mr Luke Hartsuyker MP

Shadow Minister for Indigenous Development and Employment  
Senator Marise Payne

Shadow Minister for Regional Development  
Hon. Bob Baldwin MP

Shadow Special Minister of State  
Hon. Bronwyn Bishop MP

Shadow Minister for COAG  
Senator Marise Payne

Shadow Minister for Tourism  
Hon. Bob Baldwin MP

Shadow Minister for Defence Science, Technology and Personnel  
Mr Stuart Robert MP

Shadow Minister for Veterans' Affairs and Shadow Minister Assisting the Leader of the Opposition on the Centenary of ANZAC  
Senator Hon. Michael Ronaldson

Shadow Minister for Regional Communications  
Mr Luke Hartsuyker MP

Shadow Minister for Ageing and Shadow Minister for Mental Health  
Senator Concetta Fierravanti-Wells

Shadow Minister for Seniors  
Hon. Bronwyn Bishop MP

Shadow Minister for Disabilities, Carers and the Voluntary Sector and Manager of Opposition Business in the Senate  
Senator Mitch Fifield

Shadow Minister for Housing  
Senator Marise Payne

Chairman, Scrutiny of Government Waste Committee  
Mr Jamie Briggs MP

Shadow Cabinet Secretary  
Hon. Philip Ruddock MP

Shadow Parliamentary Secretary Assisting the Leader of the Opposition  
Senator Cory Bernardi

Shadow Parliamentary Secretary for International Development Assistance  
Hon. Teresa Gambaro MP

Shadow Parliamentary Secretary for Roads and Regional Transport  
Mr Darren Chester MP

Shadow Parliamentary Secretary to the Shadow Attorney-General  
Senator Gary Humphries

Shadow Parliamentary Secretary for Tax Reform and Deputy Chairman, Coalition Policy Development Committee  
Hon. Tony Smith MP

Shadow Parliamentary Secretary for Regional Education  
Senator Fiona Nash

Shadow Parliamentary Secretary for Northern and Remote Australia  
Senator Hon. Ian Macdonald

Shadow Parliamentary Secretary for Local Government  
Mr Don Randall MP

Shadow Parliamentary Secretary for the Murray-Darling Basin  
Senator Simon Birmingham

Shadow Parliamentary Secretary for Defence Materiel  
Senator Gary Humphries

Shadow Parliamentary Secretary for the Defence Force and Defence Support  
Senator Hon. Ian Macdonald
SHADOW MINISTRY—continued

Shadow Parliamentary Secretary for Primary Healthcare
Dr Andrew Southcott MP

Shadow Parliamentary Secretary for Regional Health Services and Indigenous Health
Mr Andrew Laming MP

Shadow Parliamentary Secretary for Supporting Families
Senator Cory Bernardi

Shadow Parliamentary Secretary for the Status of Women
Senator Michaelia Cash

Shadow Parliamentary Secretary for Environment
Senator Simon Birmingham

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

Shadow Parliamentary Secretary for Immigration
Senator Michaelia Cash

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

Shadow Parliamentary Secretary for Fisheries and Forestry
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Tuesday, 23 August 2011

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

PARLIAMENTARY REPRESENTATION

New South Wales

The PRESIDENT (12:31): I inform the Senate that I have received a letter from Senator Coonan resigning her place as a senator for the state of New South Wales. Pursuant to the provisions of section 21 of the Constitution, I have notified the Governor of New South Wales of the vacancy in the representation of that state caused by the resignation. I table the letter and a copy of my letter to the Governor.

BUSINESS

Rearrangement

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (12:31): I move:

That government business order of the day no. 1 (Family Assistance Legislation Amendment (Child Care Budget Measures) Bill 2010) be postponed till after consideration of government business order of the day no. 2 (Tax Laws Amendment (Research and Development) Bill 2010 and a related bill).

Question agreed to.

BILLS

Tax Laws Amendment (Research and Development) Bill 2010

Income Tax Rates Amendment (Research and Development) Bill 2010

In Committee

Debate resumed.
indicated in this debate, if we are to be a country in which imagination is the resource of the century—where productivity and innovation drive the productivity gains we must have—it is going to be the result of some of those incredibly innovative small businesses that at this point are quite strapped for cash. In a lot of cases they just manage to get by. We need those enterprises to be able to access R&D funding.

So I thank the government for the cooperation it has shown in working through this particular measure. I am sure it is going to be a critical component of the legislation for small business. I look forward to the review in a couple of years time to see whether it has delivered in the way we hope it will over that time frame. Again, I think this amendment will be critical to the success of the bill in making sure we get the R&D funding going where it is needed—to those small enterprises—in a way that assists them in doing business. I think they will really welcome the quarterly cash payments.

Senator COLBECK (Tasmania) (12:36): It is interesting to hear Senator Milne talking about how cash strapped some of these small enterprises might be and how important this amendment is, but it is also interesting to note that the amendment does not take effect until 2014. If these businesses are so cash strapped and if it is so important to make funding available to them, why is this measure not taking effect until after the next election?

The opposition is quite sceptical about how this will work in practice. In particular, given the complexity of tax law, it is probably more likely to increase the administrative burden and the administrative risks and problems for small business and will more than likely increase compliance costs. So while Senator Milne extols the virtue of this measure, I think there are some traps on the other side. The fact that it does not come into effect until 2014 is quite pertinent. If these businesses are so cash strapped then this measure should be introduced immediately rather than in 2014, after the next election. Effectively, this is a process of the Greens and the government trying to make themselves look good, particularly to certain sectors of industry. The reality is that there is nothing immediate about this. It does not happen straightaway; it does not happen until after the next election.

Senator Milne talks about these small enterprises and the importance of their innovation. During the winter break she made a comment that 100 of the largest companies take 60 per cent of the total funding of the current R&D tax concession scheme. This portrays a complete lack of understanding. I made the comment during the second reading debate that this is not about a capped fund or a capped scheme that people can or cannot access. This is a tax rebate scheme, so it is uncapped. If people qualify, they qualify; if they don't, they don't. Making assertions around who gets what and why just shows a complete lack of understanding of the mechanisms at play here and portrays in the public arena a perspective that does not actually exist.

We have seen a lot of discussion in the R&D community about this, particularly in the manufacturing sector in relation to what the impact might be for manufacturing. Deloitte said, on 1 February last year, that average claims would fall by between 50 and 80 per cent. As we have maintained all along, this is about constraining access to this R&D tax process with the introduction of the new definitions and the purpose test. So we continue to have concerns about the way that this mechanism has been designed, the way that the government has gone about this process and, as I said at the outset, the completely disjointed way that the
government has managed this piece of legislation right from the day that it delivered its first and second exposure drafts. Nixon Apple from the Australian Manufacturing Workers Union, a long-time trade unionist, said back in February 2010 when this process was partway through that, 'These laws will decimate support for R&D in manufacturing.'

When we are in circumstances such as these, where we have seen the devastating announcements over the last week from the manufacturing sector and concerns about what might be happening, and the government is going through with these measures, including the introduction of a carbon tax which is just going to make the burden on the manufacturing sector even worse, we really wonder about the government's overall policy perspectives. As I said yesterday, the government says it wants to do one thing but its actions belie that and seem to take it in another direction. We do not support these amendments as they are structured basically because, if the government and the Greens genuinely think that small enterprises are as cash strapped as Senator Milne said they are, these measures should not be introduced after the next election in 2014; they should be introduced much sooner.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (12:41): I thank senators for their contributions. As Senator Milne has indicated, this has arisen as a result of discussions. The government are not frightened of acknowledging that we are in the business of actually discussing issues of this complexity and importance when we want to develop new initiatives. This is a scheme that in the 1990s was attracting less than $300 million per annum in terms of support. It has now gone to a position where we estimate in the next financial year it will require support from the budget effectively of $1.8 billion per annum. This is a scheme that has attracted some 8½ thousand registrations for the overall operations of the R&D system in this country. Some might say that is a high number. I take the view that, given the number of firms we have in this country, which is well in excess of two million, 8½ thousand firms is a very small number.

The aim of this project is to get more firms to invest in themselves. We have seen that it is all too often the case that small firms, who are understandably preoccupied with the day to day, do not necessarily think about the implications of not investing in themselves. What we have tried to do with this program is double the level of support for small- and medium-sized enterprises to actually give financial incentives for businesses to invest in themselves. We have also increased support for large firms by an additional one-third.

This is not about reducing the level of investment in R&D. On the contrary, it is about expanding it. Senator Colbeck is quite right: this is an uncapped scheme. It is actually about building support and changing the culture of business in this country so as to ensure that there are higher levels of investment in R&D. The difference is that we cannot allow to go unchallenged the pattern of development that has occurred in recent years. The reason is that inappropriate claims and rorting of the taxation system have a serious detrimental effect on our capacity to administer sound government programs. We have occasions where large financial institutions have claimed their entire computer system as R&D. It is just not appropriate that that type of activity continue, because it will bring into question the authority and credibility of the whole scheme. In parts of the resources sector people are claiming the entire project—billion dollar claims—for R&D through the system, including roads and the walls of
mines and projects that involve R&D on mining shafts. They claim materials removed from mine shafts and sold as R&D. That is just not on.

Senator, you made reference to 100 firms securing 60 per cent of what is the equivalent of $1.8 billion per annum. It is not the fact that there are only 100 firms; it is the fact that the 100 firms get 60 per cent of the benefit. They understand that. By the way, the claims of those 100 firms are controlled by four accountancy companies; hence, there has been this concern raised in some accountancy firms that they will now have to change their business model. They are anxious about that.

We say, 'Go out and change the way you do business; get new clients because we want to see more and more people invest in their own future and invest in R&D.' The accountancy companies will have to actually do their job properly. They might have to change their approach. This is one measure that came about as a result of the conversations in three rounds of the consultation process involving over 700 companies. We were very concerned that there was proper discussion and proper consultation with real-world practitioners with a change of this importance and this was one scheme that came forward.

You raised a legitimate question: why have we waited till 1 January to introduce the quarterly payment aspect? That is on the advice of Treasury. That is how long it will take them to get their administrative systems in place. That is not to say that firms will not get the additional benefits; they will. It is just that they will not get the cash quarterly payments arrangements, but they will get the additional benefits provided by this legislation. Businesses will be able to choose whether from 1 January 2014 they continue to claim the research and development tax incentive at the end of the income year in which the research and development is undertaken or they apply for the quarterly payments that would deliver the benefits in the income year that the company undertakes the activities.

The quarterly credits will allow small and medium sized enterprises to choose an option which is best suited to their business conditions. This effectively means that providing quarterly credits will be determined in the light of the experience with the operation of the new R&D tax incentive. Consequently, these amendments provide for the regime to be implemented through regulations. The amendments demonstrate that the government has in fact a clear commitment that a quarterly credits regime is to be part of the new incentive arrangements based on the real-life experience of firms participating in it.

I also put to you once again the assurance that we have built into this legislative framework of the review process through the R&D tax board. I have genuinely put that forward because I am concerned that, if people have issues about the way in which the administrative practices are undertaken, there is a process already built in to allow voices to be heard, ensuring that the policy intent is reflected in the administrative practice. With that, I trust the chamber is able to agree to these amendments.

Senator COLBECK (Tasmania) (12:48): I was not going to speak again, but I just have to make reference to the examples that Senator Carr gave in respect of claims made under the existing mechanisms for R&D. He talked about the mine and he talked about computer systems. We went through all this at estimates. At estimates we discovered that something like 24 or 28 significant claims had been made. They were all being investigated. It was acknowledged by
everybody involved that they should not have been. It is the difference between a claim and a successful claim. We understand how this process works. There have been shots at industry about rorting the system. These claims were not eligible. It has been recognised and acknowledged across the board that these things should not have been claimed. The government is actually dealing with that through its processes. They are being investigated. There is this slinging off at industry. We accept that those claims should not have been made. If you are out there genuinely trying to help people and work on things, that is fine. But let us not have this slinging off at industry. Okay, they have done the wrong thing in this particular case, but it is being dealt with. It should not have qualified under the existing rules, but it was being investigated and managed.

Rather than slinging off at people, let us get on with the process. I would not have been provoked to make a further contribution but we did sit down—and people can go back and review the Hansard—during the estimates process and have a pretty good go at this. We spent a fair bit of time talking about these issues. We had a few moments of agreement even, which was amusing at times. We have looked at this in a pretty genuine way and I do not think it is helpful to go back over things that were well and truly addressed. I am not prepared, given that you have decided that you want to raise it again now, to go over that again. I think we fairly and fully dealt with it at that time. We both understand the circumstances around that, so let us put that aside rather than having a slinging match against industry. We all know how difficult it is out there for them. We do not need to be applying broad-brush imputations to their motives. We know that things that should not have been claimed under the existing regulations and they are being dealt with through a process within the existing scheme.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (12:51): The problem with that approach is that it did not recognise that they were being claimed and they were viable under the existing arrangements. Because of the changes in administrative interpretation, they were quite clearly outside the policy intent of all players in this game at the political level. The problem is that under the old regime they were able to be made and there was an incredibly complex process of appeal. Nonetheless, those claims could be made. That is why this legislation is so important.

Question agreed to.

Bill, as amended, agreed to.

INCOME TAX RATES AMENDMENT (RESEARCH AND DEVELOPMENT) BILL 2010

Bill—by leave—taken as a whole.

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (12:53): The Senate considers this bill to be a bill which imposes taxation within the meaning of section 53 of the Constitution. Accordingly, the government moves this amendment as a request:

(1) Schedule 1, item 4, page 3 (line 21), omit ―1 July 2010‖, substitute ―1 July 2011‖.

This amendment goes to the issue of the start date. The effect of this amendment is to make a minor change to schedule 1, item 4 of the bill to defer assessment for incomes commencing on or after 1 July 2011. The start date will be amended to 1 July 2011.

Question agreed to.

Bill agreed to, subject to request.

Bills reported; report adopted.
Tax Laws Amendment (Research and Development) Bill 2010

Third Reading

Senator CARR: I move:

That this bill be now read a third time.

Question put.

The Senate divided. [12:59]

(The Acting Deputy President: Senator Crossin)

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

AYES
Arbib, MV
Bishop, TM
Brown, RJ
Carr, KJ
Crossin, P
Farrell, D
Faulkner, J
Feeney, D
Furner, ML
Gallacher, AM
Hanson-Young, SC
Hogg, JJ
Ludlam, S
Ludwig, JW
Madigan, JJ
McEwen, A
Milne, C
Polley, H
Rhiannon, L
Siewert, R
Stephens, U
Thistlethwaite, M
Waters, LJ
Xenophon, N

NOES
Abetz, E
Back, CJ
Birmingham, SJ
Cash, MC
Edwards, S
Fawcett, DJ
Fifield, MP
Heffernan, W
Johnston, D
Kroger, H
Mason, B
Nash, F
Ronaldson, M
Scullion, NG

PAIRS
Collins, JMA
Evans, C
Marshall, GM
McLucas, J
Wong, P

Bushby, DC
Parry, S
Cormann, M
Brandis, GH
Boyce, SK

Question agreed to.

Bill read a third time.

Family Assistance Legislation Amendment (Child Care Budget Measures) Bill 2010

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:02): In summing up the Family Assistance Legislation Amendment (Child Care Budget Measures) Bill 2011, the Labor government and, in particular, Minister Ellis recognise the critical importance of early education and care to families. We know that access to quality and affordable childcare is an essential enabler of workforce participation, particularly for women.

We know that the first five years of a child's life are critical and that their experiences during this time will shape their future outcomes. Through high-quality, early education and care we have the ability to ensure that our youngest citizens get the great start in life that they deserve. This is why our government have driven an ambitious reform agenda to improve access to child care and to provide quality, affordable care, an agenda that we have backed by a record investment of $20 billion over the next four years. I conclude by thanking all senators for their contributions to the debate on this bill.

Question agreed to.
Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator BERNARDI (South Australia) (13:04): I have a question for the minister. I did not hear your complete second reading speech. Some industry groups have predicted associated cost increases of somewhere between $12 and $22 per day as a result of the national quality framework. There is some concern that these overheads will not be able to be absorbed by childcare providers, so the expectation is that these costs will be passed on to parents. I seek confirmation or the refutation of those industry figures, whether they are accurate or not and whether the government has undertaken any modelling or consideration of these costs being passed on to parents and thus increasing the out-of-pocket expense for parents in seeking childcare services.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:05): I thank Senator Bernardi for the question and his interest in this matter. I know he shares Minister Ellis’s concern about and interest in these matters.

Senator Bernardi interjecting—

Senator FARRELL: At the moment you might have but one never knows about the future. I can say this in response to your question. The impact of the national quality reforms on cost to families will be modest and will depend on a range of factors, including family income and the level of usage of early childhood education and care services. Independent analysis by Access Economics indicates that the average out-of-pocket cost increase for a family on an annual income of $80,000, with one child attending full-time long day care, would be $8.67 per week by the financial year 2014-15. As the changes will be introduced over a number of years, services will have time to adjust and the government expects there will be no sudden increased cost to families. Further, many services already operate at the required ratios and qualifications and so there will be little change.

Senator BERNARDI (South Australia) (13:07): Thank you, Minister, for the clarification that the expected increase for out-of-pocket expenses is $7.78 per day. Specifically, do you then reject the industry based estimates of $12 to $22 per day as the national quality framework? Once again I ask whether the government has undertaken any specific modelling outside of that one scenario that you gave me to either refute or support these industry figures?

Senator FARRELL: The answer to the first question is yes. The answer to the second question is no.

Senator BERNARDI (South Australia) (13:08): It almost boggles belief that the government can say the industry figures are not correct and yet has not undertaken any modelling outside of the single case scenario that you just detailed to us. There are a myriad different scenarios that will impact individual families quite differently, and to only examine one of those scenarios really suggests that the Australian people, once again, have been sold a pup and told that this will not impact upon them, it will not create any serious negativity for them, but you are relying on a very narrow case example. I may have this entirely wrong but I know that I represent the concerns of a number of people, including many on the Labor side, who are also worried about families and child care and how these things are going to impact upon those who are already struggling and finding it very tough to make ends meet. To come back to it, I seek an explanation as to why, with such limited examination of such a critical issue that will
affect many millions of Australians, it has not been done.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:09): I thank Senator Bernardi for his question. The government obviously is concerned about this issue, and that is why we have brought this piece of legislation into the parliament. We believe Access Economics is an appropriate organisation to do this research and analysis. Again I repeat that its conclusion as a result of its research was that the average out-of-pocket cost increase for a family on an annual income of $80,000 a year with one child attending full-time long-day care would be $8.67 a week by the year 2014-15. We stand by the report and we believe Access Economics has accurately dealt with this issue.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (13:11): Is the minister responsible arriving at any stage or will you, Minister, be handling this on her behalf?

Senator Farrell: I will be handling it on her behalf, yes.

Senator NASH: Is the primary purpose of this legislation to generate savings?

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:11): Yes, the primary purpose is to generate savings—$81 million, to be precise.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (13:11): Given that, it might be an appropriate time to put this in a little context. I do have a number of questions but some context at this point might be useful as we have not had this legislation before us in the chamber for some time. The government is putting forward a change in the maximum per child rebate to $7,500 per annum. In essence that is what it does, and it also completely cuts out the indexation for several years. The reason I raise this before I move to my questions is that it is important that we look at exactly what this piece of legislation does and exactly what the current arrangements would be if the standing arrangements had been in place. It would have been $8,179 per annum and we are now looking to reduce that under this legislation to $7,500. When, as the minister has just indicated, the primary purpose of this legislation is savings, many out there in the community would be very concerned that child care is being used as a cash cow for the government.

The minister referred to the figure of $81 million in savings. It is interesting that this government has spent $80.9 million on an emissions trading scheme that does not even exist. He we are on one hand looking at government waste of around $81 million and yet working families out in our communities, and particularly regional families, are going to have to wear a savings measure of almost exactly the same figure. That would raise the question for those out in the community: why are working families having to bear the brunt of this when the government has already wasted $81 million on something like administering the emissions trading scheme that does not even exist? This government needs to answer a lot of questions about why child care is being used as a cash cow—why the savings have to be generated from this area. I ask the minister at this point why it was deemed appropriate that the child care rebate be used to raise funds for a government with a debt of $198 billion.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:14): I thank Senator Nash for her question. We probably need to put the measure in some perspective. The way I propose to do that is to indicate that
the vast majority of families using approved child care—some 95 per cent or 759,000—will not reach the reduced annual cap in the financial year 2011-12 and therefore will not be affected by this change. Less than five per cent of the families in the year 2011-12 using approved child care will be affected by this change and it will be very modest—there will be on average a $7 per week impact on these families. The measure will not affect childcare benefit payments to lower income families. Those benefit rates and their thresholds will continue to be indexed in line with the current policy.

I further point out to Senator Nash—and this might be of some interest to her constituents—$59.4 million of the expected $81 million savings from this measure will be redirected to help improve the quality of up to 142 budget based funded services by 2014 that operate predominantly in rural, remote and Indigenous communities and provide care to some of Australia’s most vulnerable children. Almost half of these services are the only provider of child care in their community.

**Senator NASH** (New South Wales—Deputy Leader of The Nationals in the Senate) (13:16): I thank the minister. Minister, specifically what consultation was undertaken with not only industry but also families throughout the communities on the potential impact of this legislation?

**Senator FARRELL** (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:18): I thank Senator Nash for her question. When we are starting to talk about what this government has done it is important to make the comparison with what the previous government, your government, did in respect of this issue. Senator Nash, I know you do not like talking about the sorts of things you did to working families when your government was in power, particularly WorkChoices. It will not go into that issue, but I will go to what your government was doing in terms of the child care rebate. Under the previous government the maximum child care rebate cap was $4,354. This government increased the cap to $7,500, so that is an increase of 72 per cent and some $3,146 more than under your government. This government introduced quarterly payments of the child care rebate to families and, from July 2011, fortnightly rebate payments, increasing support for families.

The government will continue to cover 50 per cent of families’ out-of-pocket childcare costs up to a capped maximum of $7,500 per child per year. The government is also providing improved support for parents and jobless families to transition and income support for employment by promoting increased take-up and indexation of jobs, education and training childcare fee assistance as of July 2012.

**Senator NASH** (New South Wales—Deputy Leader of The Nationals in the Senate) (13:20): I ask the minister whether he has any intention of addressing the question.
Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:20): I have answered as to what the government has done in its proposals and I have done that in comparison to what the previous government did in this area.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (13:20): Perhaps I was not clear in my question. I thought I was straightforward and I thought I was fairly clear in my question. What I asked the minister, before he went on his rant harking back to the old days—as the government do when they are in a bit of a corner—was: what consultation has been undertaken with industry and families involved in the sector to determine the impact this legislation is going to have?

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:21): Rest assured, Senator Nash, that we are not in a corner on this issue. What I have indicated to you is that, when you compare what this government has done in terms of the childcare rebate, it has significantly improved the position for most families. I will repeat the figures that I gave you a moment ago. The amounts have gone up from $4,354 to $7,500. That is an increase of 72 per cent and is $3,146 more than what was the case under your government.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (13:21): Isn't this interesting! I have now given the minister two opportunities to inform the chamber about what consultation has taken place with the sector and with families in the community to determine the impact this legislation is going to have. I am very interested to note that Childcare Alliance Australia, which is one organisation that I know of, undertook a research strategy showing that there were going to be increases of $12 to $22 a day. They represent 70 per cent of long day care providers. Perhaps I can ask a specific question: can the minister inform the chamber whether the government consulted with Childcare Alliance Australia?

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:23): I thank Senator Nash for her statement. It is important to point out that I was not saying there was no impact on families. As I indicated, the particular figure was that 95 per cent, or 759,000 families, will not reach the reduced annual cap in the year 2011-2012 and therefore will not be affected by this change. As to your question, Senator Nash, about who we consulted with, of course this was our policy that we took to the last election. It is important to point out that I was not saying there was no impact on families. As I indicated, the particular figure was that 95 per cent, or 759,000 families, will not reach the reduced annual cap in the year 2011-2012 and therefore will not be affected by this change. As to your question, Senator Nash, about who we consulted with, of course this was our policy that we took to the last election. So, if you like to look at it that way, we consulted with the Australian people before the last election. We took our policy to them. The opposition is always criticising this government for not taking our policies to the

On the other side of this chamber, the Prime Minister and her Labor government might think it is okay to increase costs for families for child care. On this side of the chamber we disagree with that. Having accepted that this is the piece of legislation the government are putting forward, I think it is quite appropriate for those in this chamber to at least be informed as to what consultation the government had with the sector and with families in the community. How on earth can the government sit on the other side of this chamber and say the change is going to be negligible and there is not going to be any impact if they cannot actually enlighten us and those listening as to what consultation took place?
people. Well, we took this policy to the electorate before the last election. We consulted with the Australian people. The Australian people decided that they would re-elect this government and, as a result, we are coming forward with the legislation that we took to them at the last election. So we have consulted with all Australians about this matter and, of course, we were re-elected. In terms of particular organisations that we may or may not have spoken with, I happen to know the minister and I know that she regularly consults with people in this—

*Opposition senators interjecting—*

**Senator FARRELL:** She might do that as well. But I happen to know that she regularly consults with organisations in the sector that she is responsible for. This is her sector and I feel sure that she makes it a practice to consult with all of those organisations. That does not mean that just because you consult with organisations you do what they want you to do or you accept their positions, because as a government we have to make decisions. But we took this policy to the last election, we have consulted with the Australian people about that and they have re-elected us.

*Senator Bernardi interjecting—*

**Senator FARRELL:** They may have re-elected us, Senator Bernardi. You may not like that but they have re-elected us and we are now proceeding with the policy that we took to the last election. We have explained it exhaustively. I do not think I can explain it any more clearly to you than how I have explained it to you already, Senator Nash. We have consulted with the Australian people. We regularly consult with organisations in this sector. That does not necessarily mean that we always do what they want us to do.

**Senator NASH** (New South Wales—Deputy Leader of The Nationals in the Senate) (13:26): I do appreciate, Minister, that, as you have just indicated, you think you have explained it clearly. Actually you have not answered a question or given the Senate chamber any information today that has been of any assistance whatsoever. I would hazard a guess that, running up to the last election campaign, many people were not aware of this. I note that you did indicate to the chamber that this has been explained fulsomely and that consultation has taken place. I am happy to accept that if you can tell me what has taken place. Perhaps, in the midst of this conversation that we are having here, some of the officials might be able to find out if Childcare Alliance Australia was consulted as part of the negotiations leading up to this piece of legislation coming into this chamber. I think it is very important, when we have an organisation that represents 70 per cent of long day care providers taking the time and going to the trouble to do the research from their perspective of what they feel the increased costs are going to be, that this chamber knows whether or not the views of that organisation have been taken into account by the minister. So I do not think that is too much of a stretch of a question for the minister. Perhaps, as I have said, the officials might be able to look into that while we are continuing to discuss this. But I will ask the minister one question, and I will get to it in just a moment.

I do note that you said 'we consulted with the Australian people prior to the last election on this'. That is very good. I suppose the question that most people would like to ask at this point in time is why on earth the government did not consult with the Australian people before the last election on a carbon tax. Apparently it is okay to go and consult with a sector and consult with a community in the knowledge that you took to the last election, as Senator Farrell has just informed us, the information that people
needed to understand this piece of legislation, the Family Assistance Legislation Amendment (Child Care Budget Measures) Bill 2010. Apparently it is very important that consultation took place, because the minister has just told us about that, but what about consultation on a carbon tax? You do not think that might have been a little bit of a priority as well if perhaps the government thought that it should be consulting with the Australian people, as the minister, Senator Farrell, said was done before the last election on the Family Assistance Legislation Amendment (Child Care Budget Measures) Bill 2010? You do not think that theory would also apply to a carbon tax? I would say, colleagues, given that the minister has raised this issue, that I think it is very important that we ask the government if they pick and choose which particular pieces of legislation they are going to consult the Australian people about before an election.

Senator Birmingham: Pick and choose when they'll tell the truth.

Senator NASH: Thank you, Senator Birmingham—pick and choose when they will tell the truth. I find it extraordinary the minister can stand in parliament and say, hand on heart, that they have consulted with the Australian people on this piece of legislation. I appreciate the intent with which Minister Ellis said that, Senator Farrell, and I think it is a very good thing. I think prior to elections the people of Australia should be consulted on issues of importance that are going to impact them. I would say that this particular piece of legislation is one of them; it is going to hit the hip pockets of families around the country in terms of their childcare fees.

One wonders why the government did not ask the Australian people about a carbon tax. Perhaps before the last election the Prime Minister could have said: 'Yes, I'm going to bring in a carbon tax. Not only that, I'm going to tell the people before the election that I'm going to bring in a carbon tax, and I will consult with the people before I bring in a carbon tax.' That reminds me: the Prime Minister did indicate that nothing would go ahead on a carbon tax until rigorous consultation with the community had occurred. It is a bit unfortunate that that never happened. So I ask the minister what response, if any, there has been from the sector about the potential implementation of these measures.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:31): I thank Senator Nash for her contribution. You will get plenty of time to talk about the carbon tax when that legislation comes before the parliament, but on this occasion we are talking about child care and, in particular, this piece of childcare legislation. I do not think I can make it any clearer. We are simply implementing the policy that we took to the last election. The Australian people, to the extent that they were interested or involved or took the trouble to find out what our policy was, would have understood that this was our policy. We made it very clear that this was what we intended to do, and the government was re-elected. I know you do not like that, Senator Nash, but the reality is that this government was re-elected.

We are simply implementing the policy that we took to the last election. We would have liked to have done it earlier, but that was not possible. We are now in a position to proceed with this legislation. As I indicated before, Minister Ellis is regularly in touch with all of the organisations and stakeholders—that is the popular word—in this industry. She regularly meets with those organisations. I do not think there was anybody in the industry—and you talked about knowledge of the proceedings—who was not aware that this was our policy. We
have taken that to the people. Those people in the industry knew what our policy would be. Now what we want to do in a timely way is to proceed with this legislation and to pass what was endorsed by the Australian people at the last election.

Senator BERNARDI (South Australia) (13:33): It seems that the minister's sole defence for extracting additional funds from Australian families for child care is that they took this to the last election, promised it, and there was widespread consultation. I suggest to the minister, before I put my question, that this line of defence is wholly and entirely uncredible given the history and track record of this government. Let us remind ourselves of some of the promises that were taken to the last election. There was the cash-for-clunkers deal. Australian families' cash has certainly paid for a clunker of a government, but that is not what it was about. It was about a transition into new cars from old. It was entirely discredited, but it was taken as a key plank to the last election. I do not see the government implementing that because they knew that it was a bad piece of policy.

We also have the instance, as Senator Nash articulately outlined, of the carbon tax. There will be no carbon tax under the government I lead.' Those words haunt every Australian family today as they expect their electricity bills to rise, their jobs to be lost and industry and carbon emissions to be exported overseas. And not to see climate change one jot or tittle, not to see it change one iota, but to re-engineer the Australian economy with a tax that we cannot afford. Of course, that was another promise that this minister conveniently overlooks. But there was also the promise that, instead of a carbon tax, there would be efforts to build community consensus about the need for a carbon tax. There was going to be a cabal, a gathering, of people with different viewpoints about climate change and what action needed to be taken on it. There was going to be a lasting and deep community consensus before—

Senator Birmingham: A citizens assembly!

Senator BERNARDI: That is right! The good citizens of Australia were going to have their say. And 148 members of the House of Representatives went to an election saying there would be no carbon tax or emissions trading scheme and that there would have to be a deep community consensus before any ETS or carbon tax was going to be introduced. That was a crystal clear promise. It was only dumped after the election because this government was not prepared to keep its promises.

But the government tries to keep its promises that will damage and hurt everyday Australians, promises such as this one, which not only raises my concerns about the lack of support for stay-at-home mothers but seeks, in my opinion, to force parents, in a way, to put their children into institutionalised child care. It removes the start-up rebate, I understand, for family day care centres, which provide, in my opinion, a much more enduring and nurturing environment for children who cannot be at home with one or both parents. In a move to save a relatively meagre $83 million or so over four years, the government is prepared to disadvantage 27,000-plus families, to add to their costs every year. The government is doing this because it was a promise at the last election.

Indeed, the minister may be right. There may have been consultation by Minister Ellis in the other place with some of the industry stakeholder groups. But do you really think the Australian people had this front and centre when they were making their decision at the last election? Do you really think the families of Australia, who knew they were doing it tough under Labor—never knowing
how much tougher it would get for them—were making their analysis on what was going to happen in respect of the childcare arrangements? The answer, on any reasonable analysis, would have to be no, they were not. They were focused on the relief that there was going to be no carbon tax. They knew no carbon dioxide tax or emissions trading scheme was going to put up the cost of living and drive industry offshore and destroy jobs, as it has destroyed the credibility of successive Labor administrations.

I am sure also, Senator Farrell, that the minister undertook the greatest consultation when she called into the SDA and asked them what she should be deciding. I have no doubt at all that she could ignore the claims of all the other industry stakeholders and just accept the claims of the SDA. If this is SDA approved, if this is family friendly, I would like you to stand up and say that the SDA has given this its stamp of authority. I know that Peter Malinauskas is now running the show in South Australia, or officially anyway. But I also know, Senator Farrell, that you keep a very close eye on what Peter does. I can see the strings sometimes. Senator Farrell, I need to know whether the minister went into the offices of the SDA, whether she consulted with the union bosses there and whether she actually undertook any consultation with you with respect to your previous involvement in this area. Is this bill approved by your union? It is a very simple question; I would like you to provide a very quick answer.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:39): Thank you, Senator Bernardi. This piece of legislation was approved by the Australian people at the last election. That is who we took it to for approval. We made it very clear to the Australian people before the last election what it was that we would do if they re-elected us. Sure enough, they did re-elect us and now we are doing exactly what we said we would do.

I think it is important to point out that the savings that will be made through this change in the cap will be reinvested in quality improvements to centres that service our most vulnerable children. Okay, some savings are being made, but they are being reinvested in quality improvements. I will go through some of the things that we have done in this respect. Over the next four years we are going to invest $20 billion in early education and care. This is $13 billion more than was provided in the last four years of the government that you were a member of, Senator Bernardi.

Senator Bernardi: A fine government.

Senator FARRELL: It was not a fine government when you start talking about the sorts of things they did to working families. Can I just bring you back to Work Choices, what you voted for and did in that government and the damage that you did to working families in this country.

Senator Nash interjecting—

Senator FARRELL: Senator Nash, I know you do not like the truth about what you did to working families through Work Choices, but that is the reality.

Senator Bernardi interjecting—

Senator FARRELL: Even your mentor, Senator Minchin, has now accepted that you made a blunder with that particular policy. I would have thought you would have come round to that same conclusion yourself, Senator Bernardi. I thought you religiously followed everything your mentor—or should I say tormentor to some—does.

Over the next four years we intend to invest $20 billion in this area, $13 billion more than the last four years of the Howard
government. We are providing record levels of assistance directly to families through the childcare benefit and childcare rebate. Over the next four years we are going to provide $16.4 billion in direct fee assistance for Australian families through the childcare benefit and childcare rebate. This is more than double the funding that was provided by the former coalition government. While the coalition government was perfectly happy to leave the childcare rebate capped at 30 per cent with an annual cap of just $4,354 per year, we increased the rebate to 50 per cent of the parents' out-of-pocket expenses and increased the maximum for each child in care to $7,500 a year. This represents a 72 per cent increase that has assisted more than 735,000 Australian families to pay for child care since July 2008.

**Senator BIRMINGHAM** (South Australia) (13:43): I was sparked by some of the comments that Senator Farrell made to ask an additional question of him about this mandate that he is claiming for this legislation, legislation that he said was approved by the Australian people at the election held just a touch over a year ago. I am wondering if Senator Farrell will be able to show the Senate how that approval was manifested. Where was the television ad about these changes to the childcare rebate? Where was the radio advertisement about these changes to the childcare rebate? Where was the mention of these changes to the childcare rebate? Where was the mention of these changes to the childcare rebate in, say, the Prime Minister's campaign launch speech?

Where was the mention of these changes to the childcare rebate in the material from the Labor Party that cluttered the letterboxes of Australians? Did Ms Ellis herself take this issue up with her own constituency? Did any of her campaign material in the electorate of Adelaide highlight these changes?

The parliamentary secretary is claiming that there was clear, unequivocal approval given by the Australian people at last year's election for these changes. Obviously, if it was such clear and unequivocal approval there was very clear and unequivocal information provided to the Australian people. The people in the gallery and the school children in the gallery up there are obviously paying close attention to what is happening in the Senate today. As much as I would like to think that there are a few other people around the place, I do not kid myself, Senator Farrell, into believing that mums and dads who are busy at work, who have dropped their kids off at child care while they are at work, are necessarily paying intricate detail to legislation that is laid on the table and yet to be debated in this place or the other place. I do not think you can say, 'We had a proposal; we had a bill; we had a plan and it appeared on a government website somewhere,' and say that the Australian people were informed, and because they were informed and re-elected your government, you have this all-encompassing mandate to make a change such as this one.

Quite clearly, yes, you may have mused about doing this before. You may have put it on a government website and you may have even introduced legislation to get to the first stage of debating it. But what did you actually do? If you want to claim an electoral mandate, if you want to claim the stamp of approval and authority from the Australian people, what did you actually do to earn that? What did you do to proactively ensure that the families who will be most directly affected by this knew about it? What did you do to ensure that those families were fully informed? What did Ms Ellis do to ensure that before people in my home suburb, in her electorate, went down to the local ballot box and cast their votes that they knew that this is what she was planning to do as the childcare
minister? How did they know that this is what your government was planning to do?

In claiming that there was widespread consultation, I note that in the submission to the inquiry into this legislation we have a situation where your now friends in the LHMU—the 'missos' union—made a submission that was quite critical of this and highlighted the longer term impacts of it. Their submission stated:

... it must be recognised that without alternative allocation of funding, the proportion of affected families will certainly increase over the subsequent years. We draw attention to the fact that childcare fees have risen by 34.9% since June 2005—more than 2.5 times the headline inflation rate over this period. With the capping of the [childcare rebate] and continuing fee inflation, the cost of future fee increases will be increasingly met by parents at all income levels, exacerbating the cost of childcare for many families.

Let us just dwell on those last few words. With the capping of the [childcare rebate] ... the cost of future fee increases will be increasingly met by parents at all income levels, exacerbating the cost of childcare for many families.

That is the 'missos' union. Senator Farrell, I know that you and Ms Ellis have not traditionally consulted the 'missos' union terribly much. Mr Butler, the member for Port Adelaide, has been the custodian of the representation of the 'missos' union in the federal parliamentary Labor Party delegation from South Australia and you have tended to take somewhat opposite approaches to things during that time. I note that recently there has been a bonding, a merging of sentiment, between the 'shoppies' union that you and Ms Ellis represent and the 'missos' union that made this submission, that Mr Butler and Mr Wetherill and others represent. I would have hoped that even if you had not historically listened to what they had to say, even if you had not listened to what they had to say back when this idea was conceived, or back when the 'missos' union gave their evidence, now you might give it a little more thought and encouragement. But, Minister, to return to the key question that your comments sparked, how is it that you claim this mandate, this sweeping approval from the Australian people? What did your government do proactively to inform voters before they put that little green piece of paper for the House of Representatives in the ballot box at the last election?

Senator FARRELL (South Australia— Parliamentary Secretary for Sustainability and Urban Water) (13:50): I thank Senator Birmingham for his contribution. I do not think I can be any clearer in regard to the mandate for this bill that we took to the last election. This was our policy. We took it to the Australian people and they have re-elected this government. What we are now proceeding to do is implement the mandate that we received at the last election.

I think we are starting to go round and round in circles. At this point, I would like to table the supplementary explanatory memorandum relating to the government amendments to be moved to this bill. The memorandum was circulated in the chamber today.

Senator BERNARDI (South Australia) (13:51): I will just pick up on what Senator Birmingham asked and the minister's response where he said he was unable to be any clearer in regard to the mandate for this bill that they took to the last election. When we are talking about clarity, this is as clear as mud. This is a murky and muddy promise that you cannot, in good conscience, say was made plain and clear to the Australian people. It does not pass the common-sense test.

I would invite the minister to recollect during the last election campaign when Ms Gillard made allegedly unscripted remarks at the Labor Party campaign launch. We know
that was not true. It was another deception, another hoax played upon the Australian people. The Labor luminaries—I can remember their faces—were all given their lines as they walked out of the conference, saying: 'Those remarks by Ms Gillard were entirely unscripted. What a wonderful woman. How passionate. It is the real Julia.' Then the inconvenient truth was exposed that the remarks were entirely scripted and the script had been left on the podium—once again drawing into question the credibility of the Prime Minister, both the fake Julia and the real Julia.

I would put to you, Senator Farrell, that there has been and there was no clarity. There was no mandate that you could claim at the last election—notwithstanding the fact that, yes, you have been able to cobble together a minority government—because your policy program, such as these cost increases that you are imposing upon families, was entirely rejected either by the Australian people or by your own party in such things as dumping the cash-for-clunkers scheme, dumping your own key plank of policy which is called the 'no carbon tax under a government I lead' policy, and in junking your community consensus. I forget what its name was. It was abhorrent. The deception of the Australian people meant that the outcome of that last election is muddy and the credibility for this government to implement any of its programs is absolutely murky and clouded and under deep suspicion.

While that suspicion is felt very strongly out there by the Australian people and while the Australian people are actually angry at this government, it is no longer a case of Liberals versus Labor; it is all of Australia against this government. They are mocked and derided by people like Mr Albanese in the other place because there were not 6,000 trucks taking time off from their work of trying to make ends meet to have a protest. They could get—only!—about 400 or 500 people travelling from all over Australia at their own expense to come here. They are mocked and derided for sharing in this part of democracy. It is just like those people who want to hold this government to account for its no carbon tax promise and were derided as cranks and extremists because they dared to disagree with this government.

Let me suggest to you, Senator Farrell, that at no stage during the last election and at no stage in your key policy announcements at the Labor Party election launch did the Prime Minister ever say to the 20,700-plus families that are going to be affected by this thing, 'We are going to make you pay more for your child care.' At no stage would she have said that. I am happy to stand corrected and I would invite you and your coterie of advisers to go into the Hansard, look for the election promises and show me the actual words where the Prime Minister said that we are going to increase the cost of child care for 20,000-plus families. I would suggest to you respectfully that that is not the case. So please, don't pull my leg or anyone else's leg in this place by saying that this was clear, that there was clarity on this at the last election. We know that is not true. We know that it is as clear as mud. That is why the Australian people are rejecting this government and that is why the coalition has grave concerns, grave reservations, about the deception played upon the Australian people and what this cost of child care is going to be doing to the affordability of it for so many families.

Senator IAN MACDONALD (Queensland) (13:56): Can I reinforce Senator Bernardi's question to the minister. If Ms Gillard made a commitment in relation to reducing the benefits made to parents for child care, why, Minister, would anyone in Australia have believed her at the time? You
will recall, of course, that just a year ago, just a few days before the election, Ms Gillard promised everyone in Australia, 'There shall be no carbon tax under a government I lead.' When Tony Abbott pointed out to the Australian public on about a dozen occasions that a Greens-Labor accord would introduce a carbon tax, the deputy Labor leader, Mr Swan, said that Mr Abbott was being hysterical. Ms Gillard came back the day before the election and, hand on heart, promised all Australians, 'There shall be no carbon tax under a government I lead.' So how could the Australian people, knowing that Ms Gillard told the Australian public a direct and deliberate lie, take any notice of any commitment that the Labor Party and their Greens allies gave before the election?

Senator Bernardi has raised as well the question of what notice the government will take in relation to child care of the protesters that came from all over Australia yesterday to make their views known. They are protestors who did it the right way, sought approval from the police authorities, and yet Senator Brown, the Greens political party leader, who has a record of illegal protesting, accused the convoy of being a convoy that has not blockaded anything. Senator Brown, do you know why they did not blockade anything? Because they abided by the law. They told the police and asked the police for directions where they could do it. They wanted to do it in a lawful and orderly way, unlike Senator Brown. Senator Brown came in and said they were a mob of moaners in town to moan about everything in general and nothing in particular. Fancy that coming from Senator Bob Brown, who has a whole history of moaning and whingeing about everything—

Honourable senators interjecting—

The TEMPORARY CHAIRMAN (Senator Back) (13:59): Senator Macdonald has a right to be heard in silence.

Senator IAN MACDONALD (Queensland) (13:59): Thank you, Mr Chairman. Obviously the Labor Party do not want me to point out that their mates in the Greens political party were out there illegally protesting in the old days—

Progress reported.

CONDOLENCES
Lambert, Private Matthew

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:00): by leave—I move:

That the Senate records its deep sorrow at the death, on 22 August 2011, of Private Matthew Lambert, while on combat operations in Afghanistan, places on record its appreciation of his service to our country, and tenders its profound sympathy to his family and friends in their bereavement.

The PRESIDENT: I ask honourable senators to stand, in silence, to signify their assent to the motion.

Question agreed to, honourable senators standing in their places.

QUESTIONS WITHOUT NOTICE
Convoy of No Confidence

Senator ADAMS (Western Australia—Deputy Opposition Whip in the Senate) (14:02): My question is to the Minister representing the Prime Minister, Senator Evans. Does the Prime Minister stand by her minister's insult to the hardworking mums, dads and families who drove to Canberra to voice their concerns by labelling them as 'inconsequential'? Does the Prime Minister also agree with her Green alliance partner Senator Bob Brown, who further insulted
them by labelling them as 'whingers and moaners'?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:02): One of the great strengths of the Australian democracy is its respect for people to express their views openly, freely and without fear of repercussions and to encourage public debate. The government is a strong supporter, as is the opposition, of that position. It is one of the great traditions of this country. We encourage people to voice their opinions, to stage peaceful protests, if that is their wish, and to engage in public debate. While I do not agree with the opinions of those who drove to Canberra yesterday—and some opinions were particularly strident—it is their right to make their views known and to protest peacefully. The government respects that right.

Senator ADAMS (Western Australia—Deputy Opposition Whip in the Senate) (14:03): Mr President, I ask a supplementary question. How does the contempt shown by the Prime Minister stand beside her comments that she wishes to engage the Australian people in a conversation about carbon tax?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:03): I think I made my response clear in my first answer. The only thing to add is that it is incumbent on everyone to focus the debate on the facts and to treat people with respect and not see the tone of the debate degenerate to quite a nasty level, as we have seen at some of these rallies. The situation is that all political parties in this place support the right of free speech, a great tradition of this country. People are entitled to express their views and people are entitled to strongly disagree with those views. I strongly disagree with most of the views expressed by those in the convoy but I defend people's right to express them.

Senator ADAMS (Western Australia—Deputy Opposition Whip in the Senate) (14:04): Mr President, I ask a further supplementary question. When does the Prime Minister plan to apologise to the Australian people?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:04): I am surprised Senator Adams accepted this question from the tactics committee. I have nothing to add to my earlier answers. I encourage all Australians to engage in the public debate in a constructive and positive way and not resort to denigration or abuse. As I say, the government's position in support of the right to public protest is well known.

Fiscal Policy

Senator MARK BISHOP (Western Australia) (14:05): My question is to the Minister for Finance and Deregulation, Senator Wong. Can the minister outline for the Senate the importance of strong and credible fiscal strategies?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:05): I thank the senator for his question. We on this side understand the importance of strong credible fiscal strategies. We understand the importance of acting as the government did during the global financial crisis—putting stimulus into the economy saving 200,000 jobs. That is still opposed by the opposition, but 200,000 Australians and their families are kept in work by the actions of this government, a government that since 2007 has seen the creation of over 750,000 jobs.
more jobs. But we also know that the global financial crisis ripped a hole in government revenue—some $130 billion worth of revenue losses over five years, something papered over by the opposition, something they want to ignore and pretend did not happen.

This government put in place a clear strategy to return the budget to surplus. We said that we would exercise restraint in spending and we did. We said that we would keep taxes below what we inherited from those on the other side and we are. We have been making the hard decisions to reprioritise expenditure, delivering net savings to the budget. We have one of the strongest fiscal positions in the developed world. But what do the other side have to offer the Australian people? Negativity and a $70 billion black hole, just to get back to the starting line. On this side we offer jobs and a clear fiscal strategy; on that side a $70 billion black hole.

Honourable senators interjecting—

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:09): It says something about the opposition that when a question is asked about the volatility and turbulence of global markets they laugh. It says something about their economic credibility and how much they really care about ensuring this economy comes through this current volatility on global markets. We on this side understand the importance of a strong fiscal strategy; that is why we on this side, in the face of the global financial crisis and global recession, have kept public debt to extremely low levels—7.2 per cent peak net debt, less than one-tenth of the average of most advanced economies. That is why the IMF has given us a tick. What have they got on that side? A $70 billion black hole. Let us remember that that is just to get them up to the starting line. That is just to get them to cover all of Mr Abbott's spending promises. (Time expired)

Senator MARK BISHOP (Western Australia) (14:10): Mr President, I have a further supplementary question to the minister. Why is it important to have a clear fiscal strategy in the current economic circumstances?

Honourable senators interjecting—

The PRESIDENT: I remind senators that it is disorderly to debate these issues across the chamber.

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:11): Clarity in fiscal strategy is always important in times of global uncertainty, and that is why the government has maintained a clear fiscal strategy. Regrettably that is not something that any longer has bipartisan support. What we have on the other side is a shadow Treasurer who one day blithely says they will get back to surplus earlier and then says he is going to oppose budget savings measures—and then he had to eat humble pie
because he could not find alternative savings measures. We also appear to have a communications spokesperson, Mr Turnbull, calling for a sovereign wealth fund, a proposition that the shadow finance minister has said is incorrect. You have to ask who on that side actually speaks for the coalition when it comes to economic policy. Certainly the Australian people know only one thing and that is that those opposite have a big $70 billion black hole. (Time expired)

**Health Services Union**

Senator RONALDSON (Victoria) (14:12): My question is to the Minister for Tertiary Education, Skills, Jobs and Workplace Relations. I refer the minister to reports in today's *Australian* that the financial statements for the Health Services Union—the union previously headed by Mr Craig Thomson—disclose that the union is insolvent. Given the Prime Minister's comments this morning, can the minister as a matter of urgency advise the Senate of the status of Fair Work Australia's investigation into the affairs of the HSU and in particular the solvency of the union?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:13): I thank Senator Ronaldson for the question. I can indicate that I have no particular knowledge of the claims that the union is insolvent, but I do not interfere with investigations by Fair Work Australia.

Senator Cormann: You're only the minister responsible!

Senator CHRIS EVANS: Senator Cormann, I know your arrogance knows no bounds, but some of us as ministers act responsibly. Before I was interrupted by Senator Cormann I was indicating to the chamber in response to Senator Ronaldson's question that I have no particular knowledge of the claims made in the *Australian* newspaper today but I can reconfirm that, as Senator Ronaldson knows, Fair Work Australia on 18 August issued a statement when they clarified what was occurring in relation to their investigations into the Health Services Union. That statement was put out by Fair Work Australia on 18 August in relation to some claims made in the media earlier that day claiming that Fair Work Australia had commenced a new inquiry in these matters. Fair Work Australia put out a statement which said that the media report was incorrect.

Senator RONALDSON: On a point of order: regarding that statement in relation to reports as to whether an inquiry had been finalised, that was not my question today. I ask the minister again whether he will as a matter of urgency please investigate this, having undertaken on Monday to take it on notice and provide me with an answer, which he has so far refused to do.

Senator LUDWIG: What we now have from the opposition is not a point of order but what can be described as an opportunity to rise to their feet and re-ask the question. I submit there is no point of order. The minister has been answering the question as asked and, even though Senator Ronaldson did not go to it, the minister has been directly relevant to the question asked.

The PRESIDENT: I believe the minister is answering the question. The minister has 35 seconds remaining to answer the question.

Senator CHRIS EVANS: In terms of the interjection made in that point of order by Senator Ronaldson, he was given a reply to the question that I took notice. I tabled it at the end of question time yesterday, so his claims in relation to that matter are false—and he knows them to be false.
Senator RONALDSON: On the point of order: my claims indeed are not false and I ask the minister to withdraw that.

The PRESIDENT: That is debating the issue.

Senator ABETZ: It is one thing to assert that a senator's information is wrong or false; it is another thing to assert that it is knowingly false, as the Leader of the Government just did. That is what imputes motives and that is why it ought to be withdrawn.

Senator CHRIS EVANS: Mr President, all I can say is that I looked directly at Senator Ronaldson when I incorporated it yesterday; he was in the chamber. If somehow my claim of 'knowingly' is misleading, given that I was looking at him and I incorporated it in the chamber I do not see what it is I have to withdraw. I am amazed that Senator Ronaldson seeks to deny the claim. But if that is your request, Mr President, I will withdraw if that helps.

The PRESIDENT: I was not in the chamber. I understand Senator Evans has withdrawn. Senator Evans, you have still 19 seconds remaining.

Senator CHRIS EVANS: Can I just be clear: this is a matter that is being investigated by Fair Work Australia. They issued a statement on 18 August that updated the public as to where their inquiry was at, and all I can do is point Senator Ronaldson to that statement.

Senator RONALDSON (Victoria): Mr President, I ask a supplementary question. Given that the official auditors have refused to verify the union's books, declaring that they cannot say if the financial reports are 'in accordance with the Workplace Relations Act' and that they cannot 'obtain all the explanations required to form an opinion on the official report', will the minister take steps available to him under the Fair Work Act to ensure that administrators are appointed or does he intend to stonewall this to protect Mr Thomson?

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate): I think the suggestion from Senator Ronaldson now is that I should interfere in Fair Work Australia's investigations into and handling of the complaints. That is totally inappropriate. As I indicated yesterday, when I tabled the response to the question I took on notice from Senator Ronaldson, Fair Work Australia provided this advice:

Fair Work Australia commenced investigations relating to possible breaches of the Fair Work (Registered Organisations) Act 2009. That inquiry is still ongoing.

Consistent with the information provided to Senator Ronaldson at Senate Estimates on 30 May 2011, Fair Work Australia believes that the investigation may be finalised in the latter half of this year. This continues to be the case.

That was the answer I gave him yesterday. That is the advice from Fair Work Australia, and I have no intention of interfering in their investigation.

Senator RONALDSON (Victoria): Mr President, I ask a further supplementary question. Given that the financial statements reveal that the HSU had a total deficiency in shareholder funds of $174,076 in 2010, the year that Mr Thomson quit as national secretary, does the minister believe that it was appropriate for Mr Thomson to spend thousands of dollars of union funds on escort services?

The PRESIDENT: Minister, you can answer that part of it which relates to your portfolio.

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education,
Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (14:19): Again, I congratulate Senator Ronaldson on reading the paper this morning, but that does not constitute an appropriate question to a minister at question time. I made it very clear to him that the advice from Fair Work Australia is that they have an ongoing investigation into the HSU. I have no intention of interfering in that investigation and I do not intend commenting on aspects of that investigation or on matters that may be covered by that investigation. We will not be interfering in the proper functions, under the act, of Fair Work Australia.

Senator Brandis interjecting—

Senator CHRIS EVANS: Senator Brandis, you lose your legal aspects when it suits you. Your claims to impartiality and proper process go out of the window when you think there is a cheap political point to be made. Senator Brandis, you ought not interrupt because, on previous occasions, you have argued for proper process. This is proper process; this is a minister refusing to interfere in the investigation of one of his agencies. You may recommend it, but I will not be doing it.

Mining

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (14:20): My question is to the Minister representing the Treasurer. In relation to the proposed tax forum, will the government review the Treasury proposal for a mining super profits tax, particularly in view of the BlueScope Steel decision to stand down 1,000 workers, the two-speed economy and BlueScope’s observation that it is the mining resources boom that has caused these difficulties, which are likely to spread to the rest of the manufacturing sector?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:21): There are a number of aspects to that question but, in relation to the first and primary question, as I think the chamber will know and as Senator Brown will know, the government has made clear its view about the shape and nature of the minerals tax, which will be presented to the parliament. It will be as was indicated prior to the election and as agreed in consultation with the industry.

But there are other aspects of Senator Brown's question which are very on point and they include the fact that this is one of the ways in which a government that is focused on the future can use the benefits of the mining boom to alleviate competitive pressures on other parts of the economy. Let us recall that the minerals tax will be used, amongst other things, to help fund reductions in the company tax rate, with a head start for small business; to invest in regional infrastructure, to alleviate bottlenecks; and to increase superannuation. It is extraordinary that those on the other side, who claim to care about manufacturing and who claim to care about the non-mining sectors of the economy are actually opposing a tax that many sectors of the mining industry itself have said they are prepared to pay. This is a key policy to deal with the patchwork economy and those on the other side are doing what they do best—saying no and talking down the economy. So anybody who is under any illusion that the coalition have any vision as to how to manage an economy in transition, a mining boom, massive mining investment, with all the pressures that that brings on the non-mining sectors, they only need to look at their policy when it comes to the minerals tax, a reduction in the company tax rate and a reduction in the tax rate for small business and they will see that all they want to do is say no.
Honourable senators interjecting—

The PRESIDENT: Order! I will give you the call in a moment, Senator Brown. I address this remark to both sides: Senator Brown is entitled to be heard in silence.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (14:23): I ask the minister, notwithstanding the government's position, whether the proposed forum on taxation should be prohibited from looking at a mining super profits tax, as proposed by Treasury? I further ask: does the government support discussion at this forum of a sovereign wealth tax, as proposed by the Greens, the Australian Industry Group and, amongst others, Mr Malcolm Turnbull? (Time expired)

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:24): Firstly, in relation to the minerals tax, the government have made clear their position about the design of that tax. Obviously, if people at the forum wish to raise issues, people can do so. But the point is the government have made clear what their position is and we will be honouring our position, as indicated prior to the election.

Senator Bob Brown: Mr President, I asked the question but I cannot hear the answer.

The PRESIDENT: Those who are debating across the chamber know it is disorderly. Senator Wong, you have 28 seconds remaining.

Senator WONG: In relation to the sovereign wealth fund issue, I do note with some interest that there are parts of the coalition that appear to be supporting Senator Brown's position in relation to an additional sovereign wealth fund.

Honourable senators interjecting—

The PRESIDENT: Senator Wong, resume your seat. Senator Cameron and Senator Bernardi, Senator Brown is entitled to hear the answer without the interjections going across the chamber between the two of you.

Senator WONG: I would make the point that, if the concern is increasing the national savings rate, then one of the components to be funded out of MRRT revenue is an increase in the superannuation— (Time expired)

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (14:26): Mr President, I ask a further supplementary question regarding the upcoming tax forum. Will the government consider extending the minerals tax to gold, particularly in light of projections that the price of gold on the world market may pass $2,000 and indeed could be headed as high as $5,000 in the coming year or two?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:26): As I think I have indicated on a number of occasions in the context of this answer, the government has made its position in relation to the design of the MRRT clear. I appreciate that Senator Brown has a different view, but the government has made its view clear. I would like to add one thing, though: at least Senator Brown and his party are focused on one of the key policy challenges the economy faces, which is how to manage the transition the economy is undertaking, how to manage the effects of the mining boom. It is quite extraordinary that those on the other side on this issue have no policy. The Greens are prepared to acknowledge and deal with this issue. The Greens are prepared to look at this economic issue. Those on the other side are not. The only policy position they have is the capacity to say no and a $70 billion black hole in the federal budget.
Steel Industry

Senator FIERRAVANTI-WELLS (New South Wales) (14:27): Mr President, my question is to the Minister for Innovation, Industry, Science and Research, Senator Carr. I refer the minister to yesterday's advance of $100 million to BlueScope Steel under the $300 million Steel Transformation Plan. Can the minister explain what the government will do to compensate workers in the steel industry for lost jobs in later years under the carbon tax when at least a third of the funding allocated to transformation in the industry has already been used a year before the tax has even begun?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:28): I thank Senator Fierravanti-Wells for her question. Your question would come with greater force if you had actually signed up to the steel industry transformation scheme. The coalition has yet to agree to support the steel industry transformation scheme and has yet to support any practical measures in this parliament to support clean technology programs, which are of course at the core of the transformation that is required in Australian industry to be able to adjust to the circumstances that are developing within the Australian economy and allow us, as an economy and as a society, to actually build new enterprises and transform our existing enterprises to meet the challenges of climate change and meet the challenges that we are facing in terms of the major global restructuring of manufacturing.

Senator, I am somewhat amazed that you would have the audacity to ask a question about our position on the steel industry innovation programs such as we have with the steel industry transformation scheme. What we have done is provide assistance to BlueScope to allow it to make the necessary adaptations, modifications and transformations to ensure the long-term viability of the company. What we have done is provide financial support to the company—if it is required, Senator—to ensure that the company has the opportunity to improve its financial health and to secure the jobs of thousands of Australian workers, a policy position which you have rejected. So it is extraordinary that you should have the gall to— (Time expired)

Senator FIERRAVANTI-WELLS (New South Wales) (14:30): Mr President, I ask a supplementary question. I look forward to Minister Carr's next visit to Wollongong. I am sure it will be very welcoming. If the government is arguing, as it did yesterday, that the announcements at BlueScope have no connection with the looming threat of a carbon tax—

Government senators interjecting—

The PRESIDENT: I remind senators that questions should not be prefaced by a statement. Senator Fierravanti-Wells, I could not hear your question, so I am going to ask you to do it again, because of interjections on my right.

Senator FIERRAVANTI-WELLS: Thank you, Mr President. If the government is arguing, as it did yesterday, that the announcements at BlueScope have no connection with the looming threat of a carbon tax, then why is it raiding a fund that has been designed specifically to deal with the impact of that very tax?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:31): Thank you, Senator, for that question. When I next go to Wollongong—and I do on numerous occasions—I will have great pleasure, enormous pleasure, in explaining how you have taken the attitude that you do not support the steel industry transformation scheme, how your attitude is
to vote against support for workers in the Illawarra, how it is your view that workers can get on by themselves. I will be only too happy to explain, Senator, your contempt for working people in the Illawarra and your attitude, which, of course, is essentially to say, 'Let's stand back and hold out against the tide in regard to what's occurring within the global economy.' We are in the business of standing shoulder to shoulder with the workers in the Illawarra. We are in the business of standing shoulder to shoulder with the Illawarra communities. We are in the business of standing shoulder to shoulder with manufacturers across this country. Your policy is to make it easier to sack them. (Time expired)

Senator FIERRAVANTI-WELLS (New South Wales) (14:32): Mr President, I ask a further supplementary question. If the plan has now been reduced to providing an average of just $40 million annually when Treasury originally assessed that at least $75 million would be required each year, how can this possibly provide adequate compensation for the job-destroying carbon tax?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:33): Senator, all I can do is point to the statements made by the company itself, that the actions of the company were about restructuring its operation to improve its financial health and were due to global circumstances which were reflected in the price of the dollar, reflected in the price of raw materials and reflected in the fact that it was facing intense import competition. What the company itself said was that its decision had nothing whatsoever to do with the pricing of carbon.

What we have, of course, is an opportunity to use the policies that we are undertaking to deal with the challenges of climate change to allow us to retool manufacturing right across this country. This is actually an economic opportunity to invest in the jobs of the future, to ensure that we have a competitive position so that blue-collar workers have high-skilled, high-wage job opportunities into the future. Your policy is to stand against that. Your policy is to oppose the economic opportunities that working people have a right to expect from this parliament. (Time expired)

Manufacturing

Senator MARSHALL (Victoria) (14:34): I also have a question for the Minister for Innovation, Industry, Science and Research, Senator Carr. Given the magnitude of the structural shifts in Australia's economy, can the minister inform the Senate of what action the government is taking to help manufacturers manage this change?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:34): I thank Senator Marshall for providing me with the opportunity to cast some light on some very dark corners over there. We have some real knuckle-draggers out here today; we have some people who refuse to face up to the challenges of the 21st century. They believe that a 45 per cent increase in the price of the dollar has no impact on business operations and exports. This government is providing assistance to industry so it is able to be more competitive, so it is able to be more productive, so it is able to be more sustainable.

Whether it be through our industry programs such as the $800 million Clean Technology Investment Program, a program those opposite oppose, or whether it be through Enterprise Connect, a program those opposite want to cut, or whether it be through Commercialisaation Australia, another program the coalition want to cut, or whether it be through the Buy Australia campaign, a program those opposite refuse to
support, or whether it be through the training packages or the modernisation of our telecommunications system, a modernisation the coalition also opposes, or whether it be through the long list of measures including the investment support that we are providing for business, which those opposite also oppose, we are in the business of working with manufacturers and all the exporters across this country to ensure that we are able to meet the challenges of the 21st century.

Our financial commitments are demonstrated by the 43 per cent increase in support for science, research and innovation that has occurred under this government. This is part of an international consensus that is developing where we know the importance of putting our universities and our science agencies at the front line of the transformation of our major businesses. Take, for instance, our industrial PhD programs, our Researchers in Business program and the major reform of the R&D incentives system which has been passed by the Senate today—(Time expired)

Senator MARSHALL (Victoria) (14:37): Mr President, I ask a supplementary question. I thank the minister for his enlightening answer.

The PRESIDENT: Order! There should be no statements—just the question. I remind all senators of that.

Senator MARSHALL: But I do thank the minister for his answer. How does the minister respond to concerns that manufacturing has sustained heavy job losses since 2007?

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (14:39): I can. My department has recently released the 2011 Australian innovation systems report. I urge the opposition to read this report—those who can read—because it will provide clear evidence of why spending cuts which the opposition has been proposing would not work and would seriously undermine confidence in the major new investments that we need. There are some 200 examples in the compendium to that report of Australians working together to capitalise on new technologies, new processes and new markets. It is a dark corner over there—apart from Senator Mason, who I do know can read and write—

Opposition senators interjecting—
Senator CARR: The far right of this chamber has enormous trouble understanding these principles. We can take, for instance, a company like CFusion. It is an Australian company that is commercialising one of the world's first one-piece carbon fibre automotive wheels. *(Time expired)*

**Carbon Pricing**

Senator CORMANN (Western Australia) (14:40): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Wong. What explanation does the government have for the 419,000 households in Western Australia, representing 52 per cent of all WA households, who, according to Western Australian Treasury modelling, will be worse off under Labor's carbon tax, a carbon tax which will do nothing to help reduce global greenhouse gas emissions?

Honourable senators interjecting—

The PRESIDENT: Order! I remind senators on both sides that Senator Cormann has asked the question and I cannot call the minister until the debating has ceased. The proper time for debate is after three o'clock.

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:41): I welcome the question from the senator, a senator from a state in which under a Liberal government I understand we have seen quite substantial hikes in electricity prices. I do not recall seeing the good senator call for compensation from the state Liberal government when Western Australians continued to see their electricity prices increase. If he was really serious about his concern, one might have thought that he might have said something when Premier Barnett ensured that he delivered higher electricity prices without compensation for Western Australian families.

It is the case that we have seen another Liberal state government release another set of modelling to jump aboard Mr Abbott's scare campaign in relation to a carbon price. Similar to modelling exercises recently released, the Western Australian government has presented the information in a way that does show the carbon price in a negative light. For example, there are modelled electricity price impacts which are presented as being revelation of the hidden cost of a carbon price when in fact I am advised that the Western Australian Treasury concludes that electricity price impacts for consumers will be seven per cent. This is in fact lower than the 10 per cent that the federal government has modelled and that our household assistance is based on. I am advised that the Western Australian modelling actually shows a lower increase in electricity impacts than the federal modelling that we based our household assistance on. If I had time, I would be very happy to share with Senator Cormann the very many households in Western Australia who will get a tax cut under this government. *(Time expired)*

Senator CORMANN (Western Australia) (14:44): Mr President, I ask a supplementary question. Given that the WA Treasury modelling also found that the cost of production for Western Australian electricity generators and suppliers will increase by $230 million to $280 million a year and that it will be harder for Western Australia to export cleaner energy like LNG or to contribute to cleaner steel production through the export of magnetite, can the minister explain how the government's carbon tax will be good for the west or for the environment?
Senator WONG (South Australia—Minister for Finance and Deregulation) (14:44): If you have a look at the pipeline of investment into Western Australia, I think the market itself has made clear the likely prospects for that state. Even factoring in a carbon price, we are seeing a massive investment in the resources sector, particularly in Western Australia. In fact, the senator himself has been spruiking that here in this chamber. So it is really quite disingenuous of him to come in here and suggest in any way that the carbon price is somehow going to destroy the Western Australian economy. He knows that proposition is not true. I would remind him that the Australian Treasury has released modelling which shows that the Western Australian economy will enjoy strong growth under a carbon price: a 51 per cent growth by 2020 and in excess of 200 per cent by 2050.

Senator Cormann interjecting—

Senator WONG: These are the same people who advised Mr Costello, Senator Brandis. (Time expired)

Senator CORMANN (Western Australia) (14:45): Mr President, I ask a further supplementary question. Can the minister explain why the government is pressing ahead with a tax which hurts households, which hurts the economy, which makes us less competitive internationally, which costs jobs and which does nothing to help reduce global greenhouse gas emissions?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:46): The government is pressing ahead with pricing carbon for the same reason Prime Minister Howard did: it is the cheapest way to reduce emissions to get to the target that you also signed up to. We both want to reduce emissions. The difference is that we have a sensible policy; you have a taxpayer funded bureaucratic process that is about picking winners. It will not work and it will be more expensive. That is the difference. If Senator Cormann really cared about Western Australian families he might like to tell the 280,000 pensioners in Western Australia who will receive an extra $338 per year—and up to $510 if they are couples—why he wants to claw back that increase. Let us remember we have an assistance package, you don't. You will have to go to the next election saying that you stand for cuts to pensions in Western Australia, Senator Cormann. That is your policy. (Time expired)

Taxation

Senator DI NATALE (Victoria) (14:47): My question is to the Minister representing the Minister for Health and Ageing, Senator Ludwig. Given that the national Preventative Health Taskforce has recommended independent modelling for a rationalised tax and excise regime for alcohol that discourages harmful consumption and promotes safer consumption, can the minister advise what modelling has been undertaken and the results of that modelling.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (14:48): In relation to the modelling, I will have to take that part of the question on notice. There is a question of whether the portfolio of Health has undertaken the modelling or whether it was Treasury. If it was Treasury then it would be not within my portfolio area. But I will take that part of the question on notice and see what information Minister Roxon can provide in respect of it.

I am aware that the public health lobby want to discuss alcohol tax issues at the Tax Forum. That is an issue that they have been,
as I understand it, lobbying quite strongly for. In respect of this issue, this government recognises that binge drinking among young people in particular is a very important issue and that is why the government has invested $103.5 million over six years into the National Binge Drinking Strategy. That $103.5 million goes to $20 million for the 'Don't turn the night out into a nightmare' campaign; $34.4 million for community-level initiatives; $25 million for a community sponsorship fund; $19.1 million for early intervention pilot programs, which are particularly helpful; and $5 million for enhanced phone counselling. This government does take the issue seriously. We also understand that the senator has an interest in this particular area and has been following it very closely. We will continue to build on the programs we have put forward and, depending on the portfolio responsibility, I will see what additional information I can find regarding the modelling I indicated earlier.

Senator DI NATALE (Victoria) (14:50): Mr President, I ask a supplementary question. Given the Henry tax review's findings that the social costs of alcohol abuse by individuals are not effectively targeted by current tax and subsidy arrangements for alcohol, will the government commit to a thorough and substantial review of alcohol taxation at the upcoming tax summit in October?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry, Manager of Government Business in the Senate and Minister Assisting the Attorney-General on Queensland Floods Recovery) (14:51): Alcohol labelling is a matter that was raised in the Blewett review. We as a government recognise and welcome initiatives and policies from the public health sector and industry. The government is continuing to take feedback from all interested parties to the Blewett review of food labelling, including that part of the review that related to alcohol labelling. The Australian and New Zealand Food Regulation Ministerial Council is developing a joint statement and Commonwealth response, which is expected at the end of this year. The government remains in the process of developing a response to the Blewett review, particularly the area that I understand the senator has the greatest interest in, which goes to a number of the recommendations they do have an opportunity. The government welcomes a broad and constructive discussion of tax issues at the tax forum in October. We encourage people to raise these issues in that forum. Any discussion of alcohol could easily be raised in the session that relates to the environment and social taxes. Currently local government and community organisations can share up to $10 million for projects to combat risky drinking among young people. (Time expired)

Senator DI NATALE (Victoria) (14:51): Mr President, I have a further supplementary question. Given the government's undertaking to investigate the National Preventative Health Taskforce recommendation around warning labels on alcoholic beverages, will the government commit to a labelling system as recommended by public health experts rather than relying on industry self-regulation?
about the use of food labels to promote preventative health, including alcohol. *(Time expired)*

**Carbon Pricing**

**Senator Joyce** (Queensland—Leader of The Nationals in the Senate) (14:53): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Wong. I refer the minister to comments made by the Prime Minister this morning:

We believe we can take traditional industries like manufacturing with us, giving them the benefit of the clean energy future which will require things to be manufactured …

I also refer the minister to the economic modelling of the carbon tax undertaken by the Queensland Treasury and released this morning by the Queensland Labor Treasurer, which shows that by 2050 the government's Clean Energy Future package will reduce the output of Australia's aluminium industry by 50 per cent, of its alumina industry by 39.6 per cent, of its iron and steel industry by 22.4 per cent and of its cement industry by 5.7 per cent compared with what they otherwise would be. Does the minister agree with the Queensland Labor Treasury analysis, which shows that a carbon tax will exacerbate an already difficult economic situation facing Australia's manufacturing industry, as so ably seen in the last few days with the steel industry?

**Senator Wong** (South Australia—Minister for Finance and Deregulation) (14:54): First, in relation to the question, there is a very important aspect of the question which occurred right at the end where the senator at least conceded that the figures he was quoting were against a reference case, that jobs may well continue to grow in the sectors that he is talking about. I do not have all of the figures from the Queensland modelling in front of me but it is not correct to say that jobs are lost, and I think that is something that has been unfortunate in some of the discussion.

In fact, my recollection, certainly of the Treasury modelling, is what we see is continued job growth in this nation with a carbon price. I am also advised that the Queensland modelling shows over the period of the next decade that gross state product will grow strongly at an annual average rate of 3½ per cent with or without a carbon price, that employment will grow strongly with or without a carbon price, with new jobs—some 470,000 new jobs—created over the period and that real wages will continue to grow in the same period even with a carbon price.

So gross state product continues to grow, with jobs growth and real wages growth with a carbon price. I think it is important to recognise the sort of scaremongering we are seeing in this place and out there in the community from an opposition who are determined to do all they can to talk Australia's economy down. They have no policy other than saying no. But the reality is we on this side believe that, if you want to continue to be a first-rate economy, you need to be a clean-energy economy and that in the years to come we will need to ensure we are competitive when it comes to clean-energy technology. *(Time expired)*

**Senator Joyce** (Queensland—Leader of The Nationals in the Senate) (14:56): Mr President, I ask a supplementary question. I refer the minister to the Queensland Treasury's modelling of the impact of a carbon tax on regional Queensland, which shows that the carbon tax will reduce economic output in the areas surrounding Mackay, Rockhampton and Gladstone by double to triple the amount that the carbon tax would reduce Australia's overall output by. Does the minister agree that the carbon
tax will have a disproportionate impact on regional Queensland or does she think that the Labor Treasurer is scaremongering?

**Senator WONG** (South Australia—Minister for Finance and Deregulation) (14:56): As I said, what the modelling shows is jobs growth in Queensland, wages growth in Queensland and an increase in gross state product. If the senator wanted to talk about regional Australia, I would have thought he would be somewhat ashamed that he, as a National Party person in this place under a coalition government, never delivered the sort of investment in regional Australia that this government delivered in the budget, the sort of investment that this government delivered in the budget to regional hospitals, regional universities, regional services and infrastructure—something never achieved under Senator Joyce.

**Senator Joyce:** I rise on a point of order, Mr President. It is one of relevance. Does she agree that it has a disproportionate impact on regional Queensland—yes or no?

**The PRESIDENT:** The minister is addressing the question. The minister has 26 seconds remaining.

**Senator WONG:** The senator may wish to recall that what the modelling shows is that the coal industry in Queensland is expected to continue to grow out to the end of the decade.

**Senator Joyce interjecting—**

**Senator WONG:** Last time I looked they did not mine coal in Brisbane, Senator. Coal will continue to grow and we also have seen record investments in LNG in the state of Queensland. *(Time expired)*

**Senator JOYCE** (Queensland—Leader of The Nationals in the Senate) (14:58): I have a further supplementary question. The Queensland Treasury—that is, representing a Labor state—has released modelling of the impact of a carbon tax on different regions in Queensland. To date the Australian government has released no such modelling. When will the government come clean and release full details of the impacts of the carbon tax on regional Australia?

**Senator WONG** (South Australia—Minister for Finance and Deregulation) (14:58): My recollection is that we have released I cannot recall how many hundreds of pages. I think there have been a main report of 200 pages, consultant reports totalling more than 300 pages and around 90 spreadsheets providing detailed modelling results. So to suggest that the government has not put forward comprehensive information to enable people to understand the modelling I think would be incorrect.

**Senator Joyce:** I rise on a point of order, Mr President. Once more it is a question of relevance. The question quite clearly says this. When will you release the full details of the effect on regional Australia? When are you going to do it, Minister? Are you going to release the full details on regional Australia, or are you not going to release the full details on regional Australia? It is not a hypothetical question. Give us a date.

**Senator Ludwig:** On the point of order: again all that the opposition have decided to do is take the opportunity of raising a point of order through relevance to restate the question. The minister has been answering the question and the minister can take the opportunity to explain to those opposite the ‘why’ part of the question. It does not mean that the minister has to answer the question in a response that you particularly want, which is either a yes or no answer. The minister has been answering the question, the minister has been directly relevant to it and the minister is entitled to continue answering
that question. It should be ruled that there is no point of order.

The PRESIDENT: I believe the minister is answering the question. I cannot instruct the minister how to answer the question, as I have said on previous occasions. The minister does have 32 seconds remaining to address the question.

Senator WONG: I again say this government has released an enormous amount of detail associated with the modelling and that shows continued jobs growth, continued growth in incomes, continued growth in output, contrary to the scare campaign of those opposite. If the good senator is really interested in details in this debate—and I have to say he probably is not because I do not think his view will change—he might like to be upfront about just how much more tax the policy he supports will be imposing on Australian households.

Broadband

Senator POLLEY (Tasmania—Deputy Government Whip in the Senate) (15:01): My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. Can the minister advise the Senate on some of the benefits to the economy as a result of the rollout of the National Broadband Network?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (15:01): I thank the good senator for her question. The Gillard government's continued commitment to build the National Broadband Network will provide Australians with the key enabling infrastructure for a modern digital economy. As the biggest infrastructure investment in Australia's history, the NBN will be directly responsible for the creation of up to 20,000 new jobs. Some of the many companies that have already benefited from NBN Co. contracts include Fujitsu, Silcar, Corning, Prysmian, Warren and Brown, B&R Wrecking and Tyco Electronics. But the NBN is about more than fibre in the ground. The NBN is a platform for driving improved productivity in every business and every household.

Earlier this month Deloitte Access Economics released a report on the power of the internet that estimated its direct contribution to the Australian economy is worth around $50 billion. It is anticipated that the NBN will be a catalyst to drive growth with the value estimated to be $70 billion over the next five years. It has found that the internet has direct benefits to the economy as well as indirect benefits to consumers such as convenience, increased access to a variety of goods, services, information and time saving. More specifically focusing on Australia, Allen Consulting has estimated that, if the number of Australian households connected to the internet increased by 10 percentage points, this would provide gains to households of $2.4 billion. (Time expired)

Senator POLLEY (Tasmania—Deputy Government Whip in the Senate) (15:03): Mr President, I have a supplementary question. Can the minister please advise the Senate how the National Broadband Network rollout will provide access to those Australians in rural and remote areas of Australia and how this will enable them to remain engaged with their businesses and keep in touch with their families?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (15:04): I thank the good senator for her question. The Gillard government's continued commitment to build the National Broadband Network will provide Australians with the key enabling infrastructure for a modern digital economy. As the biggest infrastructure investment in Australia's history, the NBN will be directly responsible for the creation of up to 20,000 new jobs. Some of the many companies that have already benefited from NBN Co. contracts include Fujitsu, Silcar, Corning, Prysmian, Warren and Brown, B&R Wrecking and Tyco Electronics. But the NBN is about more than fibre in the ground. The NBN is a platform for driving improved productivity in every business and every household.

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Productivity) (15:04): The Gillard government is proud of the investment we are making to ensure that the NBN is a truly National Broadband Network. On 1 July this year, NBN Co. launched its interim satellite service. Since then more than 300 homes and businesses have been connected to this new service in just over six weeks and the initial feedback from the first customers has been overwhelmingly positive.

Senator Brandis: 300!

Senator CONROY: You will choke on those interjections, Senator Brandis. The Oberon Review in rural New South Wales said on 28 July, just 28 days after the beginning, that O'Connell resident Julie Stott is using the NBN to design and maintain websites worldwide. (Time expired)

Senator POLLEY (Tasmania—Deputy Government Whip in the Senate) (15:05): Mr President, I have a further supplementary question. Can the minister advise the Senate of any enthusiastic requests for the National Broadband Network to be rolled out into local areas?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (15:05): I thank the senator for her question again. Yesterday I revealed how the Queensland Nationals at their state conference in 2005 passed a resolution calling for—wait for it—uniform wholesale pricing as they wanted to ensure, ‘all Australians are charged the same basic price for maintenance and new connections.’

Just last Friday the member for Brisbane, Ms Teresa Gambaro, was complaining that her constituents were not getting the rollout fast enough. We can now add to that list the coalition member for Swan in Western Australia, Mr Steve Irons, and Mr Rowan Ramsey, the member for Grey in South Australia, who were asking questions in parliament about the rollout in their electorates. This is no surprise for grassroots coalition MPs who know their constituents want the NBN. (Time expired)

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Afghanistan

Senator CHRIS EVANS (Western Australia—Minister for Tertiary Education, Skills, Jobs and Workplace Relations and Leader of the Government in the Senate) (15:07): Mr President, I seek leave to incorporate an answer to a question Senator Ludlam asked me yesterday in my responsibility as representing the Minister for Defence.

Leave granted.

The answer read as follows—

Stephen Smith MP
Minister for Defence
Senator Scott Ludlam
Parliament House
CANBERRA ACT 2600
Dear Scott Ludlam

I refer to your questions to the Leader of the Government in the Senate, Senator Chris Evans, on 22 August 2011 in relation to Australian Defence Force casualties in Afghanistan.

Senator Evans took two questions on notice. This letter provides a response to these questions.

You asked whether the Government would provide a detailed breakdown of the types of wounds and the types of injuries sustained by soldiers in Afghanistan who have received compensation through the Department of Veterans' Affairs and the types of treatment and support offered to wounded and injured soldiers returning from Afghanistan.
I can advise that, as at 30 June 2011, the Department of Veterans' Affairs has accepted approximately 2,200 compensation claims from 920 individuals which are partially or wholly attributable to service in the Middle East Area of Operations which includes Afghanistan.

The list of conditions for which claims have been accepted includes conditions affecting hearing and sight, musculo-skeletal conditions (including amputations and fractures), mental health conditions, skin conditions and a number of non-specified health conditions.

Information about military compensation claims that have been lodged and accepted are published in the Department of Veterans' Affairs Annual Report and updated each year. This data relates to all types of service including peacetime and training.

The Annual Report includes figures of the top 15 most frequently claimed conditions.

During 2009-2010 the top three of these conditions in relation to service since 2004 (claimed under the Military Rehabilitation and Compensation Act 2004) were acute sprains and strains, fracture and hearing loss.

The Minister for Veterans' Affairs is currently considering how to make more detailed information in relation to claims more publicly available, noting that there are a number of issues to work through including the protection of the privacy of individuals.

You also noted that it was recently revealed that two of the 184 wounded Australian Defence Force personnel in Afghanistan were women. You asked whether the Government would alter the current Department of Defence practice of concealing the gender of wounded and injured soldiers and provide gender disaggregated data.

I can advise that two female soldiers serving in Afghanistan suffered superficial wounds during an insurgent rocket attack on Kandahar Airfield on 16 March 2007. The Department of Defence disclosed the fact of this incident via media release on 17 March 2007 (copy attached).

Defence publicly announces all battle casualties but for privacy reasons does not disclose personal or identifying details of personnel. The media release on 17 March was consistent with that practice.

It is not appropriate or relevant to release such details, including the gender of personnel who are wounded in the course of their duty.

There is currently no intent to change this policy.

Defence's first priority is the health and privacy of personnel who have been wounded in action.

Personnel deployed on operations remain concerned about media and public intrusion on them and their families.

The current policy manages the need to inform the Australian public of casualties but also retain a high degree of privacy for those involved.

Individuals who have sustained wounds in an incident may choose to make their personal details public if they wish to do so.

Neither of the two soldiers that were involved in the 16 March 2007 incident have chosen to make a public statement about their experience.

I hope this information is useful to you.

Yours sincerely

Stephen Smith

Australian Government
Department of Defence

DEFENCE MEDIA RELEASE
CPA 067/07
Saturday, 17 March 2007
THREE AUSTRALIANS SLIGHTLY WOUNDED IN KANDAHAR ROCKET ATTACK

Three Australian soldiers were slightly wounded during an overnight rocket attack at Kandahar Airfield in Southern Afghanistan.

The soldiers suffered minor blast-effect injuries when the single rocket struck their accommodation area.

The three soldiers were provided with immediate first-aid and medical monitoring by Australian medics working at the base.
Some accommodation buildings suffered minor damage from the impact but most fragmentation and blast damage was absorbed by a purpose-built barrier system designed to limit the effectiveness of such an attack.

All three soldiers have contacted their next of kin and will return to duty.

The names of the soldiers wounded in the rocket strike will not be released for privacy reasons.

Media contact: Defence Media Liaison (02) 6265 3343 or 0408 498 664

For a free subscription to Defence Direct, the Minister for Defence's monthly e-newsletter, please follow this link:

Issued by Coordination and Public Affairs, Department of Defence, Canberra, ACT
Phone: 02 6265 3343, Fax: 02 6265 6946

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QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS

Convoy of No Confidence

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (15:08): I move:

That the Senate take note of the answer given by the Minister for Tertiary Education, Skills, Jobs and Workplace Relations (Senator Evans) to a question without notice asked by Senator Adams today relating to comments concerning the 'Convoy of No Confidence'.

I am disgusted about the comments from Minister Albanese, who said that yesterday's and today's convoy was a 'convoy of no consequence'. It is an absolute disgrace. People are out here because they are concerned about the direction of our nation. These are the ordinary Aussie battlers—the truckies, the small business people, the people out there who are doing it tough to make a living. That is why they are here. It gets worse. We had the Greens leader, Senator Bob Brown, saying they are a 'smorgasbord of whingers'. I will make a comparison: at least they behaved themselves in a civil fashion. We cannot say that about Senator Bob Brown. Back in the Franklin River dispute he actually went to jail for 19 days. Some 1,500 people were charged for their misbehaviour. We did not see any of that out here. That is the truth of the matter. Senator Brown was sent to Risdon Prison, I think. I am not familiar with the facility. You might be, Mr Deputy President, as you hail from down that way.

The point is this: the people came here to genuinely express their concern about the direction of our nation. The truckies are concerned and I am sure Senator Sterle would be concerned about the death tax, as it was called by Tony Sheldon, National Secretary of the Transport Workers Union. The evidence he gave to our committee was that this extra almost 7c a litre due on 1 July 2014 is a death tax on the trucking industry. Harder work, longer hours, more stress on the drivers, more stress on the trucks: that is what Mr Sheldon said to our committee.

As I said, I find it a disgrace when you have the Minister for Infrastructure and Transport, Anthony Albanese, calling it a
'convoy of no consequence'. It was the Prime Minister who said, 'We'll be transparent; we'll wear out boot leather to tell people about the carbon tax.' Who was out there from the government yesterday? No-one. They were in hiding, under the shelter of these walls and roofs around us. Why did they not go out and talk to the people? Where is the transparency, which the Prime Minister assured us of? She said she would wear out the shoe leather and explain this tax. After a week or so that was the end of the wearing out of shoe leather—and no resoling of the shoes were required.

People are coming to Canberra because they are annoyed, they are frustrated, they are in business and they can see the direction in which our nation is going, and they know that the debt is going up and up and up, to $197 billion as of last Friday. They know who will have to pay for it in future generations. They know about the waste of money. We have been through it all in this place—the pink batts, the school buildings, the Green Loans and so on. People are concerned about the cost of living and the cost of running a business.

Before the 2007 election, Mr Rudd said, 'We in government will put downward pressure on grocery prices and fuel prices.' Everyone knows that it was just political waffle. That is why the people are out here protesting. It is so demeaning, destructive, disgusting and absolutely disgraceful to refer to those genuine, hardworking Aussies in that sort of manner.

This government take the Aussie battlers and treats them with complete contempt. They do not understand. Most government senators in this place have just dropped in by parachuting out of the trade union movement. Now we have the actual Transport Workers Union agreeing with us that this is a death tax. That is why the truckies are down here. They have come from far and wide—from Darwin, Western Australia and Rockhampton. That is a big effort in tough times. A lot more would have been here if they could have afforded the time and the money. Unfortunately, they could not. I condemn what the government and government leaders have said on this matter. (Time expired)

Senator STERLE (Western Australia) (15:13): Do not leave yet, Senator Williams! I was really enjoying that contribution. May I take it that, on behalf of the Transport Workers Union, all Australian truck drivers and the government, when safe rates are implemented in this country, through the other House and this chamber, that you, Senator Williams, and your colleagues in the Nationals and the Liberals will be on this side of the chamber voting through that legislation to deliver safe rates? Is that how I take that, Senator Williams? You are on Hansard, and there will be no place for you to hide should you, through you, Mr Acting Deputy President, not come to this side of the chamber to pass that legislation to ensure that every Australian truck driver is paid and remunerated a very safe and sustainable rate. Do not leave, Senator Williams; there is more!

Senator Williams interjecting—

Senator STERLE: Unfortunately, I only have four minutes left, but I am rubbing my hands at the great news that the coalition will be supporting the government's safe rates legislation for Australian truckies.

Senator Williams interjecting—

Senator STERLE: I just heard Senator Williams, as he was scurrying out, say he did not say that. Maybe we will print the Hansard, Senator Williams, as we distribute it to all Australian truck drivers, because you were supporting the legislation no less than one minute 30 seconds ago.
I am a firm believer that every Australian has the right to protest and I have been involved in numerous protests. And do you know what?

I will still be protesting when I believe the cause is right. I will be protesting alongside Qantas workers who will find themselves on the scrapheap. I would support any person who would travel around this country to come to Canberra to support safe rates, but this is very misleading. I have read numerous stories. It is not for me to say how many demonstrators were out there—whether there were 200, 300 or 500, whatever the number; whether there were 50 trucks, 300 trucks. The number was not massive because the protestors had talked it up.

The misleading statements from Senator Williams must be clarified. Not at one stage did I read a piece of material or did I hear on any electronic media a report that those drivers—the truck drivers, not the caravaners—were here protesting on a safe rate. I heard that there were protests against the ban of the export of live cattle. I heard there were protests against the mining tax. I heard there were protests against the carbon tax. Not once did I read, hear or see one reference to a safe rate for Australia's truck drivers.

I could not take that protest seriously because I do believe that there were probably some very decent hardworking Australians who had it right, and that is fine. But when you have people saying, 'Roll along, come and join us, there are going to be thousands and thousands of people protesting in Canberra,' then they get here and it is a fizzle-off, it is a little bit embarrassing for them.

The shameful bit here was the carry on from the resident big mouth, and I do not back down from those words. I am sure that half of the senators on the other side of this chamber would be embarrassed by Alan Jones's behaviour. With the greatest of respect, he attacked journalists because they were not reporting it the way he wanted it reported. Would it not be wonderful if we had the ability to denigrate Alan Jones on his show in the way he denigrates people who do not agree—

Opposition senators interjecting—

Senator STERLE: Here comes the cacophony of lunatics on the other side running to Alan Jones's defence. The man is not worth defending. Some of you senators on that side of the chamber really are above the way Alan Jones carries on. Going back to my opening statement. I did not support the convoy because I saw it as a group of people who had some manure on their liver who just wanted to vent their spleen. That is fine, not a drama. I will have to put a phone call into Tony Sheldon and say that I sat in this chamber and had the extreme pleasure—I am so excited, I can hardly contain it—to hear that the Nationals, and I take it the coalition partners, the Liberals, cannot wait for a safe sustainable rate being paid to Australia's truck drivers. (Time expired)

Senator RYAN (Victoria) (15:18): The most notable contribution made by Senator Sterle was the fact that he did not repeat the words of the Leader of the House. When Senator Evans was asked this question earlier this afternoon, he went to a great deal of trouble not to repeat the words of the Leader of the House yesterday. With that contribution, I am sure Senator Sterle has guaranteed his preselection again, assuming there are lots of TWU delegates and that they will be very happy with that vaguely relevant contribution to the discussion we are having.

I challenge those from the government side who come after me: repeat the words of the Leader of the House. Repeat the
accusations and the slurs made towards those who were protesting yesterday, because only an arrogant, conceited government would dismiss citizens who come to Canberra to protest against them as inconsequential.

On this side, we are used to protests, particularly when they are organised by some of the more thuggish elements of the union movement. There was an example back here in 1996 where vandalism was committed on Parliament House. This side does not seek to dismiss those who protest; it seeks to engage them. This government runs around shouting out the words 'Hawke' and 'Keating' as though they represent the Holy Spirit, hoping for some sort of political Pentecost, to give them some inspiration in politics. The only tongues that come out of this government are the tongues of mistruth, arrogance and conceit. This government does not actually want to engage with people who disagree with it; it seeks to ride roughshod over them. It seeks to say one thing before an election and do the opposite afterwards, and then simply hope that the people will forget by the next poll.

This government will be held to account for its words. These words uttered by the Leader of the House yesterday when he referred to the inconsequential protesters, the convoy of the inconsequential, are going to hang around this government's neck like an albatross—just like former Prime Minister Paul Keating's little quip to those university students in 1995 when there was 10 per cent unemployment and he told them to go get a job—how dare they challenge the great and wise then Prime Minister Paul Keating; he could just flick them off and tell them to go get a job. That hung around that Prime Minister's neck right through to the 1996 election, and it is one of the things he is remembered for by those who were trying to get a job at the time. Sadly, unlike during the government that came after that of Paul Keating, there were many more people desperately looking for work.

From the Greens we expect terms like whingers and moaners; from the Greens we expect the vilification of those who disagree with them. The New South Wales branch supports occupations, it supports efforts to vilify particular businesses by virtue of who owns them—

Senator Marshall interjecting—

Senator RYAN: I said the New South Wales Greens support occupations, as we have seen recently in Melbourne. What I find truly amazing is that we can have illegal picket lines, we can have picket lines where people have to be bused to work behind blackened windows to keep them safe, we can have the sort of appalling behaviour that took place on the waterfront at East Swanson Dock in Melbourne just over a decade ago—

Senator Marshall interjecting—

Senator RYAN: Yes, and the death threats to their workers, and the blackened windows on the buses, and ignoring Supreme Court orders in Victoria—we can have all that, but how dare 400 people turn up on the lawns of this parliament to actually complain. All they are asking the government to do is to live up to the words of the Prime Minister days before the last election.

This government has absolutely no credibility on this issue because of what it supports in the industrial relations framework. More importantly, the words uttered by the Leader of the House yesterday that these people were inconsequential will
reverberate through the Australian community and they will reverberate because every Australian knows that if a government can say that about the 400 people who came to Canberra yesterday it actually thinks that about them as well. How dare they disagree! This government will be held accountable for those words.

Senator MARSHALL (Victoria) (15:23): I think Senator Ryan is reliving his university student days with such a contribution. He should have tried to put some substance into his speech.

Senator Ryan interjecting—

Senator MARSHALL: I did not go to university, Senator Ryan, so I missed that joyous time that many on your side must have revelled in and miss deeply. I ask Senator Ryan not to leave the chamber because I am indebted to him for clarifying on the public record that there were 400 people at the rally. I thought Senator Macdonald had claimed that there were 8,000. Either you or Senator Macdonald is clearly misleading the chamber, and I thought you might stay and clarify whether it was him or you. I see that you are leaving the chamber, because that would be an embarrassing clarification for you to make. It did not go out there so I am not going to take a guess. The Australian is certainly no friend of the Labor Party and it claimed there were 300—but who is counting.

We as a party and as a government have always respected people's rights to protest. But we have nothing to apologise for and certainly the Leader of the House has nothing to apologise for. We were not criticising the people's right to protest—we are very happy with that and we are happy to listen to them. But the organisers of this protest said tens of thousands of people would be descending on Canberra and that a demonstration by those numbers would be a message to the Gillard government to resign. Overwhelming numbers of Australians were going to descend on Canberra and we were going to be forced to resign from government. Instead of tens of thousands coming, 400 came. Given the claims that the protesters made, instead of having tens of thousands, we got 400. Quite frankly, it was inconsequential in terms of their objectives of overwhelming Canberra and sending us a message to resign. It was never consequential for people to actually come and protest. People have that right and I encourage people to do so. But when you look at the aims, and it was an ideologically motivated protest when you look at the nature of the organiser in the first place, their claim was that they were going to flood Canberra with trucks and tens of thousands of people. Well, that did not eventuate. What did The Australian, no friend of the Labor Party, say? I quote:

It was meant to draw thousands of disenfranchised Australians demanding a fresh election, but yesterday's 'convoy of no confidence' was more fizzle than fury.

I think they have got it right, too. The newspaper article goes on to talk about rally organiser Mick Pattel standing by his views that climate action could be considered a global conspiracy. There we have it. No wonder they could not get tens of thousands of people. I do not think tens of thousands of people actually believe that climate change is some sort of global conspiracy.

But who is this Mr Pattel? I have not done my own research. I do not normally like relying on newspapers, so I put that precondition on it. But, according to the Sydney Morning Herald, the organiser, Mr Mick Pattel, is a former Liberal-National party candidate in Queensland. What a surprise that is. This international conspiracy theorist was a candidate for the National-Liberal party in Queensland and he
organised apparently this overwhelming group of tens of thousands of people that turned into 400 to descend on Canberra. Quite frankly, that was a flop and a failure; that did not send us any messages at all. All that said was that we can trust that Australians do not believe that climate change is some part of an international conspiracy. They are a wake-up to being used and manipulated by Liberal-National party candidates. They are smarter than that. We give them a lot more credit than that. It is a pity that you on that side do not.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (15:28): What a sad day yesterday was for Australian democracy.

Senator Marshall: What?

Senator NASH: I can tell you why I am saying that, Senator Marshall. This government has dropped to new lows. How dare you say to the people of Australia out there on that lawn that their views do not count because, gosh, there were not a few more of them. Mr Albanese called the event a 'convoy of no consequence'. If it is no consequence, he is saying their views are of no consequence, and that is a very sad day for this government. By your own admission, Senator Marshall, you would not even go out there; you did not have the guts to go out there and stand in front of those people and listen to them.

Senator Marshall: On a point of order, Mr Deputy President: the senator is clearly misleading the Senate.

Senator Nash interjecting—

The DEPUTY PRESIDENT: Do you have a point of order, Senator Marshall?

Senator Marshall: No.

Senator NASH: I thank Senator Marshall for conceding there was no point of order. But what a sad day it was. How dare this government say to the people of Australia, 'You can't come to this place, come to the lawns in front of Parliament House, and be taken seriously.'

Senator Marshall: No-one said that.

Senator NASH: Listen to what I am saying, Senator Marshall. 'You cannot come out there and be taken seriously,' because you are not taking it seriously. Yesterday, the moral fibre of this government dropped lower than its polling. It is appalling that they are not taken seriously. How dare Minister Albanese say that it was a convoy of no consequence. Those people had come from all around Australia because they are worried about the future of this country.

Senator Marshall: How many? How many?

Senator NASH: Senator Marshall keeps interjecting saying, 'How many? How many?' Obviously size does matter to Senator Marshall because it is of no consequence whatsoever to what happened yesterday. Every single—

Senator Fifield interjecting—

Senator NASH: I will take the interjection. Senator Fifield says, 'He's not the only one!' Yesterday, it did not matter if there was one person who turned up. It did not matter if there were 10, 15 or 5,000. Every single one of those Australians had every right to be taken seriously and to have their voice heard. They were not. Not one single member of this government bothered to go and listen. They did not have to stand up there and say anything. They could have simply gone out and listened to the Australian people, but they chose not to.

Isn't it interesting, colleagues. Senator Marshall and others say how dreadful it is that there were not more people. Gosh, how many people were standing on the lawns yesterday supporting a carbon tax? How
many people were standing on the lawn in front of Parliament House last week supporting a carbon tax, Senator Cash? How many people have been standing anywhere in this country supporting a carbon tax? Guess what, Senator Marshall? If you have a look—miniscule; hardly any. So don't you dare tell these people, who took time away from their jobs and families at great expense to themselves simply because they wanted to have their voice heard, that you are not going to take any notice of them because there were not more of them, when hardly anybody is supporting the carbon tax.

Senator Marshall interjecting—

Senator NASH: You are absolutely obsessed with numbers and size aren't you, Senator Marshall? It is extraordinary, and this from the government—

Senator Marshall interjecting—

Senator NASH: You still cannot listen, Senator Marshall. If you are quiet you might learn something. This government still says it supports families. If it truly supported working families, Prime Minister Julia Gillard and her government would have listened to those families yesterday. Senator Marshall, if you had taken the time to go out there and meet those people and talk to them like I and lot of my colleagues on the coalition side did, you would find out that they are not a moaners brigade, as Senator Bob Brown was calling them, and they are not a smorgasbord of whingers. They are down to earth, genuine Australians who care about the future of this country. But you would not know that, Senator Marshall, and neither would your Prime Minister, because you could not be bothered—you are too arrogant. You do not want to listen. If it is something you do not want to listen to, forget it; just ridicule it.

I think it is absolutely appalling that, if somebody has a different view and they come to the lawns of Parliament House, the government says, 'Gee, if there is not enough of you we will ridicule that.' What a very, very sad day for this country it was, and it just shows the depth to which this government has fallen. You are inept and you cannot run the country. (Time expired)

The DEPUTY PRESIDENT: Order! I remind senators that all matters should be directed through the chair.

Question agreed to.

NOTICES

Presentation

Senator Evans to move on the next day of sitting:

That the following bill be introduced: A Bill for an Act to amend the National Vocational Education and Training Regulator Act 2011, and for related purposes. National Vocational Education and Training Regulator Amendment Bill 2011.

Senator Rhiannon to move on 25 August 2011:

That the Senate—

(a) notes that:

(i) the operator of the Eden woodchip mill in south east New South Wales, South East Fibre Exports Pty Ltd (SEFE) which is owned by Nippon Paper Industries, plans to build a 5MW biomass fired power station in Eden,

(ii) the biomass power plant would accelerate the damage done to the New South Wales south east forests by the Eden woodchip mill operations, inevitably using woodchips that have been produced from native forests with heavy subsidies by the New South Wales Government,

(iii) both SEFE and the local federal Member for Eden Monaro, Dr Kelly, have been promoting the burning of native timber as an important measure in fighting climate change, falsely claiming that forestry
biomass is economic, sustainable and a low carbon energy source, and

(iv) biomass electricity generation from native forest feed-stocks is no longer eligible for Renewable Energy Certificates, which will threaten the commercial viability of the Eden biomass power plant; and

(b) calls on the Member for Eden Monaro and the Minister for Agriculture, Fisheries and Forestry (Senator Ludwig) to guarantee that no federal funding will be allocated to subsidise the operations of the proposed Eden biomass power plant.

Senator Hanson-Young to move on the next day of sitting:

That the Migration Amendment Regulations 2011 (No. 4), as contained in Select Legislative Instrument 2011 No. 122 and made under the Migration Act 1958, be disallowed.

Fifteen sitting days remain, including today, to resolve the motion or the instrument will be deemed to have been disallowed.

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

That—

(a) the Senate requests Mr Alan Belford Jones AO apologise to the police and wider public for his false claim that thousands of people and hundreds of trucks, on their way to the ‘Convoy of No Confidence’ rally outside Parliament House on Monday, 22 August 2011, had been stopped at the border of New South Wales and the Australian Capital Territory;

(b) the President report to the Senate on:

(i) Mr Jones’ claim that ‘the people who have come here [Parliament House] can’t actually get into the precinct to be heard’, and

(ii) whether people attending the rally were prevented in any way different to any other Australian coming to protest at Parliament House or whether this claim by Mr Jones is also false; and

(c) Mr Jones be invited to respond to this motion, should it pass.

Senator Fisher to move on the next day of sitting:

That the time for the presentation of the report of the Environment and Communications References Committee on the status, health and sustainability of the koala population be extended to 20 September 2011.

BUSINESS

Leave of Absence

Senator KROGER: by leave—I move:

That leave of absence be granted to Senator Boyce for 24 August and 25 August 2011, for personal reasons.

Question agreed to.

COMMITTEES

Meeting

Senator McEWEN (South Australia—Government Whip in the Senate) (15:34): I, and also on behalf of Senators Singh, Stephens, Crossin and Marshall, move:

That the Joint Standing Committee on Treaties be authorised to hold a public meeting during the sitting of the Senate on Monday, 12 September 2011, from 10.30 am to noon.

That the Joint Standing Committee on Migration be authorised to hold a public meeting during the sitting of the Senate on Wednesday, 14 September 2011, from 10.30 am to noon.

That the Joint Standing Committee on the National Broadband Network be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Tuesday, 23 August 2011, from 6 pm.

That the time for the presentation of the report of the Legal and Constitutional Affairs Legislation Committee on the Patent Amendment (Human Genes and Biological Materials) Bill 2010 be extended to 21 September 2011.

That the Education, Employment and Workplace Relations Legislation Committee be authorised to hold a public meeting during the sitting of the Senate on Tuesday, 23 August 2011, from 7 pm, to take evidence for the committee’s
inquiry into the provisions of the Safety, Rehabilitation and Compensation Amendment (Fair Protection for Firefighters) Bill 2011.

Question agreed to.

Legal and Constitutional Affairs References Committee

Reporting Date

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (15:35): At the request of Senator Humphries, I move:

That the time for the presentation of the report of the Legal and Constitutional Affairs References Committee on the agreement between Australia and Malaysia in relation to asylum seekers be extended to 11 October 2011.

Question agreed to.

Community Affairs References Committee

Meeting

Senator SIEWERT (Western Australia—Australian Greens Whip) (15:35): I move:

That the Community Affairs References Committee be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Thursday, 25 August 2011, from 1 pm.

Question agreed to.

Community Affairs References Committee

Reporting Date

Senator SIEWERT (Western Australia—Australian Greens Whip) (15:35): I move:

That the time for the presentation of the report of the Community Affairs References Committee on the Professional Services Review Scheme be extended to 12 October 2011.

Question agreed to.

Education, Employment and Workplace Relations Legislation Committee

Senator MARSHALL (Victoria) (15:37): I ask that general business notice of motion 367 relating to the attendance of the president of Fair Work Australia at committee hearings be taken as formal.

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

An honourable senator: Yes.

The DEPUTY PRESIDENT: There is an objection.

Senator FIFIELD (Victoria—Manager of Opposition Business in the Senate) (15:37): by leave—Given that motion No. 367, relating to the attendance of the president of Fair Work Australia, seeks to change a motion of the Senate the opposition believes that this is a matter that should be the subject of debate and discussion in this place before such a change is made.

Senator MARSHALL (Victoria) (15:37): by leave—My statement is in the form of a question. I ask the opposition when they intend to facilitate such a debate so that the Senate can vote on this motion and the will of the Senate can be determined.

MOTIONS

Forestry

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (15:38): I seek leave to amend general business notice of motion No. 354.

Leave granted.

Senator BOB BROWN: I move the motion as amended:

That the Senate calls on senators from the Liberal Party of Australia and The Nationals to account for the $240 million of public money given to the Tasmanian logging industry by the Howard Government in 2004 and to explain to the parliament why this money did not halt the loss of markets, the closure of woodchip mills and the loss of hundreds of jobs in 2011.

Senator COLBECK (Tasmania) (15:38): by leave—The coalition would be more than
happy to debate this motion fully and provide the information that Senator Brown is actually looking for. I do note, however, that all of the technical information surrounding these issues is actually on the public record. It has been extensively FOI'd by the Greens. So in regard to the issues about who got the money and where it went that is all well and truly known to the Greens because they have undergone an extensive FOI process. I understand it has also been studied by the Australian National Audit Office. We would be more than happy to debate this issue, so if Senator Brown and his coalition partners, the Labor Party, were to provide Senator Macdonald, Senator Abetz and me some time in the chamber we would be more than willing to put on the public record the issues that Senator Brown seeks as part of this motion.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (15:39): by leave—I thank Senator Colbeck for coming halfway on the motion which, for the Senate's information, calls on senators from the Liberal Party and the Nationals to account for the $240 million of public money given to the Tasmanian logging industry by the Howard government in 2004 and to explain to the parliament why this money did not halt the loss of markets, the closure of woodchip mills and the loss of hundreds of jobs in 2011. What is required here is much better than a debate; it is simply a response to this motion, if it passes the chamber, from the Liberals, including Senator Colbeck. He has the advantage here not of a debate, in which he will be responded to, but of simply providing the information to the chamber and therefore to the people of Australia.

We have to remember that in 2004, $240 million was effectively transferred from the taxpayers of Australia, through the Howard government's election promise, to the logging industry in Tasmania. This is the same logging industry that is now being supplied with a further $276 million of taxpayers' money but is, yet, shedding thousands of jobs and has done so in the meantime.

Opposition senators interjecting—

Senator BOB BROWN: Liberals are interjecting here. I remind the chamber that in that same period 3,000 people have been shed from the retail industry in Tasmania and not one of them is getting compensation. What the Liberals have not done is explain what happened to that money. Lots of questions remain over that, and if the motion is successful the Senate is now requesting them to provide that information so that the public can see what happened to their $240 million.

Question agreed to.

Consumer Rights

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (15:42): I move:

That the Senate upholds the democratic principle that consumers should be free to buy or not buy goods based on personal ethics.

Senator BOSWELL (Queensland) (15:42): by leave—I move:

At the end of the motion, add "and that consumers should not be prevented from exercising that democratic principle to be free to buy or not to buy, by means of unlawful secondary boycott, intimidation or picket".

Question agreed to.

Senator CASH (Western Australia) (15:43): by leave—In relation to the Greens motion, what we have before us is the Greens yet again pushing their publicity buttons and desperately angling for some media exposure by putting forward a motion asking the Senate to uphold democratic principles. Will wonders never cease! This is without a doubt one of the greatest examples
of Greens hypocrisy that the Senate has ever seen. Why? The only party in this Senate which does not believe in consistently upholding the principles of democracy is the Greens.

It is interesting that the Greens had originally worded their motion in a vague and general manner, because we all know that when the Greens couch motions in such a way there is usually a dangerous sting in the tail of it—and do not let us forget Senator Bob Brown's ominous words about the Greens agenda. The Greens are recreating Australia for the new century street by street, community by community, city by city, and in relation to their failure—

The DEPUTY PRESIDENT: Senator Cash, I just remind you that you sought leave to make a short statement and you have ventured into debate on the matter.

Senator CASH: Today's motion is nothing more and nothing less than code for the type of consumer boycott and intimidation campaigns that GetUp! have been running—for example, against Harvey Norman—or the one threatened by GetUp! against companies represented by Kate Carnell of the Australian Food and Grocery Council. They are merely thinking of joining the anti carbon tax group, but the Greens, in this motion, are too gutless to spell that out.

The DEPUTY PRESIDENT: Senator Cash, you have debated the motion again. You have 12 seconds left to complete your statement.

Senator CASH: Motions of this kind that are subtly worded by the Greens should be heeded by all those who believe that the Greens are nothing but a cuddly, benign environmental party. They are actually nothing but.
Where do you end up in this process of trying to proscribe what people shall or shall not buy? This comes out of the original proposal that we should be able not to buy goods coming from, amongst others, the illegal settlements of the West Bank in occupied Palestine. Are we to say that Australians who want not to buy those products should not be able to make that choice? That is what Senator Boswell is about. We in this free country should not be proscribing these things. If people want to boycott or organise for others to boycott, that is part of the free and open democracy we have. I do thank Senator Cash for saying that the Greens are subtle—we do not want to take a sledgehammer approach like that taken by the Nationals last week or proscribe the rights of Australians. We are here to enhance them, and that is what this motion is about.

The DEPUTY PRESIDENT: The question is that the motion moved by Senator Brown as amended by Senator Boswell be agreed to.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Gillard Government

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

The Government's failure to observe the standards of ministerial accountability.

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

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

The 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.

(Quorum formed)

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (15:51): In introducing this matter of public importance, I want to begin by addressing the role of the Prime Minister in the many scandals that have beset her government. Of all the obligations of ministerial accountability, the most fundamental is this: the obligation to conduct the affairs of the government in an honest and decent fashion. We have spoken in the last three or four years in this chamber on many occasions about the remarkable incompetence of the Rudd and Gillard governments. It is now almost impossible to find anyone other than a dedicated member of the Australian Labor Party who will disagree with you that the Gillard government is the worst government that Australia has ever suffered. It is not just the worst government since the Whitlam government or the most incompetent government since that famously incompetent government but the worst government that anyone can remember. That has become the brand of the modern Labor Party.

The Labor Party is a political organisation that delivers incompetent governments. It has delivered incompetent governments at the state level which have seen state Labor government after state Labor government hurled from office with enthusiasm by the electors at state elections in Western Australia, Victoria and New South Wales, and almost certainly in the year to come in Queensland. There has also been incompetence at the federal level. That is brand Labor. I see Senator Faulkner over there. It is well known that I have a high regard for Senator Faulkner. Senator
Faulkner is a former federal president of the Australian Labor Party and a cabinet minister in successive Labor governments. I cannot help but feel sadness for someone like Senator Faulkner seeing the political movement to which he has given his life degenerate into farce and scandal in the way the Gillard government has degenerated into farce and scandal.

I have talked about incompetence, but incompetence is not the worst sin. It is a very, very serious sin, but it is not the worst sin. The worst sin any government can commit is its failure to be honest with the people, its failure to respect the people, its failure—in the words of this MPI—to be accountable to the people. We saw that exhibited chillingly yesterday when that unattractive popinjay Mr Anthony Albanese, the Minister for Infrastructure and Transport, described—

The DEPUTY PRESIDENT: Order! That was a reflection on the character of Mr Albanese, which you may consider withdrawing.

Senator BRANDIS: I am sorry, Mr Deputy President. I did not know the word 'popinjay' was unparliamentary, but if you so rule then let me withdraw it. The Minister for Infrastructure and Transport described with utter contempt a gathering of thousands of Australians who had exercised the most fundamental right you can exercise in a democracy—the right to come to their nation's parliament to express their grievance to government, to petition the government with their grievances. Our democratic system was born from the cauldron of people petitioning on grievances against their government. That is what those people did, only to be dismissed by Mr Anthony Albanese as a convoy of inconsequence. Those words, I am sorry to say, will come back to haunt the Prime Minister, Mr Albanese and all the ministers of this government. The fact that the view of Australian citizens who want to express a grievance against their government, because they think the government has gone wrong, is that they are people of no consequence. That is what Mr Albanese said to them yesterday.

We know this government was constructed on a lie, the most infamous lie in the history of Australian politics: 'There will be no carbon tax under a government I lead.' But now this government's continued tenure in office depends upon another credibility—not just the Prime Minister's credibility, but the credibility of a man called Craig Thomson, the member for Dobell. Mr Craig Thomson stands accused of a number of serious allegations: allegations of fraud; allegations of stealing members' funds from the trade union of which he was once the national secretary.

I am pleased to say that the New South Wales police today decided to examine whether or not Mr Thomson has in fact committed these crimes. We do not prejudge that. I am bound to say that Mr Thomson's explanations are very implausible. Nevertheless, that is a matter for the proper authorities to pursue. I might also say that Mr Thomson himself has alleged that a crime has been committed, of which he was the victim. He said somebody forged his signature on credit card vouchers. If Mr Thomson is telling the truth, a crime has been committed, of which he was the victim. If he is not telling the truth, a crime has been committed of which he was the perpetrator. On either view, there is a taint of criminality about these events. Last week, on each consecutive day, the Prime Minister told the House of Representatives she had full confidence in Mr Craig Thomson. I understand she repeated it again in question time today. So the Prime Minister has staked
her entire government's credibility upon the credibility of Mr Craig Thomson. The Prime Minister has made the integrity of Mr Craig Thomson the test of the integrity of her own government. Because the Prime Minister was elected on a lie a little over a year ago when she said there would be no carbon tax under the government she leads, you would think that perhaps that was a heroic thing for Ms Gillard to do—a person whose own integrity is under such a cloud in the eyes of the Australian people joining herself, fusing the integrity of her own government, with the integrity of a person under a cloud such as Mr Craig Thomson. But that is what she has done.

Go through it. Whether it be the famously incompetent manner in which the Gillard government and before it the Rudd government conducted the public affairs of this country, whether it be the undisguised contempt with which ministers in the Gillard government regard the Australian people and people who might disagree with them, as exhibited by Mr Albanese's remark yesterday that people who come to petition with their grievances against the government are inconsequential, or whether it is the fact that a government elected on a lie now depends for its very political survival on the integrity of Mr Craig Thomson, for all of those reasons the opposition says, and in saying so mirrors the overwhelming sentiment of the Australian people: 'Give us an election. Resolve the political situation of this country and face the people, because the people are your masters, a fact which you have forgotten.'

Senator Faulkner (New South Wales) (16:02): This is quite a remarkable proposed matter of public importance. I will read the matter of public importance, which stands in Senator Fifield's name: 'The Government's failure to observe the standards of ministerial accountability,' an issue not canvassed at all in all the time available to Senator Brandis to address it. He did not utter a word about standards of ministerial accountability. It was interesting in itself that Senator Brandis spoke to this matter of public importance, because it stood in the name Senator Fifield, was proposed by Senator Fifield, was submitted by Senator Fifield, who could not himself address the issue and immediately called a quorum at the beginning of this debate to have another colleague come in to the chamber and face the music. That colleague, of course, was Senator Brandis.

You will have to excuse me, Mr Acting Deputy President, but there is something I have to admit to. I have always liked Senator Brandis. Not everyone does, but I do. I see smiles on the other side of the chamber.

Opposition senators interjecting—

Senator Faulkner: I am that sort of guy. I am a very nice guy and I quite like Senator Brandis. I noticed that he said he felt sorry for me. I noticed that he said that and talked about my political career. That made me reflect on Senator Brandis's career and why he might not have spoken about standards of ministerial accountability. One's mind really goes back to the time of the Howard government. I remember the major debate, the hour upon hour spent in this chamber when debating the issue of whether or not Senator Brandis had described then Prime Minister Howard as a lying rodent. At the end of these debates I think Senator Brandis admitted to describing Mr Howard as a plain rodent—not a lying rodent, just a plain rodent. That is perhaps why we have not had a discussion about standards of ministerial accountability.

This appeared to be an excuse to talk about Mr Thomson, the member for Dobell. With 3½ minutes to go in Senator Brandis's speech, having not canvassed standards of
ministerial accountability, Senator Brandis finally got to Mr Thomson and said we should not prejudge issues relating to him. I think that is probably quite wise counsel from Senator Brandis. He ought to recall how the Howard government and its ministers responded when members of parliament, members of the government, were subject to police investigations, and it happened quite regularly. The last occasion this occurred that I can recall, but there might have been one since then, was when Queensland Liberal MPs Mr Hardgrave, Dr Laming and Mr Vasta were investigated for what were alleged to be electoral spending irregularities. Mr Howard quite rightly said at the time that a lot of people who are under investigation end up having nothing to answer for. I quote Mr Howard directly about that matter:

It is a police investigation and the appropriate thing for me to do is to let the police investigation run its course. And then if it is appropriate I will have something to say.

You know, at the time, and right through that period of the Howard government, the then Labor opposition consistently did not comment on matters that were subject to police investigations. On no occasion did we do that. I was then Leader of the Opposition in the Senate, and many of these issues were raised in this chamber and in committees of the Senate but never did the then opposition comment on any operational matter—something that I think Senator Brandis and others from the current opposition could reflect on.

It is remarkable how the Liberal Party could propose a matter of public importance on ministerial standards—and this from a party which lost nine ministers and parliamentary secretaries while in government, who had to resign as a result of either rorts or conflicts of interest. Of course, that number would have been higher if Mr Howard himself did not water down his own code of ministerial conduct. Liberal ministers could not reach the standards that Mr Howard proposed were required of his own ministers and because of that he watered down the code. Don't forget it was when the ministerial guide was first published that Mr Howard promised to raise the standard of parliamentary and political life. He released the document, *A guide on key elements of ministerial responsibility*, and in the introduction to that guide he stressed:

… the necessity of adherence to high standards by people occupying positions of public trust …

And he said:

The Australian people have this as their entitlement …

But of course it was Mr Howard who gave Australian politics the non-core promise, and that commitment to higher standards of ministerial behaviour was precisely that—it was a non-core promise from Mr Howard.

Time after time, Mr Howard's ministers and parliamentary secretaries were found to be in breach of Mr Howard's own code. The code was administered inconsistently and it was deliberately applied ineffectively. And then the code was junked. It was junked. Ministerial standards for the Liberal Party—just too hard.

How dare they come in here and propose a matter of public importance on ministerial standards given the record of that government? The Howard government was 11½ years of sleaze, ministerial scandal and abuse of power. That is what it was like. Think about the former ministers—Mr Reith, Dr Wooldridge and Mr Anthony—taking lobbying jobs in the same industries they were regulating mere days before their resignations. Think about the bailing out of the Prime Minister's brother, Mr Stan Howard, from his National Textiles business debacle. Think about the rorting of the grants
programs to shore up votes in marginal seats. Think about the ‘never, ever’ GST and the concept that I mentioned before—the non-core promise. Think about the AWB $300 million wheat-for-weapons scandal. Think about the Iraq war and the suggestion that there were weapons of mass destruction. Think about the dogs and the balaclavas on the waterfront. Think about the lies on 'kids overboard'. Think about the cover-up of 'kids overboard'. Think about using Kirribilli House and the Lodge as party central for Liberal Party fundraisers. Think about the shameless use and abuse of taxpayers' money for partisan political advertising. And so it goes on.

How extraordinarily hypocritical—but how courageous—for the Liberal Party to come in here and propose a matter of public importance about ministerial standards. So I thought: in the time available to me, why do we not go to the ministers themselves? We might have a look at some of them. We could start, if you like, with former Senator Herron and his professional practice as a surgeon—which he had to give up because it was in breach of the code. We could talk about Assistant Treasurer Jim Short, who resigned after it was found that he had approved an operating licence for an ANZ Bank subsidiary while holding shares in the ANZ Bank. We could think about the then Minister for Industry, Science and Tourism, John Moore, being forced to defend his $100,000 shareholding in Bligh Ventures and his controlling interest in Ralston Pty Ltd, a share-trading company, despite the express prohibition in the code. We could talk about Brian Gibson and Geoff Prosser, both forced to resign—they were of course both expendable in those early days of the Howard government. Former Senator Gibson had exempted a Boral subsidiary from certain provisions of the Corporations Law while he held Boral shares, and Mr Prosser owned three shopping centres and took an active interest in running them. We might talk about former Senator Parer, who was the resources minister. He owned, through a family trust—those of you who were in the Senate at the time might recall—an $8 million share in a coalmine plus interest in a range of other resources companies. The pursuit of Senator Parer was described by the then opposition as 'the great white rhino hide', you might recall. I do not have time to explain why that terminology was used, but it certainly caught on. Of course, in relation to Senator Parer, Mr Howard chose to sacrifice his standards rather than the ministry.

I could go on and on. I do not have time to go through all the Howard government ministers who fell foul of Mr Howard's original code of conduct before Mr Howard watered it down because he was not willing to ensure it was properly administered and implemented. How extraordinary is it that the current Liberal opposition would come into the chamber and talk about ministerial standards, with its record? There is an old expression in politics, you know: 'People in glasshouses shouldn't throw stones.' That is exactly where you are when you are talking about ministerial standards, with its record? There is an old expression in politics, you know: 'People in glasshouses shouldn't throw stones.' That is exactly where you are when you are talking about ministerial standards, although I acknowledge no-one from the Liberal Party has even mentioned, yet, ministerial standards in this debate. As I said on another matter earlier this week, 'You're standing right in the middle of a very, very large glasshouse throwing very, very small pebbles at this government.' I suggest that the opposition gets its act together before it comes in here proposing a matter of public importance on ministerial standards as a ruse for discussing other matters.

Senator RONALDSON (Victoria) (16:17): We have seen the demise today of the great Labor warrior. In 15 minutes we have seen the demise of the great Labor
warrior, reduced to a speech like that. I cannot believe that Senator Faulkner, the great warrior, has demeaned himself to make a speech like that today. History will show that someone who was a great man for the Labor Party reduced himself to a speech like that today.

Honourable senators interjecting—

Senator RONALDSON: I am actually not going to take the bait, except that I will make a couple of comments. Senator Faulkner was talking about thinking about things. Well, I am thinking about Centenary House, I am thinking about the Labor Party's promise before the election before last about political advertising and I am thinking about the ANAO report. I am also thinking about the great lie before the last election: 'There will be no carbon tax under a government that I lead.' So I am thinking about lots of things, 'Great failed warrior'. I am thinking how sad it is to see you reduced to this today.

I will now continue with what I was going to talk about, which is ministerial standards. I want to go through an interview today with the Prime Minister of this country, the person who, of course, perpetrated that great enormous untruth before the last election:

SABRA LANE: To Craig Thomson now. Tony Abbott says he's a protected species, the shadow finance minister, Andrew Robb, used parliamentary privilege last night to describe him, Craig Thomson, as a thief and a liar. Why did the New South Wales branch of the Labor Party pay his legal bills?

JULIA GILLARD: Look, this is a question for the New South Wales branch of the Labor Party.

SABRA LANE: We've rung them, we're not getting calls back.

JULIA GILLARD: Well ... that is as it may be Sabra, but decisions by the New South Wales branch of the Labor Party are their decisions. But more broadly can I say, in relation to the Opposition here, I don't think people appreciate hypocrisy.

As Prime Minister, what I've said about the Member for Dobell is that there is an investigation in train by Fair Work Australia, and we should await the outcome of that investigation.

... ...

SABRA LANE: Well Fairfax has revealed this morning that the mobile phone used to call escort agencies was also used to call Stephen Smith and Mark Arbib. This casts doubt on Mr Thomson's denials—he's previously said that the credit card used to pay for these things was used by someone else, and the implication too was that his phone was used by someone else, have you sought an explanation from him?

JULIA GILLARD: There's an investigation by Fair Work Australia in train...

Our SABRA LANE: But have you sought it?

JULIA GILLARD: I've certainly spoken to Craig Thomson, of course I have, but there is an investigation in train by Fair Work Australia, and I believe that it's appropriate that that investigation work its way through.

The Prime Minister goes on to say:

So, Fair Work Australia will work its way through, we'll await the outcome of that investigation. In the meantime the Member for Dobell is doing his job as the local member in this Parliament.

That was the language used by the Prime Minister up until this morning, and I gather was repeated today under pressure because she had no choice. Let us talk about what she was saying about the member for Dobell. He had her 'complete confidence' and:

I look forward to him continuing to do that job for a very long, long time to come.

What was she reduced to this morning?

... the member for Dobell is doing his job as the local member in this Parliament.

This Prime Minister has been backed into a corner. This Prime Minister does not have the intestinal fortitude to deal with Craig
Thomson as she knows he should be dealt with. In all the pathetic debate today from Senator Faulkner there was one truth that came out: a former Prime Minister acted and this Prime Minister refuses to do so—despite being confronted with overwhelming evidence that one of her own members has been involved in fraudulent behaviour. She has not even removed this man as chair of the economics committee. For the first time this morning we have seen invoked the defence of Fair Work Australia.

This afternoon, I asked Minister Evans a question in relation to this matter. The line being run by the Labor Party is that this dragged-out Fair Work Australia investigation has got to take its course and that Minister Evans will not interfere. That sounds daggy at question time but when you look at the evidence it is actually damming in relation to this minister's involvement in Fair Work Australia and an ongoing campaign by the Australian Labor Party to make sure that this never sees the light of day, and if it is to see the light of day it will be delayed and delayed in the faint hope that the overwhelming evidence against the member for Dobell suddenly disappears into the ether.

I want to read into the Hansard today part of the conversation between myself, Mr Nassios and the minister—and I believe you may well have been there, Mr Deputy President. The Hansard states:

Senator RONALDSON: Clearly, Mr Nassios, your attitude in relation to some of my questions has changed since last May—

This is Wednesday, 23 February—

and I have got to say that I am very pleased about that. There are some things you have advised me today about which you would not have last time, so on the back of that—I assume that they were questions asked along the same vein—would you now advise me whether you have interviewed Craig Thomson, Pauline Fegan, Criselee Evans, Matthew Burke and Jeff Dickson?

Mr Nassios: Certainly if we could go one by one.

Mr Evans: I just ask whether we take advice about whether we should be detailing who you have interviewed in a current investigation. I would have thought that was a bit unusual to be providing publicly who you were interviewing if an investigation is continuing. Has that been done in the past?

Mr Nassios: I cannot recall it being done in the past. When the senator was asking me these questions last time I felt that it would not be helpful to my investigation to divulge that sort of detail. I certainly cannot say it would hinder my investigation at this point.

I will repeat that:

I certainly cannot say it would hinder my investigation at this point.

Mr Evans said, 'I think it would be best if we got some advice as to whether you made those lists of witnesses who have been interviewed available.' The comments today from this minister were, 'I have no intention of interfering.' And, separately, 'It would be totally inappropriate to interfere.' On 23 February this year, what did this minister do? He interfered with evidence that was about to be given to the Senate in relation to Craig Thomson, the member for Dobell, involving Fair Work Australia. Mr Nassios, from Fair Work Australia, had made it quite clear to me in May last year that he was not prepared to answer my questions as to who was interviewed because it would potentially interfere with his investigation. On 23 February this year, when asked the same questions, Mr Nassios said he was prepared to do so. Mr Nassios said that, because it would no longer interfere with his investigation, he was prepared to answer them:

Certainly, if we could go one by one.
That was the response he gave, which I read out before, in relation to Mr Thomson, Pauline Fegan, Criselee Evans, Matthew Burke and Jeff Dickson.

This is a government that is completely and utterly devoid of any ministerial responsibility. This is a government that will stop at nothing in relation to the making of wafer-thin excuses to protect its wafer-thin majority. This is a government that stands utterly condemned. I will just finish on this note. I was talking before about the demise of the great warrior. The one person that the great warrior mentioned only in passing was the member for Dobell, because the now failed great warrior of the Australian Labor Party knows full well that the evidence against Mr Thomson is overwhelming. He did not seek to defend Mr Thomson today because he knows it would be completely and utterly untenable to do so.

Senator SINGH (Tasmania) (16:27): It is certainly a privilege to follow on from the great warrior, Senator Faulkner, and the fine words that he added to this MPI debate this afternoon, which the opposition have brought in here, on the failure to observe the standards of ministerial accountability, a subject which the opposition have very intimate knowledge of. How quick they are to forget the appalling record of ministerial accountability in the Howard years. They have almost goldfish memories, not being able to think about anything beyond the perhaps six or 12 seconds that a goldfish can hold on to information.

I remind those opposite that, before they come into this place and put forward an MPI on the failure to observe the standards of ministerial accountability, they will have the opportunity, using their memory banks, to think a little bit more, beyond that of a goldfish's memory, to the actual extent of the ministerial accountability in the Howard years. Of course, we all remember that when John Howard came to power he noted:

The most important thing any government can do is build a sense of trust, a sense of integrity, a sense of honesty and a sense of commitment to the Australian people.

I do not think anyone in this place would argue with that. Of course, he followed on from those statements by creating A Guide on Key Elements of Ministerial Responsibility as a key benchmark against which the conduct of ministers, their conflicts of interest, the use of power of office for personal gain and other things could be measured. Of course, at the very first hurdle, the guide failed in its task. Let us have a little trip down memory lane to highlight exactly the ministers in the coalition who did fail in the Howard years. First, there was Assistant Treasurer Jim Short, who approved a banking licence for a subsidiary of a company in which he owned $50,000 worth of shares—the ANZ Banking Group. But Prime Minister John Howard declared that, because Mr Short had not been deliberately dishonest, he was not culpable under his set code.

Then we had Senator Brian Gibson, who was parliamentary secretary to the Treasurer and failed to ensure he had sold his shareholdings in Boral Energy, approving an application by that company to be included in the Victorian electricity exempt futures market. The Prime Minister made the point then of indicating that Short and Gibson both still had his support. History shows, though, that both Short and Gibson did in fact resign, and with characteristic opportunism John Howard changed his tune, from Short's resignation 'certainly not being as a result of any pressure' to it later being a symbol of his own conviction that 'Gibson and Short had to go'.

Those rules were tested again when the Prime Minister's friend Senator Warwick
Parer, then Minister for Resources and Energy, was the subject of serious breaches of the code. In 1998, revelations surfaced that Minister Parer held shares in Queensland coal company QCMM, even while he had portfolio responsibility for that resource industry. Not only had Parer not declared his interest on the Register of Senators' Interests—and, without excusing this, I acknowledge that members on all sides from time to time have been guilty of this offence—but then Minister Parer also failed to declare the kinds of conflicts about which one is reminded as issues arise, such as conflicts of interest related to diesel fuel rebate legislation and to the Native Title Amendment Bill, when a coal deposit in his own family trust was subject to a native title claim. There was at that time a very serious debate about Senator Parer's conduct, and I do not wish to go on too much further about that.

But what this whole thing shows is that the episode was clearly indicative of the coalition government's willingness to turn a blind eye when issues of accountability, responsibility and propriety were inconvenient to them. They have short memories, but memories have certainly come up to speed today through their bringing this MPI into the Senate chamber, which we welcome very much on this side, as an opportunity to get on the record that complete history of the Howard years.

Because I do not have enough time this afternoon, I would like to refer the members opposite to an article in a very good journal, the *Australian Journal of Politics and History*—senators opposite might want to write this down—in volume 54, No. 2, 2008, pages 225 to 247. It is a very good article by Luke Raffin from the University of Melbourne, titled 'Individual Ministerial Responsibility during the Howard Years: 1996-2007'. In this article, I refer members to page 228, where there is a very good table that highlights the tests of individual ministerial responsibility during the Howard era. I could list a number of ministers and parliamentary secretaries who failed those tests. Why? Because Prime Minister John Howard was happy to water down his code of conduct, instead preferring that proof of actual wrongdoing and personal profit arising from misconduct was necessary.

If this reinterpretation of the code was redundant—and it was—then there was perhaps one more potent example, when Wilson Tuckey became the 14th minister to be accused of breaching that ministerial code, by using his office and his ministerial letterhead to pressure the South Australian police minister to commute a traffic fine against his son. The coalition have short memories indeed. And it was not just that with former Minister Tuckey; twice Tuckey misled parliament about that matter. But that was not enough for former Prime Minister John Howard to act on his own code of conduct, despite admitting that Mr Tuckey had been foolish and wrong, because Mr Howard's standards had now changed to whether or not the minister had actually broken the law.

I could go on and on with more and more about coalition ministers who broke that code of conduct. What this highlights very much is that it is a bit rich for the coalition senators to come into this place with this when they are from a party willing to make exemptions, obfuscate and bend the facts to the point of breaking their—that is, the Liberal Party's and their minor coalition partner's—own code of conduct. It is a bit rich when Tony Abbott's sense of accountability and responsibility in his own job is to go around fearmongering, being negative and misleading people on grade 10 science about the weight of carbon. It is all a bit rich for the opposition to raise this MPI
demanding the resignation of a member on this side, not a minister but a member, on the basis of allegations—not on charges, not on convictions but on allegations—against that member before his election to parliament.

On this side of the chamber we demand and expect standards because we believe it is important that the public have confidence in their public administration and in the decisions that their ministers take, that these decisions are always motivated by the interests of the public not the interests of the individual. That is why when Labor came into power the Prime Minister announced standards of ministerial conduct to replace the Howard government's failed, watered down, wishy-washy code of conduct. Our new code of conduct actually takes into account the legitimate concerns that the Australian public have about the prevalence of lobbyists, for example, in modern politics. When this code has been tested, Labor has responded by upholding the highest standards of ministerial accountability.

Senator FIERRAVANTI-WELLS (New South Wales) (16:37): Obviously Senator Singh was given the same speaking notes as Senator Faulkner, which the dirt unit dug up, because there was not one word of defence for the member for Dobell.

Senator Singh interjecting—

Senator FIERRAVANTI-WELLS: Do you know why, Senator Singh? Because you are trying to defend the indefensible.

The ACTING DEPUTY PRESIDENT (Senator Marshall) (16:37): Senator Fierravanti-Wells, I would like you to address your remarks through the chair.

Senator FIERRAVANTI-WELLS: Mr Acting Deputy President, those on the other side are trying to defend the indefensible. Senator Faulkner came in here and was perplexed, no less, about today's matter of public importance. Obviously he has not been reading the papers lately. Indeed, Senator Singh—through you, Mr Acting Deputy President—might I suggest that you concentrate and read the daily newspapers rather than some obscure journal about whatever, because today's daily newspapers offer the government some very good advice. I take you to the Canberra Times, not necessarily a newspaper that has always been—how should I say it?—right of centre. It is a newspaper that I would equate more with the left wing of politics, but there it is in the commentary in today's Canberra Times, which says:

Voters are not mugs.

Mr Peake said:

Expecting them to believe that an unnamed person used Craig Thomson's credit card and phone and drivers licence for escorts—and escaped without penalty—is reaching too far into fiction.

He goes on to say:

She—

referring to the Prime Minister—

closed down debate in Parliament—as she did yesterday. What level of prime ministerial standard is that—shutting down parliament, shutting down the debate, as she did yesterday? She undermines the argument that there is nothing to worry about. He continues:

Incredibly, Anthony Albanese says Parliament has no time at all in this week's four-day sitting to allow the Member for Dobell to tell his story. Let us have a look at the Herald Sun. Its headline reads that the pressure over the Thomson scandal is threatening the PM's credibility. That seems to me to be directly relevant in relation to ministerial responsibility. Mr Hudson makes this comment:

... Labor looks hapless as this issue eats away at its credibility.
This is about a government that have a major integrity problem. They are so desperate to hang onto power. Of course the master, Graham Richardson, told them to do 'whatever it takes'. It seems to me that they ought to be listening to Graham Richardson at this point in time because I think he has read the political tea leaves a lot better than those opposite have. Mr Hudson writes:

The NSW ALP took the extraordinary step of helping to pay legal bills for Thomson.

We know that they are absolutely paranoid that he should become bankrupt because that would disqualify him and make him ineligible to sit in parliament. The figures of $40,000, $90,000 and $150,000 have been bandied about. It could be a lot more. It could be $200,000; it could be a quarter of a million dollars. But nobody from the New South Wales Labor Party is prepared to tell us the conditions of that bailout and how much the actual figure was. Hard-earned union money—there it is being used in this matter. Mr Hudson also writes:

Abbott is right when he says an MP who, at best, is so careless with his own credit card statements should not be in charge of quizzing the Reserve Bank governor about the nation's finances.

That is backing up what the Leader of the Opposition is saying in relation to Mr Thomson. This is about integrity. Every day we open the newspapers and there is another allegation; there is another issue about misappropriation of money. Today it is about something else. It is there every day. This is going to keep going because it is very, very clear that the member for Dobell has a lot to answer for.

Indeed, today's Courier Mail editorial says: 'Hard questions need answers in Thomson affair'. We have asked the member for Dobell to explain himself. Yesterday, in the other place, the Manager of Opposition Business sought leave to move a motion that would require the member for Dobell to attend in the House and give a personal explanation. The manager outlined the various issues so that the member for Dobell could reassure the House about these matters in a personal explanation—a please explain to the Australian public. What happened? It was shut down. There was not enough time to talk about these important issues. One of them said, 'Oh no, the member for Dobell has to explain himself,' so the Prime Minister gets asked a question about whether she has full confidence in the member for Dobell.

While we are on the subject, will any of the retrenched workers at BlueScope Steel receive a $90,000 gift from the New South Wales ALP? I am sure that they have a view on it, which I will hear next time I have a meeting in the mall in Wollongong in relation to that. I am sure they are all very happy about it! They are losing their jobs down in the Illawarra while their MPs and their union bosses are squandering money in brothels and all sorts of other things. What is the Prime Minister's response? Questions of personal explanation are for the individual parliamentarians involved. Well, we gave the opportunity to the member for Dobell to give a personal explanation and what did they do? They shut down the debate. So here is the Prime Minister saying, 'Oh no, he can make his own personal explanation', and when we try to give him the opportunity to give that explanation they shut down the debate. Isn't that smart? Give him the opportunity, but there is no desire to give a personal explanation because he has a hell of a lot to hide. That is what this is all about. This goes to the very core of the integrity of this government.

The member for Goldstein yesterday made a very pertinent comment to which my colleague Senator Ronaldson referred. He said:

The support being given to the member for Dobell is sickening. Look at the evidence that
comes out daily. Look at what we saw today from Fairfax—that he has lied; that he is a thief. Yet the Prime Minister stands up here daily and supports it.

Day in, day out this Prime Minister is going into the chamber and she is standing up for him. Day in, day out we are seeing more allegations.

Senator Ronaldson talked about Fair Work Australia. Here is Minister Evans today in question time telling us it is inappropriate for him to interfere, yet that is precisely what he was doing when Senator Ronaldson was trying to ask very important questions which today still remain unanswered because this minister interrupted and shut down that debate. If he does not have anything to hide, the member for Dobell should go right into that House now and explain to the Australian public. More importantly, he needs to explain to the people of Dobell.

I am patron senator for Dobell. And I can tell you there were hundreds of people at the Mingara Recreation Club a couple of weeks ago to witness the disgraceful behaviour of the member for Dobell, so I can tell you what the people of Dobell think of their local member—that is, he is a disgrace. The sooner the people of Dobell get the opportunity to have a by-election and to elect another person to represent them, the better off they are going to be and the better off the people of Australia are going to be to get rid of this government which is rotten to the core.

Senator PRATT (Western Australia) (16:47): I am delighted to follow in the footsteps of Senator Faulkner and Senator Singh in this motion. I have high expectations of ministerial accountability. There is no script for this debate today, and frankly I cannot rewrite history for the opposition who had minister after minister fall like dominoes when in government, one after the other, after they had campaigned on clean government and their code of ministerial conduct. I do not need to retell the story that Senator Singh and Senator Faulkner have told this afternoon. We know that the former coalition government had minister after minister fall like cards—Jim Short, Brian Gibson, Bob Woods, Geoff Prosser, John Sharp, David Jull, Peter McGauran, John Moore, Warwick Parer—in just a few short years after the Howard government took power. That is not even the end of the list. But the Gillard government has high standards of ministerial ethics. I, the Australian public and the Australian Labor Party expect our ministers to uphold those standards of ministerial ethics. The opposition when in government had many ministers fail their own code of conduct, one after the other. So there was a complete lack of formal accountability demonstrated by those opposite. Why? Because they were not accountable. They have not been accountable, as Senator Faulkner and Senator Singh have clearly demonstrated. Even now they waste this parliament's time as they spend time trying to score base political points. That is not accountability. Cheap political scoring of points is not accountability. There is no accountability from the senators opposite in this place. They do not make a contribution even to substantive policy debates. Why? Because they are devoid of policy.

So let us talk about ministerial accountability and what Australians expect from their ministers. Take things like education and skills. We know that nearly 20,000 fewer apprentices commenced a trade in the 12 months to March 2007. There were only 78,000 apprentices. We have 97,000 apprentices which started a trade in the last 12 months, and that is a record number. Take the national curriculum. They failed to deliver a national curriculum for 11½ years.
We are rolling out the first national curriculum here in 2011. The Gillard government is increasing university education enrolments by half a million places, whereas we know that enrolments were just 400,000 in the year 2008-09, 20 per cent fewer than we have now. So, taking education and skills, critically important issues for our nation, where is the shadow ministerial accountability on policy and where is the shadow ministerial accountability on the cost of living when we know that we have an opposition with policies that will simply drive up the cost of living because they have no accountability? They have no accountability for their direct action on climate change policy. They say they want to implement it through direct action but they want to do it without a department and they have no plan to implement it. Take regional Australia: they will axe the Regional Infrastructure Fund; they will axe that $6 billion fund. Take the age pension: in 11½ years of government they failed to deliver a substantial pension increase. Take the cutting of mental health services—

The ACTING DEPUTY PRESIDENT (Senator Marshall): Order! The time for this discussion has now expired.

DOCUMENTS

Act of Grace Payments
Order for the Production of Documents

Senator LUNGY (Australian Capital Territory—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Immigration and Multicultural Affairs) (16:53): I table a statement relating to the order for the production of documents concerning act of grace payments.

COMMITTEES

Corporations and Financial Services Committee
Report

Senator THISTLETHWAITE (New South Wales) (16:53): On behalf of the Parliamentary Joint Committee on Corporations and Financial Services, I present a statement relating to discharging the committee’s requirement to present a report on the Superannuation Legislation Amendment (Early Release of Superannuation) Bill 2011.

The statement read as follows—

On behalf of the Joint Committee on Corporations and Financial Services, I seek leave to make a statement on the Superannuation Legislation Amendment (Early Release of Superannuation) Bill 2011 in discharge of the committee‘s requirement to provide an advisory report on the Bill and to present a copy of my statement.

On the 7 July 2011, the House of Representatives Selection Committee referred the Superannuation Legislation Amendment (Early Release of Superannuation) Bill 2011 to the Joint Committee on Corporations and Financial Services.

The Bill proposes to move the responsibility for the administration of the early release of benefits in a retirement savings account or superannuation benefits in an entity regulated by the Australian Prudential Regulatory Authority on compassionate grounds from APRA to the Chief Executive of Medicare.

Similarly, the general administration of the early release of superannuation benefits in a self managed superannuation fund on compassionate grounds will be transferred from the Commissioner of Taxation to the Chief Executive of Medicare.

The amendment formalises an arrangement that has been in place since 3 February 2011 when APRA and Medicare Australia entered into a service delivery agreement for Medicare Australia to carry out the day-to-day functions in
relation to the administration of early release of superannuation in APRA-regulated superannuation entities under delegation from APRA. At the same time, the day-to-day functions in relation to the administration of early release of superannuation in self-managed superannuation funds, under delegation from the Commissioner of Taxation, was transferred from APRA to Medicare Australia.

There is no extra cost associated with this amendment. Part 2 of Schedule 1 of the Bill amends the APRA Act 1998 so that the industry levy associated with the administration of the early release of superannuation benefits currently paid to APRA can be transferred to Medicare Australia to meet administrative costs.

To support this arrangement, APRA officers were transferred to Medicare Australia in February 2011 to undertake the administration of the early release function.

The committee supports and endorses moves to formalise the interim arrangements that have been in place for over 6 months.

After consideration of the evidence, the committee has agreed not to inquire further into this Bill and recommends that the House pass the Bill.

Whilst supporting the referral of bills as an effective mechanism for increasing transparency and public consultation, the committee feels that the referral process would be more effective if an explanation was also provided as to why the Bill was referred in the first place so that the committee can target its efforts more effectively.

This Bill is simply a formalisation of arrangements that are already in place and that are supported by stakeholders.

The committee is agreed that no further action is required by them in relation to this Bill.

**Foreign Affairs, Defence and Trade Joint Committee**

**Report**

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (16:54): On behalf of Senator Ian Macdonald, I present the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade on its inquiry into Australia’s trade and investment relations with Asia, the Pacific and Latin America. I seek leave to move a motion in relation to the report.

Leave granted.

Senator WILLIAMS: I move:

That the Senate take note of the report.

Question agreed to.

**Public Works Committee Report**


**Intelligence and Security Committee Report**

Senator FAULKNER (New South Wales) (16:55): I present the report of the Parliamentary Joint Committee on Intelligence and Security on the Review of the listing of AQAP and the re-listing of six terrorist organisations. I seek leave to move a motion in relation to the report.

Leave granted.

Senator FAULKNER: I move:

That the Senate take note of the report.

On behalf of the Parliamentary Joint Committee on Intelligence and Security I present the report of the committee entitled Review of the listing of AQAP and the re-listing of six terrorist organisations. This report reviews the initial listing of the terrorist organisation known as al-Qaeda in the Arabian Peninsula and the re-listing of six previously listed terrorist organisations.

Due to the dissolution of the 42nd Parliament and the 2010 federal election,
advice to the committee from the Attorney-General’s Department of the new listing and the re-listings was unavoidably delayed and the committee was therefore unable to review these organisations and report to parliament within the disallowance period. However, the committee did resolve to review the new listing of al-Qaeda in the Arabian Peninsula and the re-listing of six other terrorist organisations, and report to parliament, albeit outside the disallowance period.

Having completed its review, I advise the Senate that the committee would not have recommended disallowance of the regulations for any of these seven organisations had the committee been able to complete its review within the disallowance period. As with previous committee reports on listings and re-listings of terrorist organisations, this report identifies issues relating to the current nature and reach of each of the organisations, with particular emphasis, in the case of the six re-listings, on developments since the committee last reviewed these organisations. This is the first listing of al-Qaeda in the Arabian Peninsula—also known as AQAP. The committee took evidence that AQAP has been involved in a number of terrorist attacks in the Arabian Peninsula, both within and outside Yemen.

The committee noted that in February this year the ABC’s Foreign Correspondent television program reported that Yemen is ‘al-Qaeda’s new frontier and a launching pad for Jihadi inspired terrorism’ and that the leader of AQAP, Anwar al-Awlaki, is drawing recruits ‘from many nations around the world, including Australia’. The International Centre for the Study of Radicalisation and Political Violence has recently confirmed the activities of AQAP and its links to Australia, as described in Foreign Correspondent.

Terrorist attacks which AQAP has recently claimed responsibility for include on 7 January this year, 12 soldiers were killed when AQAP militants attacked three military vehicles in the city of Lawdar in Yemen. On 29 October last year, two improvised explosive devices sent from Yemen using international courier companies were intercepted in the United Kingdom and in the United Arab Emirates. The devices were disguised as packages and addressed to synagogues in Chicago. AQAP claimed responsibility for sending these devices. In claiming responsibility for the attempted IED attacks mentioned above, AQAP further claimed to have been responsible for the downing of a UPS cargo plane in Dubai in early September 2010 in which two crew members were killed. And on 23 July 2010, AQAP militants ambushed a military patrol in Shabwah province in Yemen, killing six soldiers.

The committee found that AQAP is engaging in activities that satisfy section 102.1 of the Criminal Code.

This is the fourth relisting of al-Qaeda, Jemaah Islamiyah, al-Qaeda in the Lands of the Islamic Maghreb, Jamiat ul-Ansar and the Abu Sayyaf Group; and it is the third relisting of al-Qaeda in Iraq. In each case the committee was satisfied that each of these groups continues to engage in terrorist activities which could be a threat to Australians or Australian interests either here in Australia or overseas.

I should note that, in reviewing the evidence in support of the listings, the committee draws largely on the Statement of Reasons which is prepared by ASIO in conjunction with the Attorney-General’s office. Completion of the Statement of Reasons would normally be at least one or two months prior to the committee writing its report. In order to take into consideration the
very latest information about each group, the committee often refers to information on Jane’s Terrorism and Insurgency Centre website to support the evidence provided in the Statement of Reasons and some of that information may be more up-to-date than that contained in the ASIO Statement of Reasons.

I reiterate that had the committee been able to report within the disallowance period, it would not have recommended disallowance of the regulations in relation to any of these seven terrorist organisations.

Mr President, I commend the report to the Senate and I seek leave to continue my remarks.

Leave granted.

FIRST SPEECH

The PRESIDENT: Pursuant to order, I now call Senator Urquhart to make her first speech. I ask honourable senators that the usual courtesies be extended to her.

Senator URQUHART (Tasmania) (17:02): Thank you, Mr President. I wish to acknowledge the traditional owners of the land on which we meet and pay my respects to their elders. I am proud and humbled to be a representative in the Australian Senate for the people of Tasmania—an idyllic island state where I was born and raised. This great country, Australia, provides opportunities for people from all walks of life, regardless of their educational qualifications, to work hard and make a better life. My working life began on the afternoon shift at the potato factory in Ulverstone, and who would have imagined that beginning would have led me to be standing here today delivering my first speech.

Australians can achieve anything with desire, hard work and opportunity. From those first few months on that factory floor I have spent my life representing workers, those who felt they did not have the capacity or the opportunity to speak up for themselves. It is my goal in this place to represent all Tasmanians and, in particular, those Tasmanians who struggle to be heard. I stand here today as one of six Tasmanian Labor senators, one of three Labor women elected on the 2010 Senate ticket. Congratulations to Helen and Lisa, I look forward to working with you both, along with Carol, Catryna and Nick.

I was born in Latrobe, Tasmania, the second child of Tom and Betty Polden. My older sister Jan, younger brother Adrian and I had a happy childhood. I have fond memories of the time spent with our grandparents, Nanny and Granddad Blazely, who worked a dairy farm at Meander—a beautiful farming community nestled under the Great Western Tiers. Granddad worked hard all his life. When he was young, he worked in the bush splitting shingles and squaring sleepers.

I recall mum telling us that when she was a toddler, she lived with Nanny and Granddad in a bush tent outside Eden, in New South Wales, so Granddad was able to work in the bush. This would have been an extremely hard place for Nanny to be raising a child; something we would not entertain today!

Sunday lunches were nearly always held at Nanny and Granddad Polden’s home at Quoiba near Devonport. The family feasted on the traditional roast meal, and we would never get out the door without a basket full of food for our school lunches. My favourites were Nanny’s chocolate brownies and raspberry slice, and even with the exact recipe I can never get them to taste the same as when she made them. How lucky I am that I was able to grow up having such great times with my grandparents.
It is great to look back and know that our children also grew up to experience love from all four of their great-grandparents as well. My mum is the eldest of 11 children, while my dad was an only child. Mum was determined that we would have all the chances in life that she was never able to. I was able to learn ballet and piano and enjoy many other experiences my mother could not have. I always dreamed of being in the Australian Ballet, but unfortunately by the time I was old enough they did not make tutus in my size!

Dad was extremely proud and excited when I was elected to the Senate last year, as he was with all of his children’s achievements. He was looking forward to being here tonight, but sadly he passed away on 16 May following a short illness. Although Dad isn’t here today, he was able to enjoy the knowledge that I had been elected, and we did get to celebrate both this and the achievement of my sister obtaining her advanced diploma in nursing last year, with Dad insisting on taking us all out to dinner. Dad, you are greatly missed by us all, but we are richer for having such a wonderful man as our father.

In July 1980, I commenced work at the Edgell-Birds Eye factory at Ulverstone, now Simplot. I worked afternoon shifts so my husband, Graham, could care for our four-year-old twins, Jason and Belinda, after his day at work. It was here that a work colleague and friend, Jenny Clarke, encouraged me to become a union delegate for the Food Preservers Union. Ten years later, in August 1990, I became an organiser with the Food Preservers Union, which later amalgamated to become the Australian Manufacturing Workers Union, the AMWU. Following this amalgamation I had the pleasure of representing not only food workers but also metal workers, print workers, vehicle workers and technical workers—quite a diverse group. This provided me with the opportunity to meet people from right across our great island state. In doing this I regularly clocked up over 50,000 kilometres each year. After six years as the AMWU’s Tasmanian President and with the support of Senator Doug Cameron, who was then the National Secretary of the AMWU, I became the first female state secretary of the AMWU in 2004, and held that position until May this year.

My union has a strong history of representing the rights of its members and of setting the progressive agenda for all workers. The AMWU seeks to create opportunities for jobs growth and is not about turning a blind eye to progress. The AMWU is the driver of innovation, which is demonstrated in the AMWU plan for low-emissions industry and technology development in Australia—a plan that was released in May this year. I would like to pay tribute to the current national leadership of Dave Oliver and Paul Bastian, two great union leaders who I have had the pleasure of working with over many years.

There is much commentary about these roles. The term ‘union boss’ is flung around by parts of the media and those on the opposite benches as some sort of a negative. Well, I am proud to have been a union boss. It is a job that is hard work, but it is also extremely satisfying. I have spent many bitterly cold Tasmanian mornings and late nights at work sites, providing information to members, listening to their concerns and then bargaining on their behalf. I have held positions on both the ACTU and Unions Tasmania executives, as well as on Tasmanian industry councils. In these roles my focus was always on protecting and strengthening workers’ rights and long-term jobs growth for our future. I am and will
always remain a proud member of the AMWU.

The years I spent in the trade union movement also led me to take an interest in politics and I joined the Australian Labor Party in 1995. I have represented the AMWU at every Tasmanian state conference since 1995, putting forward motions dealing with workers compensation, training opportunities and improving conditions not just for AMWU members but for all workers. Although none of our motions were opposed, progress in getting these improvements to legislation has been slow. For many years the same motions would be proposed, and I am heartened to say that some progress has been made in some of these areas. My work as a union official would not have been possible without the hard work of AMWU delegates representing union members in their workplaces. The delegate's role is one of the hardest jobs in the union. Rarely is the delegate rewarded with even a thank you, and when times in a workplace are difficult delegates are usually the first person workers will go to. To all the delegates I have worked with, I say: ‘Thank you for the role you have played and continue to play. Thank you, for ensuring union members are represented in their workplaces. And, thank you for the support you provided me as an official.’

My time with the AMWU provided me with many long-lasting friendships and great comrades. I have worked with many loyal and committed people, in particular, my dear friend Jennifer Dowell. We carry with us always our days with the 'foodies'. We forged not only a great working relationship, but a friendship for life, and I am pleased that she is able to be here tonight. The list is long but I would also like to mention, Shane Littler, Donna Sargent, Peter 'Secret' Cozens, John Short and my friend Bryan Green, the Deputy Premier of Tasmania. These people were great to work with and we have some unforgettable memories.

During my years in the trade union movement, there has been a change of workplace culture in many areas of the Australian manufacturing industry, particularly in the treatment of women in the industry, although there is still more to do. Gone are the days where women could not drive forklifts, because it was a 'man's job'. Gone are the days when women were given the lower paid jobs and the men were given the higher paid jobs. Now the jobs are awarded on skills not gender. Unfortunately, this struggle has not been won across all sectors. We still have a way to go in the community, retail and childcare sectors.

I welcome the historic decision by Fair Work Australia in May this year that recognises that social and community services workers in the not-for-profit sector are underpaid and that part of the reason is that this sector is female dominated. I also recognise the support that the Australian and state Labor governments have provided in their submissions to this case, I await with interest Fair Work Australia’s decision on the level of the pay increase. It is imperative that all governments, state and federal, work together to meet their responsibilities and provide funding increases that the independent umpire decides are appropriate.

One of the most significant campaigns organised by the trade union movement, that I have been involved in, was the Your Rights at Work campaign. This campaign saw the end of WorkChoices, legislation in which many workers’ conditions were put back decades. Workers no longer felt they could speak up for fear of reprisal, something no human being should feel. Australians should have the right to go to work, participate in their workplace, be shown respect, receive a decent wage and get home safely to their
family. This was one of the most well-known and effective campaigns during my years in the trade union movement. I am honoured and proud to have played a role in it and in the abolition of WorkChoices. As Martin Luther King Jr said:

History is a great teacher. Now everyone knows that the labor movement did not diminish the strength of the nation but enlarged it. By raising the living standards of millions, labor miraculously created a market for industry and lifted the whole nation to undreamed of levels of production. Those who attack labor forget these simple truths, but history remembers them.

I say: may we never see anything like Work Choices before this place again.

As I outlined earlier, I worked at the Simplot factory in jobs which are labelled by many as unskilled. Well, I stand here today to dispute this. Having been one of those 'unskilled' workers, I know just how many skills are needed to run the machines within the factory, how many skills are needed to conduct tests in the laboratory, how many skills are needed to pack the product ready for distribution and how many skills are needed to inspect the product to ensure food safety is paramount, and I know that all these jobs require a high skill level. The AMWU food division has sought to ensure that food workers, these so-called unskilled workers, have their skills recognised within the structure of the Australian Qualifications Framework. This has been an extremely long road, with resistance from many employers. There was a fear that providing workers with recognition of their skills would cost them more, with no benefits. Through the hard work of my union, its delegates and its members, food workers in many food and confectionery factories are now recognised for their on-the-job and other training. This competency based training counts towards a trade qualification, providing evidence to employers of the skills a worker possesses.

Some employers now recognise the benefits of competency based training results in improved information for management on the skills a worker holds and any future training requirements that are needed. Productivity levels have increased and, also importantly, morale in these factories has improved.

I recall when the Simplot Scottsdale factory closed in 2003. It was important to ensure the workers were given recognition of the skills they had learnt on the job over the years of their employment. Many of these workers had joined the workforce directly from high school and some had even left school early to work at the factory. A number of them had low levels of literacy and numeracy. For most workers, the skills learnt on the job had never been linked to a qualification. People did not think they would need to worry about it—management or workers. But all workers had skills that could be transferable to a new workplace.

On one occasion at the factory, I was having a conversation with Wally, who had worked there for over 35 years. I asked him what he thought he might do after the closure and whether or not he had obtained any certificates through recognition of prior learning. Wally told me that he was not sure that he would have any qualifications, other than his BA. I was taken aback. I thought, 'How did Wally have the time to complete a Bachelor of Arts while working shift work for so many years?' And Wally did not strike me as being someone who would be interested in this type of qualification. I said to him: 'I didn't know you had a BA! When and where did you do that?' He replied, 'I did it couple of years ago when it was offered across the factory.' He and some others had done it together. This made me more inquisitive. After more questioning of him, I learnt that Wally’s BA was a certificate for his breathing apparatus training. It was the
acronym that he and his workmates had used for the course. Wally was extremely proud of his competency and that it had been recognised with a vocational certificate. For many of these workers, like Wally, who left school at an early age, obtaining a certificate to recognise their skills gave them a sense of accomplishment they were rarely able to experience.

Competency based training has given food workers the opportunity to obtain a qualification that is equal to that of tradespeople. The recognition of prior learning importantly also gives workers a sense of achievement that they have never experienced before. Men and women like Wally, whose years of toil and years of being told that they are 'unskilled', are provided with a certificate that says, 'We recognise what you’re capable of.' All workers, regardless of their previous education, should be able to achieve a qualification that has portability for them to take wherever their life takes them.

I would like to thank my friend Les Cameron for the support, knowledge and assistance he has given to me and those workers over the many years of the implementation of the food processing certificate qualification. Les’s manner and the way in which he goes about his role makes people with all levels of education feel comfortable about having their skills recognised within the structure of the Australian Qualifications Framework.

The path my life has taken would not have been possible without the love and support of my parents, Tom and Betty. Mum is here tonight. Thanks, Mum, for always being there and giving us all those opportunities. To my husband of 35 years, Graham, you have always been there to support me, always been there to accompany me and always been prepared to offer advice, even when I thought I did not need it. I thank you for your unconditional love.

My thanks also goes to my sister Jan, who could not be here tonight. She is busy preparing to donate a kidney to her husband, Max. The achievements you have made in your life have been an inspiration to me. And thanks to my brother, Adrian, and his wife, Kim, who have come from Karratha to be here tonight. Your constant interest and encouragement in the choices I have made have always meant a great deal to me. Thank you also to all my extended family. To our two children, Jason and Belinda, you have grown into adults that we are extremely proud of. You are providing a safe, loving environment for our four grandchildren. Thank you both. Belinda and her husband have recently moved back to Tasmania from Western Australia. It is great to have them back home and to have them here tonight. Our eldest grandson, Shaun, is in his third year of a boilermaker-welder apprenticeship—something he dreamed of doing for several years. When he was in grade 10 he was even more positive that an apprenticeship was what he wanted to do. His mother said to him, 'If that's what you want to do, then go for it.' Although quietly spoken and reasonably shy, he went out and did just that and he is now excelling at his trade and loving it. Aydan, our second eldest, is in grade 8. Since returning home he is enjoying the lifestyle that rural Tasmania offers. It is great to have one of our grandchildren so close. We hope Shaun will return from Western Australia when his apprenticeship is completed.

Our two youngest, Charlize and Cody, are also in Western Australia, with their parents, Jason and Hayley. They could not be here tonight because of work commitments, but I know they are here in spirit. As a grandparent, I hope they are able to have every opportunity to achieve whatever they
want from life. I know their parents will assist them in achieving their goals.

I see it as my role in this place to ensure that we leave to our grandchildren an Australia that is better than it is today. My party, the ALP, is the party to do that. It is a party that has a long-term vision for this nation. It is all well and good for the Premier of Western Australia, Mr Colin Barnett, to take cheap shots at the Tasmanian economy. What Premier Barnett conveniently forgets is that Tasmania is in fact the second-fastest growing state economy in Australia. We are growing faster than Queensland, Victoria, New South Wales and South Australia. Tasmania has come a long way under a state Labor government. Our unemployment rate has gone from double digits to around 5½ per cent. Our population has grown, and we have the second-lowest taxation severity of all states. We do make a fair contribution to the national economy, and in many areas we lead the nation. Tasmania continues to be a state of opportunity.

And some credit for the resilience and strength of the Tasmanian economy must be given to the track record of the state Labor government. I am currently a Tasmanian ALP vice-president. I thank the state ALP for the support they have provided me. Since joining the ALP I have met many great people and made many friendships along the way, and I would like to mention just a few of these. I thank Senator Carol Brown for her friendship and guidance. Carol is always there for that reality check when needed. I also thank Carol's staff, Brenton, Stuart, Julie and Rikki, for their ongoing support and assistance; Julie Collins, Parliamentary Secretary for Community Services—a hardworking and outstanding member for Franklin; John Dowling, State Secretary of the ALP, for his good humour, advice and assistance; and the Tasmanian Young Labor group: you are an inspiration, and I know our great party will be in good hands into the future.

To the members of the Bridgewater/Brighton and Leven branches of the ALP: it has been great being a rank-and-file member of your branches. I thank the many branches who sent letters of congratulation on my election to the Senate. I thank my great staff: Lyn, with whom I have worked for the past 20 years; Amanda; and Matt. They are all here tonight. And I thank Ian, who just joined us a couple of weeks ago and is holding the fort back home.

I also thank the Clerk of the Senate and all the staff here at Parliament House. Your knowledge, support, friendliness and assistance has been invaluable in working through the maze of information, areas and procedures of this house. I have had the pleasure of working with an enormous number of people from many backgrounds over the past 30 years. Each of them has given me experiences, some I have enjoyed and want to remember; some I would rather forget. But they have all been experiences and part of life's learning, and I guess the experiences I have here will be similar. I am excited by the challenges and opportunities this place brings. During my time in this place I want to be a voice for those who need a voice. I want to offer a helping hand to those who need it and be a strong advocate for Tasmania. I hope that I can contribute to ensuring a better Australia for Shaun, Aydan, Charlize, Cody and for all our grandchildren.

FIRST SPEECH

The PRESIDENT: Order! Pursuant to order, I now call Senator Waters to make her first speech and ask honourable senators to extend to her the usual courtesies.

Senator WATERS (Queensland) (17:28): I am so pleased that we start our day in this chamber acknowledging the traditional custodians of this land, the Ngunawal
people. To that daily ritual, I add my personal respects to this ancient and enduring culture of our land. It is with great pride that I give my first speech today, the first ever speech of a Green senator representing Queensland. Queensland has a long history of green activism but it has taken us 20 years to gain a seat in federal parliament. So today is a historic occasion.

I am privileged to be the first Green elected at any level of government in Queensland. A congruence of history, many years of campaigning by dedicated people, the inspirational leadership of Senator Bob Brown and being in the right place at the right time have meant that this remarkable opportunity has fallen to me. Expectation is high and need is great for there are many pressing issues confronting Queensland.

I want to begin by paying tribute to the Queensland Greens members whose efforts over those long years have put me here today, particularly Drew Hutton and Libby Connors, and more recently Ian Gittus, Mark White and Sam La Rocca. I stand on their shoulders and draw on their wisdom. Likewise, I would not be here without the thousands of committed Greens members, volunteers and campaign workers who share this victory today. Some of them are in the gallery tonight, including the former Democrat senator, and now Greens member, my friend Andrew Bartlett. I am touched that they are here to share this moment.

To my eternally hardworking staff, who are also here tonight: thank you for everything you do for me. Collectively, we will make a difference, and let us have fun doing it. It is a great honour but also a huge responsibility to stand here as the voice of 312,000 Queenslanders who voted one year ago for a fairer and more sustainable future. I hope to do justice to their faith and trust in the Greens.

Eight months ago, our state suffered its worst flooding since 1974, with devastation of our towns, our countryside and our homes and, tragically, the deaths of 35 Queenslanders, four of them children. The sheer destruction was almost incomprehensible. And yet from the depths of this loss grew a great sense of common purpose. People rallied to help neighbours and strangers alike. I will never forget the image of a man rescuing an injured kangaroo joey from floodwaters, carrying it in his arms to safety. There were countless acts of great selflessness and bravery. Overwhelming adversity was a great unifier.

It is the confidence born of that deep community spirit which gives me unshakeable hope for our future. The challenges we face are great and the experts are telling us that we must act quickly—more quickly than those with vested interests in the status quo would like, but we will make it. Despite the awesome global task of arresting climate change and preserving this wondrous planet for years to come, we will do it.

That determined optimism is what drives me in this place. It is what keeps me going despite the long hours away from my two-year-old little girl, Lana, who is upside down up there in the glass gallery. When she is older, I want to be able to tell her that I did everything I could to give her a better future and to ensure that she can enjoy the beauty and the diversity and the glorious joy of this one planet and its multitude of species.

In another life, I went to drama school, so indulge me a Shakespeare reference. Hamlet, in one of his regular self-pitying moments, laments 'the beauty of the world, the paragon of animals' as 'a sterile promontory' and 'a quintessence of dust'. He needed to get out more. And clearly he had never been to Queensland. My home state is blessed with
verdant rainforests, stunning beaches, rich but scarce farmlands and abundant community spirit. Queensland has a vast and rugged beauty. And we have the privilege of living on the shores of the Great Barrier Reef, the largest coral ecosystem in the world, an internationally significant biodiversity icon.

Like many other Queenslanders, I feel a fierce protectiveness towards our reef. From my first visit at age 11 to a remote reef island as part of a turtle-monitoring expedition—thanks, Dad—I have loved this underwater paradise. I am not alone. Today it supports a $6 billion tourism industry which employs 67,000 people. Yet this great employer and money-spinner for Queensland, this ancient natural wonder, is being turned into a coal and gas highway in the race to double Queensland’s coal exports by 2030 and ride the coal seam gas boom for its 25-year life span in the dying days of the fossil fuel industry. It is a great irony that the burning of those fossil fuels is endangering our coral ecosystems through ocean acidification and increased water temperatures, just as the proliferation of massive tankers and the millions of tonnes of dredging—for new coal and gas ports—within the reef world heritage area are directly threatening our reef.

The extraction of coal and coal seam gas is also threatening that other great Queensland industry—agriculture. Just 2.2 per cent of Queensland is good quality agricultural land, yet the coal and coal seam gas miners want to go into our best food-producing land sitting on top of the Great Artesian Basin and turn our food bowl into an industrial wasteland. You cannot eat coal and you cannot drink gas. It beggars belief that neither the state government nor the federal government is taking a long-term view of how we are going to feed ourselves if the groundwater table drops or if those aquifers are contaminated. The coal seam gas industry is still trying to work out what to do with the billions of litres of water it extracts from coal beds. It does not need a water licence, and it considers water a waste product. In this driest continent on the planet, who could ever conceive of water as a waste product? Food security should be beyond politics and it should not be sold out for short-term royalties and offshore private profits. We simply do not know enough about our underground water resources to understand what new connections gas well drilling and hydraulic fracturing might create. We need a moratorium on new approvals until we fully understand the risks—the precautionary principle demands it and the community demands it.

Likewise, there is no coexistence between open-cut coalmines and farming. Those huge, 30-megatonne mines eat up the landscape. Those generational farming families of our rich Darling Downs should be applauded for the strength of their spirit and their campaign against this rapacious industry. Why risk it, when we have alternatives to energy production but no alternatives to food? We have wonderful solar resources in Queensland, some promising geothermal deposits, wave and tidal potential and, to a lesser extent, wind. Innovative nations like Spain are rolling out remarkable new solar thermal technologies that can supply baseload solar power. I want to see Queensland have a part in that. I want Queensland to lead the way, lead Australia’s charge to the new low-carbon economy.

Numerous reports tell us that renewable energy generation is more job intensive than old coal, and that we have the technological capacity to power our nation with 100 per cent renewable energy within a decade. That is such an exciting prospect, environmentally and economically. We need to be making plans now for just transitions for coal based communities so no-one is left behind when
the day comes that the world does not want our coal anymore. Getting rid of the $11 billion of fossil fuel subsidies would be a good and fiscally responsible start.

The carbon price is another vital step. I cannot think of a greater honour than to be part of the parliament that passes climate laws, including the complementary measures like $10 billion for renewable energy and $1 billion for biodiversity. That will be a great day for this nation. It is the tireless work of my dedicated and incredibly bright colleagues that will deliver a carbon price. I want to thank all of them for being a constant source of inspiration to me, particularly Bob and Christine. I feel so privileged to be part of this visionary and brave team.

I come to this place from the community legal sector, from one of 200 of Australia’s vastly underfunded, non-government, not-for-profit legal practices. Eschewing the emptiness of corporate legal work, I spent the bulk of my working life on an award wage as a public interest environmental lawyer at the Environmental Defenders Office in Brisbane, an organisation which is a great unsung hero of many legal improvements in Queensland.

It was a privilege to work with individuals, community and environmental groups who sought to use the law to protect the environment, those busy folk who took time from their own working and family lives to fight for causes bigger than their own self-interest. They did not sit back and accept bad environmental outcomes; they did not allow developers or government to get away with unlawful conduct; they were not deterred by the sheer magnitude of the David and Goliath challenge to powerful interests. They put their time, their money and themselves on the line and fought for the public interest. They remain my heroes.

Working in a community legal centre brought home to me the lack of genuine access to justice. Having good laws on paper does not do much if people are not aware of their rights, are not able to enforce them or cannot even afford legal advice to know where to begin. The risk of crippling court costs in public enforcement cases, the sheer complexity of environmental laws and the lack of understanding of the handful of rights people actually have to protect the environment all need redressing. We need legal aid for the environment, and all community legal centres need more recurrent funding for services—and decent wages at least in parity with the public sector.

I would like to thank my boss at EDO, the gracious yet tenacious Jo Bragg, for her tutelage on law, politics and negotiation. I miss her companionship, gentle guidance and constant support of me. She is a true friend and mentor. During those nine years at EDO I am particularly proud of using our federal environmental laws to stand up for the Great Barrier Reef and being part of the team who successfully argued that, when conducting environmental impact assessment, the federal minister must take a broad approach and must consider the purpose for which development is proposed. In that case, it meant that the EIS for the proposed Nathan Dam on the Dawson River needed to consider the likely run-off of endosulfan and other pesticides and fertiliser into, ultimately, the Great Barrier Reef. It was also an honour to work on a case that protected 896—we counted them—rare and threatened plants in World Heritage quality rainforest on beautiful Springbrook Plateau in the Gold Coast hinterland, one of my favourite places in the world.

But those wins were, sadly, rare. Over the years I grew increasingly frustrated with the limits of the law to achieve good environmental outcomes. I got sick of having
to tell people that they had no legal rights to stop that new coalmine, or protect that local patch of bushland, or stop that infrastructure going right through koala habitat. I realised that the laws needed changing to give people more rights to stand up for the environment for the common good. That is what encouraged me to seek change through politics.

Our family was never very political, but a reverence for nature and a love for all living creatures was imbued in my upbringing. I won the environment prize at Rainworth State School in grades 4, 5 and 6, and my sense of injustice was ignited in my early teens when reading David Day’s *Whale Wars* about the international whaling fights of the 1980s. At 14 I turned vegetarian because of my love for animals and later for ecological reasons, and I have continued that decision for 20 years now.

The Greens were the only choice for me. No other political party captures my beliefs and values so entirely, operates with unfailing integrity and honesty, stands up for what is right even if it is controversial, and has living within our ecological means and treating each other with more kindness as its central tenets.

In that decision I have been supported by my family. My parents always encouraged me to stand up for what I believe in and I would not be here without their teachings. They are in the gallery today along with my wonderful stepparents, Mum and Nick, dad and Anne, thank you for your patience, love and support. I hope to do you proud in this place. I want to particularly thank my mum, Lorraine, who is now giving up a well-earned retirement to be our part-time nanny. From being the best mother in the world to me, she is now the best grandmother a girl could hope for. I couldn't do this without her. Not everyone is as lucky as I am, so we need better support systems for women, particularly young women, to encourage them into politics. I thank the strong women who have gone before me in this place and paved the way.

My stepsister sadly can't be here today but my aunt and some dear friends are—it means a lot that you are here.

To my partner, Brendan, I love you. Thank you for letting me do this and for always knowing what to say. You are a wonderful father to our little girl, Lana, and I am so lucky to have you. To little Lana, who is running around up there, you are the light of my life and it is you that keeps me going. Although you are too young to understand, I hope you will be proud of your mum, and learn to dream big.

I often wonder what the world will be like when Lana is my age. Despite my unfailing positivity, with a world population heading for 9.2 billion by 2050, I worry at the scarcity of resources and I despair at the inequity of their distribution. We need to address the sheer numbers of humans on this fragile and finite planet, but we must also address our overconsumption. We are richer now than at any time in history, we have more stuff, but are we happier? The endless treadmill of consumption is not enriching our spirit or fulfilling us. As a society we are becoming more detached from the natural world and from our communities.

But as a shameless optimist, I can envisage a different future. I see sustainable cities and towns, with active, healthy citizens who have better work-life balance and the time to engage in their local communities, in settlements designed for people and not cars, with local health and educational services and local food production—real communities.

I am not alone in these aspirations. The relocalisation movement is, somewhat
ironically, going global, and for good reason. The impact of our current consumption is such that we need 1.5 earths to fuel our greed, and with population growth patterns and business as usual we would need two planet earths by 2030. We have presided over the fastest rate of species extinction in history, sending biodiversity into massive decline. I do not believe that we have the right to do that. We are caretakers of this unique planet and we need to deliver it to future generations and to other species in better condition than we inherited it. To do that, we need to start living within our ecological means and address the disparity of wealth that sees millions of children living in poverty without clean water or enough food. We must recognise that in a finite system there must necessarily be limits to growth, and that we can have shared prosperity without growth. And above all, we must recognise that the economy is a wholly owned subsidiary of the planet. In this great time in history, when the fate of the world and its life support systems is so finely balanced, we in this place must have the courage to be leaders in our community and yet also give voice to our communities. I see a lot of lobbyists walking these halls—powerful vested interests, captains of industry. I see fewer non-government organisations and very few ordinary community members. As the only Queensland senator from outside the major parties, I want to give progressive Queenslanders their voice back in this parliament.

If, when my time is up, I leave this place having contributed in some small way to improving our environmental laws with better community rights, consideration of cumulative impacts, and federal oversight of water, the lawyer in me will be delighted. If I leave this place having been part of putting a price on pollution to protect the Great Barrier Reef, the mother in me will be happy. If I leave this place having delivered better funding to community legal centres, seeing the proceeds of our mineral wealth shared more fairly and helping vulnerable people in our community of all creeds, the humanist in me will rejoice. If I can do all of those things, I will feel that my time away from my little girl and my family was worth it.

For many years I have had a screen saver which says, 'Make a difference.' Now more than ever I have that chance and I am grateful and so humbled by it. It is with a big heart and a passionate belief in the goodness of humanity that I undertake this journey. I hope to play a part in creating a fairer, safer and happier future for the generations to come. I look forward to working with all of you to do so. Thank you.

**COMMITTEES**

**Membership**

The **ACTING DEPUTY PRESIDENT** (Senator Moore) (17:52): The President has received letters from party leaders requesting changes in the membership of various committees.

**Senator LUNDY** (Australian Capital Territory—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Immigration and Multicultural Affairs) (17:52): by leave—I move:

That senators be discharged from and appointed to committees as follows:

*The document read as follows—*

**Education, Employment and Workplace Relations Legislation Committee**—

Discharged—Senator Cash
Appointed—Senator McKenzie

Participating member: Senator Cash

**Education, Employment and Workplace Relations References Committee**—

Discharged—Senator Cash
Appointed—Senator McKenzie
Substitute member: Senator Siewert to replace Senator Rhiannon for the committee’s inquiry into disability employment services

Participating members: Senators Cash and Rhiannon

Treaties—Joint Standing Committee—

Appointed—Senator Fawcett.

Question agreed to.

DOCUMENTS

Act of Grace Payments

Order for the Production of Documents

Senator CORMANN (Western Australia) (17:52): I have been advised by the Deputy Clerk that this is the area in which I can seek leave to move a motion, because it relates to the tabling of documents, including those pursuant to orders. I seek leave to move a motion relating to a statement tabled by the government.

Leave granted.

Senator CORMANN: I move:

That the Senate take note of the document tabled earlier today.

Yesterday the coalition proposed a motion to the Senate that there be laid on the table by noon today the number of act of grace payments approved by the minister since 24 November 2007 where the department recommended against approval and also provide the reasons for approval, the dates of approval and the value of each of the above act of grace payments.

This follows on from a discussion during Senate estimates and a question that was put on notice after Senate estimates in May. And of course no answer was provided for more than 70 days. When an answer was eventually tabled, it was that the government was not going to provide us with that information.

I will quickly explain why it is particularly important for the Senate to get access to this information. In relation to act of grace payments if they are requested and denied there is an appropriate process where people can appeal against that decision and there is proper scrutiny and checks and balances. However, there is a real question mark around the capacity to scrutinise decisions where act of grace payment requests are approved by the there is a question whether the approval by the minister is actually contrary to departmental advice. The party that has received the payment is hardly going to complain and there is no obvious way at present in the system where there can be proper scrutiny and some proper checks and balances applied to ensure that, where ministers make decisions to grant act of grace payments against the advice of the department, these decisions are actually proper decisions that have been made for proper reasons that can be justified in the public domain. I understand that, when you make decisions in relation to individual circumstances, there are privacy considerations, which is why the question on notice and the order were very carefully crafted. We know that the government has this information, because there has been some communication around, as I have mentioned, particularly in the context of Senate estimates.

Yesterday, without any notice and without any prior communication, Senator Bob Brown, the leader of the Greens, who tries to present himself as a champion of openness and transparency and of scrutiny of government activities, moved amendments to this motion. They were ultimately passed by the Senate with the support of the government. The party that has received the payment is hardly going to complain and there is no obvious way at present in the system where there can be proper scrutiny and some proper checks and balances applied to ensure that, where ministers make decisions to grant act of grace payments against the advice of the department, these decisions are actually proper decisions that have been made for proper reasons that can be justified in the public domain. I understand that, when you make decisions in relation to individual circumstances, there are privacy considerations, which is why the question on notice and the order were very carefully crafted. We know that the government has this information, because there has been some communication around, as I have mentioned, particularly in the context of Senate estimates.

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decisions that were made on act of grace payments. I flagged yesterday in the Senate that the government would use that expansion as an excuse not to provide information, given the workload that would be involved. What Senator Brown did yesterday was to play a trick to help the government get off the hook of facing up to scrutiny from the Senate. Of course, our job in the Senate right now is to scrutinise the activities of this government.

As I said yesterday, I am totally relaxed about expanding the order, but I am not relaxed about the fact that the government is now predictably using the Brown amendments as an excuse not to provide any information at all. If you look at the statement that was tabled in the Senate this afternoon by the Parliamentary Secretary to the Prime Minister, you will see that it says that they have:

... commenced work to determine the nature of the work involved in answering the order.

Senators will note that the Senate's decision to expand the scope of the request to cover claims since 1996 substantially increases the workload required to meet the request.

Producing the response will require a substantial diversion of departmental resources. This being the case, the Special Minister of State advises that a further response will be provided to the Senate in due course.

What that really means is that, as I mentioned yesterday, it would have been much more sensible for Senator Brown, if he was really focused on having an appropriate comparison between a sample of decisions in the period under the former government and decisions under the current government, to have moved a motion to cover a similar period to that covered by the motion we put forward. But that is not what this is about. Senator Brown was trying to protect the government from the effects of this order, insofar as it applied to decisions made since 24 November 2007. He successfully manoeuvred to minimise scrutiny of government activities and government decision making around the act of grace payments, which is no doubt a great relief to the government.

I am intrigued about how this all happened. The government supported the amendment to expand the scope of the order from 24 November 2007 all the way back to 24 November 1996, then voted against the amended motion and is now using the fact that the scope has been expanded—an expansion that it voted for—as an excuse not to provide any information at all. This is a government that is secretive, that is not open and transparent, that does not want its activities scrutinised and that quite obviously has something to hide.

I put this into the context of instances, internationally, which were reported in the media quite recently, of a particular minister for finance in another jurisdiction who was accused of making inappropriate decisions around act of grace payments favouring somebody, and the allegation was that it was inappropriate. This is an entirely proper area of scrutiny for the Senate to ask questions about and to get answers from the government about the circumstances in which act of grace payments are approved when the particular approval is actually against the recommendation of the department that has assessed all of the circumstances of the case. There currently is absolutely no capacity to scrutinise whether these decisions have been made for proper reasons. I am concerned about it. That is why I asked the question in estimates. That is why I asked the question on notice when the government did not provide the information in the course of estimates. That is why I proposed the order. If Senator Bob Brown was truly interested in all of this information rather than just trying to protect the
government, this is an issue that the Senate should revisit in the next little while.

Senator LUNDY (Australian Capital Territory—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Immigration and Multicultural Affairs) (18:00): It is important to point out to Senator Cormann, as he seeks to impose theories upon the chamber about what motivated the government or Senator Brown in relation to the amendment yesterday, what this statement means is what it says. It is worth placing on the record that this government is not only taking a very open approach but we are doing that very comprehensively. Hence I shall take the opportunity to read this statement on behalf of the government so there is no ambiguity and people are not misled by the presentation by Senator Cormann here today.

The statement relates to an order for the production of documents on act of grace payments, agreed to on 22 August 2011:

The Special Minister of State advises that the Department of Finance and Deregulation has commenced work to determine the nature of the work involved in answering the order.

Senators will note that the Senate's decision yesterday to expand the scope of the request to cover claims since 1996 substantially increases the workload required to meet the request.

Producing the response will require a substantial diversion of departmental resources. This being the case, the Special Minister of State advises that a further response will be provided to the Senate in due course.

It is self-explanatory. There is no supposition or tricky theory as espoused by Senator Cormann and I commend that motion to the Senate.

Question agreed to.

BILLs

Education Services for Overseas Students (Registration Charges) Amendment Bill 2011

Education Services for Overseas Students Amendment (Registration Charges Consequentials) Bill 2011

Horse Disease Response Levy Bill 2011

Horse Disease Response Levy Collection Bill 2011

Horse Disease Response Levy (Consequential Amendments) Bill 2011

First Reading

Bills received from the House of Representatives.

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations) (18:03): These bills are being introduced together. After debate on the motion for the second reading has been adjourned, I shall move a motion in relation to the listing of the bills on the Notice Paper. I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations) (18:04): I table the revised explanatory memorandum relating to the Horse Disease Response Levy Bill 2011 and I move:

That these bills be now read a second time.

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

Leave granted.
The speeches read as follows—

EDUCATION SERVICES FOR OVERSEAS STUDENTS (REGISTRATION CHARGES) AMENDMENT BILL 2011

During the height of concerns confronting the international education sector in 2009 the Prime Minister, in her then role as Minister for Education, asked the Hon Bruce Baird AM to conduct a review of the Education Services for Overseas Students Act 2000 and its associated legislation that had originally been planned for 2012. A number of amendments to the ESOS Act were introduced to strengthen registration requirements and require re-registration of all providers by the end of 2010. This interim step was necessary to reinforce the integrity and quality of Australia’s international education sector. When those amendments were passed in February 2010 an undertaking was given to come back with further amendments following finalisation of the Baird Review.

The Government released the final report of the Baird Review on 9 March 2010 and indicated a staged approach in responding to its recommendations. The first phase of legislative changes, passed in March of this year, had a dual focus of risk management and more effective enforcement. Those amendments also introduced changes to the Ombudsman Act 1976 to extend the jurisdiction of the Commonwealth Ombudsman to include students of private registered providers. Consistent with this staged approach, the Government’s response to the remaining recommendations will be considered in a second phase of legislation to be introduced in the coming months.

The ESOS Act protects Australia’s reputation for delivering quality education services. It does this by establishing a regulatory regime for the provision of international education and training services and through this protects the interests of overseas students through the establishment of minimum standards and providing tuition and financial assurance. The ESOS Act also complements Australia’s migration laws by ensuring providers collect and report information relevant to the administration of the law relating to student visas.

Unprecedented growth in recent years has led to education becoming one of Australia’s largest export industries, generating in the order of $19 billion annually and supporting around 125,000 jobs across Australia. In 2000 the number of international student enrolments in Australia was 188,000 which grew to 619,000 in 2010. Consequently, the growth in the student population has led to significant growth in the number of education providers offering services to international students with over 1,100 providers ranging from large universities and TAFEs, public and private schools, to small private VET and English language providers.

Since its commencement in 2000, the ESOS Act has been amended several times to keep pace with a changing industry and is widely recognised as one of the best legislative frameworks for international education in the world.

The Commonwealth recovers the costs of administering the ESOS Act through compulsory registration fees. These are charged to all providers wishing to be registered on the Commonwealth Register of Institutions and Courses for Overseas Students, CRICOS, which allows them to offer courses to overseas students.

The purpose of the Bills I am introducing today is to make amendments to the ESOS Registration Charges Act in response to recommendations from the Baird Review that regulators adopt a risk assessment and management approach to the registration and ongoing monitoring of education providers delivering courses to international students, including the costs to apply at registration and through the period of registration.

The Bills creates a new fee structure focussed on risk to replace the current charging structure for the compulsory annual registration charge payable by CRICOS registered providers. The new annual registration charge is comprised of a $1,300 base fee, a charge of $10 per student enrolment per year together with a $100 charge for each course registered on CRICOS. It also includes provision for a flat fee of $1000 in circumstances where a provider has in the past 12
months had action taken against them for non-compliance under section 83 of the ESOS Act.

Flexibility is afforded for providers that routinely offer courses of less than 13 weeks duration with the introduction of a new provision for each student enrolled in such a course at any time during the year to count as a quarter of an enrolment. This represents a reduction from the current half an enrolment charge for a course of less than 26 weeks, and addresses issues raised in relation to the existing length of enrolment calculation by providers offering courses of a shorter duration to large numbers of students.

The rebased annual registration charge is designed to cover the administrative costs of the registration process and reflect the number of courses offered by each provider, as well as the overseas student cohort, in order to more accurately recoup the costs relative to the size of any supervision, compliance or enforcement activity necessary to ensure that only reputable providers are permitted to operate.

The Bills also introduces an entry to market charge payable for the first three years of registration which will replace the current initial registration charge. A charge of $7,500 will be payable at the time the provider first becomes registered on CRICOS, followed by $5,000 payable at the end of the first anniversary of registration and a further $2,500 at the end of the second anniversary period.

The entry to market charge is designed to recoup the additional costs associated with new applications for registration and the additional supervision required by providers with a shorter history of registration. Evidence suggests that these providers present a greater risk to the sector, so the new entry to market charge will enable better targeting of compliance efforts and shift the regulatory burden to those providers with the greatest risk to quality, the student experience and the reputation of the sector as a whole.

Importantly, these Bills provide a regulation-making power to allow the registration charges to be varied for different classes of providers on the basis of their risk profile. Under this proposal providers deemed to present a significantly lower risk to the market may pay a lesser amount or be exempt from the requirement to pay components of the registration charges. It is expected that any providers qualifying for a variation will be subject to rigorous additional quality control processes.

Overall, the financial impact on providers of a rebased annual registration charge is expected to significantly reduce from its current level. The rebasing of the charge will result in registration charges paid by the sector reducing from $15 million in 2011 to less than $7 million in 2012. As there will be an overall reduction of approximately $8 million in the amount collected from the sector as a whole, the majority of existing CRICOS registered providers will experience considerable relief in relation to this charge. Providers representing a greater risk to the market, such as those with a history of non-compliance and new entrants, may pay more under the new arrangements.

Protection and enhancement of Australia’s reputation for providing reliable and high quality education is crucial for both providers and their international students who rely on the strength of an Australian qualification as they further their careers, both here and overseas.

These Bills continue the Government’s support for the industry and its place in the economy through a strengthened regulatory framework for Australia’s education and training export industry. This follows directly from the Baird Review recommendation and will ensure the long term integrity and viability of this key export industry.

The Government looks forward to bringing the final phase of our response to the Baird Review recommendations later this year.

EDUCATION SERVICES FOR OVERSEAS STUDENTS AMENDMENT (REGISTRATION CHARGES CONSEQUENTIALS) BILL 2011

The Education Services for Overseas Students Amendment (Registration Charges Consequential) Bill 2011 contains necessary consequential provisions to manage the transition to the new registration charges framework which will give effect to the Education Services for Overseas Students Amendment (Registration Charges) Amendment Bill.
The registration charges contained within this Bill will take effect from 2012.

HORSE DISEASE RESPONSE LEVY BILL 2011

The Horse Disease Response Levy Bill 2011 and its two companion Bills will provide a mechanism for the horse industry to meet its obligations under the Emergency Animal Disease Response Agreement, and respond to future emergency disease outbreaks affecting the industry.

Governments and industry beneficiaries have a shared interest in ensuring that an emergency animal disease is brought under control as quickly as possible.

The Emergency Animal Disease Response Agreement is a world-first cost sharing arrangement that enables Australia to respond quickly and efficiently to emergency animal disease outbreaks.

It sets out the roles, responsibilities and cost-sharing arrangements for its signatories. Current signatories to the Agreement are the Commonwealth, all state and territory governments, Animal Health Australia and eleven livestock industries.

Being able to respond quickly minimises the potential impact of an emergency animal disease outbreak on Australia’s agricultural production, valuable exports, the environment and public health.

Livestock industries also receive considerable benefits from a response to an emergency disease in terms of trade and market access, and through minimisation of livestock and production cost losses.

If an emergency animal disease outbreak occurs and it is agreed that a national response is required, the Commonwealth will initially meet a signatory industry’s cost-sharing obligations on the basis that the industry will repay the Commonwealth within a reasonable time period.

Most livestock industries have statutory levies in place to enable them to fund their share of costs of national emergency responses. An emergency animal disease response levy is usually set to zero and only activated when an emergency animal disease incident occurs.

Some industries have chosen to set a positive operative levy to provide the industry with a fund to respond quickly on its cost-sharing requirements, or to invest funds to increase their biosecurity.

The Australian Horse Industry Council, Equestrian Australia, Harness Racing Australia and the Australian Racing Board signed the Agreement on behalf of the horse industry in March 2011.

To enable it to meet its obligations under the Agreement, the horse industry submitted a levy proposal to the Commonwealth. The proposal requested that zero-rated levies be imposed on manufactured horse feed and worm treatments for horses on the horse industry.

In developing the proposal, the horse industry undertook extensive consultation, and a range of levy options were discussed at the national, state and local levels of the horse-owning community. The horse industry decided that the simultaneous application of levies on worm treatments and manufactured horse feed would provide the most equitable coverage of the horse industry.

This Bill and its companion Bills provide the framework for these levies to be imposed, and are an important step in enabling the horse industry to manage future emergency animal disease outbreaks.

HORSE DISEASE RESPONSE LEVY COLLECTION BILL 2011

The Horse Disease Response Levy Collection Bill 2011 is a companion Bill to the Horse Disease Response Levy Bill 2011. This Bill will provide authority for the Australian Government to collect and administer the horse disease response levies.

A separate Bill is necessary as the Australian Constitution requires that provisions dealing with the collection and administration of a levy must be in legislation separate from that which imposes the levy itself.

This Bill also includes provision for periodic review of the levy mechanisms. It requires the Minister to ensure that the mechanisms are
reviewed every 5 years, unless the levies are active at the time the review is due. If this occurs, the Minister has the option to postpone the review until the levies are set back to zero. The Minister will seek advice from affected parties before determining whether the review should be postponed.

HORSE DISEASE RESPONSE LEVY (CONSEQUENTIAL AMENDMENTS) BILL 2011

The Horse Disease Response Levy (Consequential Amendments) Bill 2011 is a companion Bill to the Horse Disease Response Levy Bill 2011. This Bill will make amendments to the Australian Animal Health Council (Livestock Industries) Funding Act 1996.

These amendments will allow for the Australian Animal Health Council, also known as Animal Health Australia, to hold and manage funds raised by the levies on behalf of the horse industry. It will also authorise Animal Health Australia to meet its own costs in managing the funds.

This arrangement will be similar to arrangements that other livestock industries have in place to fund their liabilities under the Emergency Animal Disease Response Agreement.

Debate adjourned.

Ordered that the Education Services for Overseas Students (Registration Charges) Amendment Bill 2011 and the Education Services for Overseas Students Amendment (Registration Charges (Consequentials)) Bill 2011 be listed on the Notice Paper as one order of the day, and the Horse Disease Response Levy Bill 2011 and two related bills be listed as one order of the day

Indigenous Affairs Legislation Amendment Bill 2011

Legislative Instruments Amendment (Sunsetting) Bill 2011

First Reading

Bills received from the House of Representatives.

Senator JACINTA COLLINS: I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the Notice Paper. I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations) (18:06): I table a revised explanatory memorandum relating to the Indigenous Affairs Legislation Amendment Bill 2011, and I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows:

INDIGENOUS AFFAIRS LEGISLATION AMENDMENT BILL 2011

This Bill contains two non-Budget measures relating to Aboriginal land rights legislation and the Torres Strait Regional Authority.

Scheduling of land

The Bill will continue the Government's important program under land rights legislation for the Northern Territory, by adding further parcels of land to Schedule 1 to the Aboriginal Land Rights (Northern Territory) Act 1976.

This will allow the land in question, which includes certain land near Borroloola, and the Port Patterson Islands, to be granted to relevant Aboriginal Land Trusts.

This measure was originally introduced in the Families, Housing, Community Services and Indigenous Affairs and Other Legislation
Amendment (Budget and Other Measures) Bill 2010, but was withdrawn during the passage of that Bill to allow one of the land area measurements to be clarified. The scheduling of these parcels of land through this Bill will help to resolve two long-running and complex land claims.

**Torres Strait Regional Authority**

Secondly, the Bill amends the *Aboriginal and Torres Strait Islander Act 2005* in relation to the Torres Strait Regional Authority established under that Act.

The *Aboriginal and Torres Strait Islander Act 2005* provides for election of members to the Torres Strait Regional Authority. Presently, there is a connection between the election of members to the Torres Strait Regional Authority and the timing of Queensland Local Government elections. This Bill removes this connection, so that elections to the Authority are conducted solely in accordance with the provisions of the Aboriginal and Torres Strait Islander Act.

The Authority has commissioned a governance review of its structure and the method of appointment of its members. The Bill amends the *Aboriginal and Torres Strait Islander Act* to allow for a wider range of options for the composition of the Authority following that review.

**LEGISLATIVE INSTRUMENTS AMENDMENT (SUNSETTING) BILL 2011**

This Bill amends the *Legislative Instruments Act 2003*.

The Legislative Instruments Act provides general rules for the making, registration and sunsetting (that is, automatic ceasing) of legislative instruments. The purpose of the sunsetting process is to ensure that legislative instruments are kept up to date and only remain in force for so long as they are needed.

**Purpose of the Bill**

The main purpose of this Bill is to refine the way in which the sunsetting provisions apply to legislative instruments which commence retrospectively.

The current rule is that all instruments sunset 10 years after they commence. This ensures that all legislative instruments are reviewed regularly and, where they are no longer required, cease to have effect after that 10-year period. This rule also applies to retrospectively commencing instruments. This means that these instruments can sunset less than 10 years after they are made or, in some cases, even before they are made where they need to operate more than 10 years in the past.

This amendment to the Act would provide for a new rule for retrospectively commencing legislative instruments. This new rule would use the date of registration rather than commencement as the relevant starting point for the 10-year period.

This change would allow for instruments to be made with retrospective commencement, but would allow them 10 years of prospective operation before they sunset. This gives rule-makers additional flexibility in making these instruments, without removing the requirement that the instrument be reviewed every 10 years.

The Bill does not alter any other rules in the LIA about when instruments may commence retrospectivity.

**Conclusion**

This minor amendment to the Act refines the operation of the sunsetting provisions to allow them to operate more effectively in relation to retrospectively commencing instruments.

Debate adjourned.

Ordered that the bills be listed on the Notice Paper as separate orders of the day.

**COMMITTEES**

**Legal and Constitutional Affairs Legislation Committee**

**Report**

**Senator McEWEN** (South Australia—Government Whip in the Senate) (18:07): On behalf of the Chair of the Legal and Constitutional Affairs Legislation Committee, I present the report of the committee on the Crimes Legislation Amendment Bill (No. 2) 2011, together with
the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

BILLS

Family Assistance Legislation Amendment (Child Care Budget Measures) Bill 2010

In Committee

Debate resumed.

Senator BERNARDI (South Australia) (18.09): It is good to that we are onto this bill, and may I remind the committee just where we left off. We were examining some of the claims made by the then minister on duty, Senator Farrell, in his less-than-stoic defence in justifying this bill, which will, may I remind you, Madam Temporary Chairman, make it harder for families to afford child care. In his defence of the bill, Senator Farrell—and I am sure, Senator Collins, you will echo this in the talking points you have been given—said that the government took it to an election and that somehow justifies its implementation or gives it a mandate, if you will. I heard Senator Birmingham, Senator Macdonald, Senator Nash and others detailing why this statement simply cannot stand with any legitimacy.

At the last election, the Australian people were reminded multiple times by the Prime Minister, Julia Gillard, as well as the member for Lilley, the Treasurer, Mr Swan, that there would be no carbon tax introduced under a government that they were part of. The Australian people were promised that time and time again. They were told there would be a citizens assembly to reach a consensus on climate change. They were told again and again that there would be a cash-for-clunkers scheme. I have said to this Senate already that the biggest clunkers are the government themselves.

The Australian people were never told front and centre in any significant public forum or in any serious policy announcement that there was going to be a restriction on their ability to access child care. If any platitudes were mouthed in this area, it was about how the government was going to make child care more accessible and more affordable. It was about doing all of those sorts of things. There was no suggestion of such a claim in Prime Minister Gillard’s then unscripted statements—I wish Hansard could pick up sarcasm, because that is what I mean by ‘unscripted’; it was another downright misleading untruth—at the national launch of the Labor campaign. I do not recall Prime Minister Gillard saying, ‘We are going to set a cap for the childcare rebate at $7,500 per annum and suspend the indexation of that rebate until 2014.’ I do not recall that. I look to be reminded of the exact words that Ms Gillard said at the national campaign launch, for which we were all glued to our seats because she was speaking as the real Julia rather than the fake Julia, without any notes except the notes there were actually on the podium and only exposed later on.

Senator Birmingham interjecting—

Senator BERNARDI: It could well have been the ‘fake real Julia’ or the ‘real fake Julia’ as Senator Birmingham said. What we do know is the real damage this legislation will cause families. There are 20,700 families by the coalition’s estimates, and more according to the Greens, who will be affected by this legislation. Do you think they are going to feel uplifted and benefited by this? I do not think so. What is the purpose of it? This government has misspent so much of the taxpayers’ money. It has squandered it. It has thrown it around like the proverbial drunken sailor—and that is an insult to sailors, and I apologise to them—and this bill is going to save a paltry $86
million over four years by making it harder for Australian families.

Now I know it is very easy for members of the Labor Party to be removed from the day-to-day realities of life when they have slush funds and union funds to draw upon through credit cards and a whole range of things like that, but I feel it is my responsibility to remind those on the other side of the chamber, those in the government, that Australian families are doing it tough; they are doing it very tough. Sometimes they are forced to have both parents out at work and so we have this sentiment that child care is an important part of empowering families to be able to make ends meet, yet it is not without flaws, and I have said this repeatedly. Institutionalised child care is something we should be mindful of; it is not always the best option for families. But, nonetheless, it is there and it deserves the support of the taxpayers of Australia.

_Senator Hanson-Young interjecting—_

_Senator BERNARDI:_ I take that point, Senator Hanson-Young. I absolutely agree with you. Some people do not have much choice, and I am about giving people choices in this area—I really am. I do not want to see us railroaded down one particular route where people are unable to access other forms of child care, including being able to afford to have a parent stay at home. It is a wonderful sacrifice, and I said that in my first speech. But I make the point that this bill also reduces the incentives for family day care centres and things of that nature to start up. It removes the benefits and the incentives, and that deprives people of choice. Senator Hanson-Young and I would not agree on every aspect of choice and every aspect of life—that would be an understatement of great proportions. But for somebody to be right somebody has to be wrong as well, and we can have that debate at some other time.

The point is that, with something as valuable to our future generations as caring for them, we want to make that care as amenable and as successful as possible. I recall that Senator Farrell said the government was going to spend $20 billion in this expanded area, but there is a legitimate concern that if you are going to spend $20 billion—20,000 million dollars, money that the government clearly does not have; it is going to borrow it—why are we trying to save this relatively paltry $86 million over four years? It would hardly pay the booze bill at the Lodge. Some 20,000 families will face a cap on their childcare rebate, with no chance of any increase whatsoever over the next four years. That strikes me as the wrong approach to take.

I know the Labor Party are desperate to claim some fiscal credibility but I think we are going to have to accept that they should wash their hands of that ambition—any credibility they may have had is just not going to be resurrected. Even with Labor's own personal desire to reclaim power at any cost, why would anyone penalise families? This is just a sense of social justice. I do not think I have used that term before, ever, but it makes me feel deeply uncomfortable that Australian families who are already doing it so very tough can be affected in this way. I think we have to agree on that, and I will look for an acknowledgement in Senator Collins's response that Australian families are doing it very tough. They are doing it very tough, particularly with food prices going up, electricity costs rising enormously and job security decreasing in the current environment, as we saw yesterday with the 1,000 jobs being lost from the BlueSteel plant.
As well, we have these great threats of additional imposts—the first of which is the mineral resource rent tax or whatever its latest incarnation is. It will divert investment in this country and suck money out of the productive economy into perhaps the most unproductive government we have ever seen. I remind the Senate and the good people of Australia that the government swore that the carbon tax would never be introduced until there was community consensus. Of course there is always community consensus for the Labor Party because if you disagree with them you are labelled a crank or an extremist or irrelevant or something like that. We heard about the convoy of no consequence—they are all very good at platitudes and sayings and demeaning others, but the fact is this: the government promised not to introduce a carbon tax and now one has been introduced and is likely to get up. That is going to put increasing pressure on Australian families. I think Senator Collins knows instinctively that this is a tax on electricity. I do not know whether she has tried to spend a day without electricity, but I cannot imagine it would be very pleasant. I deliver meals on wheels and I see people who struggle to pay the bills to heat their homes, particularly in winter. It is dreadfully disappointing to see people forced into circumstances where they have to sit with blankets on them rather than have the heater on. I guess there are some who are obeying the government's propaganda to cuddle your pet rather than turn the heating on. That strikes me as unusual because many pensioners and families out there who are doing it tough can hardly afford to feed themselves so I do not know how they can afford to feed a pet they can cuddle to keep them warm, as the government propaganda suggests. But that is another topic. What we are establishing here is that families are doing it extraordinarily tough, not only with the price of food and electricity but also with the normal utilities. Labor administrations around the country are ramping up prices and taxes—whatever they see they try to grab and spend. Unfortunately this government is no different. I will be the first to acknowledge that fiscal prudence is a virtue in any government and that there need to be effective measures to cut costs, waste and spending, particularly in a spendthrift government like this. But there also need to be priorities. Priorities, in my view, should revolve around the primacy of the family. You do not disable or disempower families by restricting their options and availability for such paltry sums. To the men and women of Australia, $86 million over four years is a lot of money. In terms of the waste under this government it is not, but to the men and women of Australia it is a lot of money, and they are concerned that this government is wasting billions and yet trying to penalise them for that $86 million. It might not seem much when it rolls off the tongue of Senator Farrell and others that it is only $8 or $9 a week. That is notwithstanding the fact that—

*Senator Jacinta Collins interjecting—*

**Senator BERNARDI:** Senator Collins, maybe you can answer this question. The other analysis done by industry experts suggests that it is somewhere between $12 and $23 a week. Rather than the lines that were just given back to me, I would be interested in the justification for why no serious, competent analysis was done other than the single scenario that was put forward by Access Economics which said Australian families would be $8 a week worse off. As I said, $8 a week does not sound much when you are wasting billions, but $8 a week can mean the difference between having a full belly and not having a full belly. It is the difference between receiving a Meals on Wheels delivery one day and not receiving one another day.
These are the sorts of issues that Australians are worried about and yet they see a government that does not seem to care. This is a real problem. It is a government that sees no real cause for concern about tomorrow with what they are starting. Every time you create a snowball and you push it down a hill, it gets bigger and bigger. And their disasters keep getting bigger and bigger.

There were a number of submissions on this that said that the cost of child care will continue to rise from the national quality agenda measures which will quite simply increase overheads for childcare centres. Even some unions have said that without alternative allocation of funding the proportion of affected families will certainly increase over subsequent years.

Senator Collins, I know you probably were not paying attention to the debate before but I want to remind you of the scenario we were dealing with and the picture that had been painted. Quite frankly, I was very disappointed in the responses I got on the serious concerns of Australian families. I really would like to know why there was no additional modelling undertaken. I would like to know how saving $86 million and penalising families that need and rely on this support is in our national interest given that you are squandering billions of dollars elsewhere. Senator Collins, this is the challenge for you: come clean on the broadcast. Come clean with the Australian people. Let them know exactly why you are adding an $8 a week burden to their childcare costs now and why it is going to rise further in the future. Also, please explain to them how you can justify this given that you are going to be slugging them with a terrible carbon tax that will increase the cost of almost everything else they use. Might I remind you that that was a tax that you went to the last election, as did your entire team, promising never to introduce. While you are at it, you could explain why the Australian people should be able to rely on what you tell them now when it has been so demonstrably apparent that they cannot rely on anything else this government has ever said.

Senator HANSON-YOUNG (South Australia) (18:24): I would like to formally withdraw the amendment that has been circulated by me on behalf of the Greens. This was an amendment that was circulated some 12 months ago and it was going to amend this legislation to ensure that we could deliver fortnightly payments in order to ensure that parents could access the child care rebate fortnightly as opposed to quarterly. But of course since this amendment has been circulated the government has introduced a separate piece of legislation to do exactly that. Thankfully, this place has been able to pass that legislation so parents can access that. It started as of 1 July this year. So there is no need for the amendment, and I formally withdraw it.

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations) (18:25): by leave—Despite discussion during the committee stage, I understand we need to formally move the government amendments. I move government amendments (1) to (4) on sheet BM231 together:

1) Schedule 1, item 2, page 3 (lines 9 and 10), omit paragraph 84F(1)(e), substitute:
   (e) for the income year ending on 30 June 2011—$7,941; and
(2) Schedule 1, item 4, page 3 (line 18), omit “1 July 2010,”.
(3) Schedule 1, item 4, page 3 (line 20), omit “1 July 2010”; substitute “1 July 2011”.

(4) Schedule 1, item 4, page 3 (line 22), omit “1 July 2011.”

These amendments seek to change the start date of the measure from 1 July 2010 to 1 July 2011. As Senator Hanson-Young highlighted, it has been before the Senate for quite some time. This will ensure that the legislation is not retrospectively applied into the 2010-11 financial year and that we do not need to reclaim childcare rebate payments paid to families.

I take this opportunity to reiterate that the average childcare rebate claim is below $2,100, well under the cap of $7,500, meaning that the overwhelming majority of families will not be affected by this measure. In 2011-12 we expect more than 95 per cent of families will have no change—I stress no change—to their assistance. This measure will not affect the vast majority of families but will provide funding for essential improvements to the quality of care for Australia's children. Following some of the earlier remarks from Senator Bernardi, I can stress that the savings produced by this measure will be directly reinvested into delivering the national quality framework and thus improving the quality of care that families are experiencing.

For a family to reach the cap of $7,500, they would need to be paying for care for at least 10 hours a day for more than four days a week at average fee levels. The average use of child care in Australia is much lower, with most parents using around 2½ days of care a week. The most recent childcare rebate information shows claims of less than $2,100, well below the cap of $7,500. We expect that fewer than one per cent of families using child care, who earn less than $100,000 a year, will be impacted. Most importantly, as I have stressed, the measure produces savings to be directly reinvested in delivering the national quality framework. It will also help fund our $59.4 million investment in improving the quality of around 140 budget based funded early childhood services located in rural and remote Australia that provide care to some of Australia's most vulnerable children.

Perhaps I might also use this opportunity to stress a few further points, following Senator Bernardi's contribution—at least so far as it related to these particular measures. Apart from what seems to be a fairly obvious filibuster, Senator Bernardi is seeking to use this opportunity to attack Labor's record on affordability. The affordability issues in child care are critical and are very important, and Labor's record here is quite strong. Let me highlight that over the next four years, as I think Senator Farrell mentioned earlier, our government will provide a record $20.1 billion in childcare assistance for families. It is important to contrast this figure with what occurred under the Howard government. This is more than double the funding for direct assistance that was provided in the last four years of the Howard government. So for Senator Bernardi to talk about the pressures being faced by families—and we certainly do acknowledge that there are some significant cost-of-living pressures faced by some families—and to seek to use childcare assistance as a means of making that point is almost laughable.

The boost in funding is a direct result of delivering on our commitment to increase the childcare rebate from 30 per cent to 50 per cent of parents' out-of-pocket expenses and of increasing the maximum limit for each child from $4,354 under the Howard government to $7,500. Remember that distinction: $4,354 under the Howard government and our cap, which will be $7,500 a year. This 72 per cent increase in the rebate has assisted more than 735,000 Australian families to pay for their child care
since 1 July 2008. The proportion of family income is perhaps the most critical point when we are talking about cost of living expenses and the cost of child care, as we know from some of the modelling and other data available to us since becoming far more transparent about childcare costs and funding arrangements. We know that the proportion of the family income being spent on childcare out-of-pocket costs has almost halved since 2004, dropping from 13 per cent to just seven per cent in 2010 for families with one child in care and earning less than $75,000 per year. Rather than those measures that seem to be plucked out of the air by Senator Bernardi, such as the $8 per week increase in childcare fees, the most critical figure for Australian families is what the out-of-pocket expense is for them. We know that that has decreased from 13 per cent under the Howard government to seven per cent last year.

The other important issue that Australian families are most sympathetic about is the quality of child care, and that is what this measure targets. We are not reducing overall spending in child care; we are generating a small amount of savings to ensure that the support to deliver the National Quality Framework is there and that it will deliver better quality care. I would ask any senator to contemplate the questions that I often ask families with children in child care: if you had a child under two years of age, would you prefer a five-to-one carer-child ratio or a four-to-one carer-child ratio, and would you be prepared to pay a marginal amount more to increase that level of care? Almost unanimously, those families I discuss this issue with say yes. This issue around the quality of care is extremely important.

There was one final issue in Senator Bernardi’s remarks that I would like to clarify because it is relevant to these amendments—that is, the amendments mean that the paused indexation is now only for three years and not four years. To correct the record, Senator Bernardi was reading from an old copy of the bill and his figure of $86 million is now $81 million.

**Senator NASH** (New South Wales—Deputy Leader of The Nationals in the Senate) (18:33): I thank the parliamentary secretary for her answer. I appreciate that you are now here, Senator Collins. Senator Farrell admirably tried to answer questions in your place and I am sure that the answers he gave us were entirely consistent with those that you would have given us if you had been here.

Senator Collins, you raised the issue of families being prepared to pay a little more. Just to enlighten you, some of the discussion we had a little earlier was about the fact that if the government had not mismanaged the economy so badly it would not have to use child care as a cash cow to fund the National Quality Framework. I noted in your contribution that you were espousing the funding that was going towards the National Quality Framework. Interestingly, according to the government’s own budget website, the $59.4 million you referred to for budget based funded early childhood services is not for new services; the funding is to help them meet the national quality standards that you are talking about. I just wanted to clarify this because it certainly seemed that it was like an extra bucket of funding that was going to be raining down from the sky.

**Senator Jacinta Collins** interjecting—

**Senator NASH:** By way of assistance, I note we had a discussion with the minister earlier around what consultation had taken place with the sector and also with families in the community. The minister was asked a couple of times about that. Unfortunately he was unable to provide the Senate with an answer about the consultation that had taken
place but he did, from his point of view, try to assure the Senate that indeed this was a policy that had been taken to the election, that before the election people were very clear that this was a government policy and that they were well aware of that before the election. 'Before the election,' I think he said, 'we consulted with the Australian people,' through the information that was available to them before the election, 'on this particular piece of legislation.' Perhaps though it might be useful for the chamber, given the government's election policies, that I quote into the Hansard that it said 'it will reintroduce the indexation of the childcare rebate to help eligible families meet their childcare costs and the childcare rebate covers 50 per cent of out-of-pocket childcare expenses for approved child care' up to the annual cap of $7,500. That is from the government's own election document prior to 2010. My understanding of that would be there was no indication at all to the broader community that that was actually going to be a change to the current policy—going back to Senator Farrell's comments earlier that people were well informed—and also it would seem that at that point in 2010 there was not an annual cap of $7,500, and indeed that is only going to come in if this legislation passes.

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations) (18:36): Perhaps I should start by going back to some of the earlier comments by Senator Nash and come to that final question in a moment. Childcare funding is not a cash cow. I am astounded that she would even use an expression such as that when we are dealing with affordability and cost-of-living pressures being faced by families. What this measure seeks to do, as has been covered on many other occasions, is reconfigure existing funding to help ensure that the quality of child care available to families is improved. Certainly this measure does involve saving measures. This measure was government policy at the last election and the minister spoke at several community childcare forums during the election period with parents and childcare workers about the changes. This proposed measure was contained in the 2010-11 budget papers. The minister meets regularly with representatives of the childcare sector including the Childcare Alliance, the Australian Early Childhood Association, Family Day Care Australia and United Voice. All of the sector has been committed to the national quality framework. Indeed, these measures have been discussed and consulted on during countless forums relevant to the national quality framework.

But I need to stress again that what the government is doing here is going to impact on less than one per cent of families with a relatively limited impact to ensure, being fiscally responsible, that we reconfigure existing spending to support and drive the changes in childcare quality that are necessary to deliver good services for Australia's families and children. We have not suggested in any sense that the moneys being accounted for here relate to any new services or the delivery of new services but, rather, to assist existing services make the transition to providing better quality care.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (18:39): I note the somewhat tone of umbrage the minister used when referring to my comments on a cash cow. I think that is exactly what it is. If you need to take money from something to pay to something else that thing is providing you cash. In this particular instance it is the changes to the childcare rebate and the costs associated being borne by families that are providing that cash. Senator Farrell indicated earlier that that was indeed the case, that it was indeed a savings
measure, as you have just mentioned, Minister. It is interesting to note—as you say, it is important to be financially responsible—that the parents who are going to have to bear the burden of the increase would say that, if the government had been financially responsible, they would not need to make any changes at all to the current childcare rebate to be able to access funding for other measures. That is the point, Minister, and it has been raised very clearly in this place—that the reason you need to find the funding stream, the savings measures, indeed from the childcare rebate itself, is the government's mismanagement of the finances. Again, Senator Collins was not here earlier, so to assist: I drew the analogy that the government had wasted $80.9 million administering an emissions trading scheme which does not even exist. Perhaps if that had not happened the $81 million could have been used for this purpose. It is ironic that the figures are almost identical. That is what concerns people.

You have indicated the importance of the childcare sector and these measures. Perhaps the minister might inform the chamber of the importance the government is placing on this particular area. Labor's own website talks about policies and their comprehensive agenda, and of the 51 items on that comprehensive agenda to take Australia forward not one mentions child care. Not one of 51 policy issues on the Labor government's own website mentions child care. Yet we have those on the other side trying to say how important this issue is. There are 51 policy areas and child care does not rate a mention.

To give the government the benefit of the doubt, I saw at the bottom of this, 'More information on Labor government initiatives'. So I thought I would go to that and that maybe it is hidden further down. Interestingly, no. It did not even rate a mention under 'Fresh ideas for work and family', which was apparently about financial assistance for small business, I think it was, to balance work and family. The only enlightenment I got from reading that, Senator Williams, was the fact that there was no more money available and that it had actually shut.

In all of this website there is absolutely nothing on policies for child care. Given that prior to the election, as Senator Farrell was saying earlier, this was all very clear in the minds of people out there in the community, perhaps the minister might like to give us more information—and I thank you because it is the first information we have had about the community consultation. How many forums were held and roughly where across the country? I am genuinely interested just to get the spread of where that community consultation took place.

Senator JACINTA COLLINS (Victoria—Parliamentary Secretary for School Education and Workplace Relations) (18:43): I do not know the basis for Senator Nash's computer searches or internet searches on the Labor Party's website, nor indeed the processes she undertook to reach that figure of 51 policy areas, but I can say from my former experience—

Senator Nash interjecting—

Senator JACINTA COLLINS: I am not sure it would assist because it does not necessarily guide us in the nature of the process you went through or indeed what information you potentially avoided to achieve that figure.

Senator Nash: On a point of order, Madam Temporary Chairman: this might help the minister be a little more relevant because it is self-explanatory as to where it came from.

The TEMPORARY CHAIRMAN (Senator Moore): It is not a relevant point.
of order. We will continue to the end of the contribution and then you may seek to table the document.

Senator JACINTA COLLINS: I know from my experience that you can trawl through the internet and achieve all sorts of complexities. It is a bit like doing social research; it really depends on what questions you are asking, where you are looking and how you conflate what you have.

Senator Nash interjecting—

Senator JACINTA COLLINS: The main point here—once Senator Nash quiets down—is that it is fairly obvious, from what Senator Nash is putting before us now and her questions about wanting detailed information on consultation of measures that have been before us for well over 12 months, that she is seeking to extend this discussion for some reason I cannot necessarily comprehend. Perhaps it relates to the coalition's former record on children's policy that I can recall from my days as a shadow minister. If we are going to make comparisons—and I will not allow myself to be provoked into a discussion of this nature for too long—I seem to remember Larry Anthony and a national agenda for children that never surfaced despite five years of discussion about the Howard government having a national agenda for children.

What we do know, what I have said before and what is very clear is that Labor has a very strong record of childcare affordability. The proportion of family income being spent on childcare out-of-pocket expenses has almost halved from 13 per cent down to seven per cent. Families see this; families know the level of support that they have been receiving from the government in child care. I can see the comparisons between what was available when I had young children and the support that families are receiving today. This is perhaps the most stark issue in trying to understand why the opposition is seeking to delay dealing with this matter. Again and again, we get stories about, 'It is going to cost more; there will be problems,' but why this opposition is steadfast in seeking to delay improvements in the quality agenda—the carer-to-child ratio for young children—astounds me. I really think, Senator Nash, you need to reconsider occupying the chamber's time with questions and information which is deliberately designed to protract this debate.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (18:47): I did not realise that Senator Collins had actually managed to morph and pop herself inside my head and see why I am asking these questions. Apparently, she has a very good handle on exactly what I am doing on this side of the chamber. Unfortunately, she is incorrect. I have a genuine interest in this issue and I think it is quite appropriate during a committee stage to ask questions. If you do not want the scrutiny, that is up to you, but it is entirely appropriate in the committee stage to ask questions for as long as it takes to get the answers that satisfy senators. You know that very well, Minister, as everyone else does in this chamber. We often have committee processes in this place that go for a very long time.

I have a very genuine interest in this. Like you, I have older children who were young once, and I have a very genuine interest in how this is going to impact on families in the community. If Senator Farrell had been able to give us more detailed answers earlier in regard to the consultation process and what had happened, perhaps we might be a little further through the process. Through no fault of his own, I am sure, he was not able to provide the committee with that. I am not going to apologise for standing here for a
period of time and asking questions on behalf of Australian families about the rationale and the consultation behind it. There are other questions that are still to be asked. I am sorry, Minister, if you do not particularly want to be here and would prefer to be somewhere else, but this is the nature of the committee stage of legislation.

The question I ask for clarification relates to amendment (1) on sheet BM231, paragraph 84F(1)(e), to substitute 'for the income year ending on 30 June 2011—$7,941'. That is an amendment to the existing legislation which previously was $7,500. Could you indicate to the chamber the reason for that change and am I correct in assuming that the reason for the change is that, from 1 July this year, the $7½ thousand threshold may already have been increased?

Progress reported.

DOCUMENTS
Consideration

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

The following order of the day relating to government documents was considered:


ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Moore): Order! I propose the question:

That the Senate do now adjourn.

Building the Education Revolution Program

Senator POLLEY (Tasmania—Deputy Government Whip in the Senate) (18:51): I rise to speak about the Building the Education Revolution program. I do so because this program has been the largest element of the government's $42 billion Nation Building Economic Stimulus Plan. When complete there will have been around 24,000 projects undertaken Australia wide. The $16.2 billion BER program has been successful in modernising schools through the delivery of necessary infrastructure while supporting local jobs and stimulating investment. In many locations, such as Tasmania, students, teachers and communities are already enjoying the benefits of recently completed projects delivering world-class 21st century facilities to their schools. I have been fortunate enough to see firsthand the wonderful new facilities being built in my home state of Tasmania. I must congratulate the Tasmanian education department for the role they had in managing these projects. There have been so many opening ceremonies for new classrooms, libraries, school labs, computer labs, language centres and so much more in recent times. I feel it is important to publicly acknowledge some of these fantastic new facilities and the students, teachers and communities that are benefiting from them.

I would like to take this opportunity to speak briefly about a number of schools I have visited most recently to attend the openings of BER projects. I will start with Deloraine Primary School. Deloraine is a place close to my heart. It is not only where I went to high school but a place that has a fantastic sense of community. Naturally, I was excited to have the opportunity to attend the opening of the new library and kindergarten facilities. These new buildings will be the first experience of school for so
many kindergarten children. I am happy to say they are places that will facilitate excellent learning. Deloraine Primary School received a total of $2.125 million in BER funding and constructed a new library and a new kindergarten facility.

I was also able to attend the official opening of the science laboratory of the Deloraine High School, opened by the Hon. Dick Adams MP, the federal member for Lyons. It was fantastic to be there because it brought back so many memories of the old science lab that was there when I went to school all those decades ago. To see the new facility that these young people in rural Tasmania are experiencing was a great delight. I am very proud to be part of a government that delivered these wonderful facilities.

I turn to Larmenier Catholic Primary School in Launceston, which received a total of $1.875 million in BER funding for classroom refurbishments. There is now the capacity for collaboration with neighbouring classes, access to adjacent veranda spaces, large screen televisions with internet access, a new canteen, extended storage in the basement, new student toilet facilities and a refurbished staff room. The intention of these projects was not only to ensure our education facilities are of the highest standard but also to support local jobs. This particular project supported the employment of 10 workers, which is an excellent result. I now turn to Scotch Oakburn College, which was opened by Geoff Lyons MP, the federal member for Bass. I have been to so many of these occasions with Geoff, and every one of them is an inspiration. Scotch Oakburn College received $2.7 million in BER funding for construction of a new multipurpose building. I attended the opening of this wonderful new facility and was amazed to see the clever design and thought that has gone into making a building that is so functional in so many different ways. It is not just a gymnasium, not just a classroom, not just a space for art and drama; it is all of these things rolled into one and much, much more. There are great flow-on benefits for the wider community. It is used after school hours by community groups and for learning opportunities. A vacation care program operates and there are forensic science and sporting holiday programs. These projects also support the employment of approximately 100 workers. In a place like Launceston, 100 jobs have a real impact on the local economy.

Now I turn to Invermay Primary School. Once again, I have a family connection. My older sister and brother both spent some time at this school. Invermay Primary School received a total of $2.292 million in BER funding for a new multipurpose hall and community access centre. This community hall enabled the school to have an assembly for the first time with all the students being able to attend. The school was built in 1889. The BER funding has allowed the heritage listed building to be brought into 21st century learning and to provide an early learning service to the community—a birth to five years program. It has also enabled sports programs to be held after school hours. Not only has it done that; it has brought an enormous amount of pride to that community.

At each and every one of these school openings I have been to, I have been impressed by the young students who are the meeters and greeters. When they take you round the school, show you the schoolyard and talk about their new library or their new multipurpose centre, they have such pride in their school. This is about providing the teachers with the best facilities they can have, because they have such an impact on that future generation. I am very proud to be a member of this Labor government. This investment is a once-in-a-lifetime
opportunity. So many schools in Tasmania had not had any real money spent on infrastructure for 30 or 40 years.

I now turn to St Fin Barr's Catholic primary school at Invermay, which benefited with $2.125 million in BER funding for a new multipurpose hall. A facility such as this will make a significant difference to all the students. To be there and witness my local priest doing the blessing and to have Geoff Lyons there again doing the opening made me very proud to be a member of this Labor government. That facility was long overdue. It has transformed that school.

I now turn to the West Launceston Primary School, which received $2.125 million in BER funding for a multipurpose hall and early childhood classrooms. Something that has impressed me in each of these schools is the fact that the teachers, the school council, the P&F and the architects were all working together to make sure they got value for money. I do not believe that there was one dollar wasted in Tasmania. West Launceston Primary School is located very close to the gorge, which is one of the main tourist attractions. The school actually incorporated the environment in their building work, which reflected the gorge. A lot of thought went into that project. The young lady who met me and showed me around the new facilities had great pride in her school and knew everything about the early learning environment and the multipurpose hall. She was inspirational.

This is where the investment is really going to pay off for us for a long time to come. Helen Boyer, the principal of the West Launceston Primary School said:

Our project gave us outstanding "value for money"—we gained many solutions to issues that had frustrated our school community for years and also created educational possibilities we could only dream about. The importance of these developments to the future of our school and our local community cannot be underestimated and on behalf of our school community I sincerely and warmly thank the Federal Government for their support.

East Launceston Primary School, another one opened by Geoff Lyons MP, received $3.2 million in BER funding. The school got a new library and classrooms were refurbished. The BER project has ensured quality learning spaces throughout that school. The addition of a new 21st century library is providing the students with first-class English and ICT resources. There are a number of other schools in Launceston which have visited that library to get inspiration.

In total, Bass has received $86 million in BER funding, Lyons has received $82 million, Franklin has benefited from more than $75 million, Dennison has had over $93 million and Braddon has received more than $100 million of BER funding. This funding has gone towards completing projects that were necessary. Their positive impact will be felt for years to come. We want educational facilities that will complement the learning of our children and that is what we have achieved through the Building the Education Revolution program. I congratulate the Prime Minister and I congratulate the minister for overseeing wonderful outcomes which will be beneficial to children not only now but into the future. **(Time expired)**

**Farm Safety**

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate)  
(19:01): I could argue with the previous speaker, but we are not here to do that tonight. Instead, I am going to talk about workplace accidents, which are far too common, especially on farms. I carry plenty of battle scars from accidents on farms. Unfortunately a farm is one of the most dangerous workplaces in Australia. People
are killed and many are seriously injured each year.

I want to talk about an invention, a very simple invention which I think rural Australia is going to see a lot of in the future. Just over three years ago, Inverell farmer Ed Evans was injured in a cattle yard accident. This is not uncommon in Australia. On average, something like 2,500 people are injured every year in such accidents—and these are just the ones reported. In the case of Ed Evans, he was treating a cow with antibiotics and he just happened to let the animal go out of the crush when it turned and rammed the gate. Ed suffered a badly broken foot as a result of that accident. As he was recuperating with his leg in plaster—after having finished making a special crutch so he could get around more easily—he turned his mind to his accident in the cattle yard. Ed knew that there must be a safer way to handle cattle and to prevent, or at least limit, the number of accidents. It was not too long afterwards that he visited my office in Inverell and drew a sketch of his idea. That sketch evolved into the Swing Gate. It is a very simple but extremely innovative concept.

It is magnificent that such a simple idea could get first prize on The New Inventors on the ABC last week—first right across the year. It is a very simple invention. Ed had been promoting the product for some time and he had won several awards—the regional Farm Inventor of the Year, the national Farm Inventor of the Year and the Queensland Farm Inventor of the Year. He was a finalist in two categories of the WorkCover safety awards and was runner-up in the Northern Inland Innovation Awards. But the prize of prizes came last week when the Swing Gate won first prize for the year on The New Inventors on the ABC.

I do not really know how to describe the Swing Gate. I simply say that a normal gate is just fixed across between the two posts but that this one swings in the middle. When the cattle crash the gate, the swinging bit just goes around and you are safe because you are protected. You are much safer. I commend Ed Evans for his innovation and his thoughts. He had, as I said, seriously broken his foot because of a cranky beast crashing the gate. To think that a simple idea like this could take out first prize on The New Inventors! I have no doubt that, for many years to come, these gates will be installed all around Australia—perhaps even all around the world in those countries where many cattle are handled. Ed is not a marketer. He says he is not a professional businessman with respect to production and marketing. He is seeking business to assist him with the next stage of his whole plan.

We know the OH&S regulations. We know the cost of injuries at work. I live in New South Wales, where we have seen a huge increase in workers compensation fees for businesses. Premiums have gone up. It has been outrageously expensive for business in New South Wales. I can only talk for New South Wales because that is the only place I have run a business. When people are injured they go off on workers comp. That is more cost. Of course, every business pays that through their premium. This is a step in the right direction to help lower those premiums, especially in the livestock industry and for those involved with the handling of livestock.

The saddest thing that could ever happen in any workplace would be when someone goes off to work for the day never to return home, when someone is killed, whether in a motor vehicle accident travelling to or from work or at work. To me, that would be the saddest thing any family could put up with—to leave of a morning and never again see a
husband or wife or one of your children or other loved ones. It is a tragedy. Here is a simple invention that can make life so much more safe in the cattle yards. No doubt other things will flow on from this invention.

I simply rose tonight to congratulate Ed Evans. He was injured by a cattle gate which was hit by a cranky beast. He suffered a broken foot. He put his mind into action and thought, ‘There is some way I can make this a little bit safer, a little bit better.’ He went on to win all the awards I mentioned and then took out the first prize for the inventor of the year award from the ABC. That was a tremendous feather in his cap. I commend Ed. Through this idea, I am sure that for many years to come in working with livestock, lives will be saved, injuries will be prevented and workers comp premiums will be low. The best thing of all is that people who go off to work will return home safely to their family at the end of the day. That is the most important thing.

Ed Evans, you are a champion; you have done tremendously well. We commend you on your first prize and all the other awards you have won with your invention. We look forward to seeing it out there active in the local saleyards—perhaps local council operated saleyards—and in the feedlots, which are numerous around Australia now, with the huge cattle industry and feedlotting, and in the general farms where 30 million or so cattle run in Australia. Many properties have cattle yards, and that is where we will see a safer working environment. We know it is going to come down to the good thoughts, the good ideas and the hard work of Ed Evans. I congratulate him for it.

Walk Against Uranium Mining

Senator LUDLAM (Western Australia) (19:07): I rise to speak briefly on an issue that is very close to my heart and an issue which in many ways brought me into this chamber in the first place. The day before yesterday I woke up at a Rockpool about 20 kilometres from Wiluna in the north-east goldfields of Western Australia to see off about 100 people who are taking part in the walk against uranium mining. Just the sheer logistics of getting a hundred people to Wiluna in the first place was quite an extraordinary feat. It is a wonderful little camp in a really beautiful part of the world, only a couple of dozen kilometres from where Toro Energy plans on opening up, effectively, quite a shallow strip mine for uranium on the shores of Lake Way, a salt lake in Western Australia.

This gathering plans to walk around a thousand kilometres to Perth via Kalgoorlie over the next couple of months. They will be arriving in Perth on 27 October. They are on their way now. As I am speaking here, all the way across the country in Canberra, those walkers are on their way to Yeelirrie, which some senators might know as a pastoral station just to the west of Leonora. They are out there at the moment, and will have made camp. They are walking with a determination that I think really embodies the antinuclear campaign, which is now in its third generation. It started in 1945 with the explosions that lit up Hiroshima and Nagasaki, and those people now are carrying the work that was done by those very first victims of the nuclear cycle—the hibakusha of those twin cities in Japan. The campaign, now in its third generation, is carrying the hopes of people all around the world that we will close this nuclear cycle. They are not marching for safer uranium mining, they are not marching for slightly better regulation of this toxic industry; they are marching—and I am here to add my voice to theirs—to close this industry down once and for all. We know that the legacy of uranium mining absolutely will not be over and done with in my lifetime or in the lifetime of the children.
who come to visit us in the public gallery every day, because the toxic products and by-products of this industry are deadly for so many hundreds of thousands of years. But we can play our part to prevent more of these carcinogenic places from being exploited and opened up by the mining sector.

So this walk, run by Footprints for Peace, has Marcus and KA, good friends of mine, and their newborn little Shea going on one of these walks that they have been doing for many years as they have gone around the world. We have guests from France who are campaigning against the French nuclear industry, we have guests from Arizona who are bringing the devastating Navajo experience of uranium mining and spreading the word here and telling traditional owners in townships from Wiluna through Leonora through Kalgoorlie and then across the wheat belt to Perth: 'Don't let them get started. It killed so many people in the southern and western states of the US and across Canada, again on Native American lands, as it takes place on Aboriginal lands here in Australia.' Don't let them start, because the promises might sound good but the reality is very different. Uranium is different to other forms of mining. This industry mines a carcinogen and the residues that they leave behind cause cancer just as surely as cigarettes do. The diseases in some cases take years or even decades to manifest but they are no less real for that.

Those on this extraordinarily courageous walk will pass through communities throughout central Western Australia and I wish them well. I hope to join them and I encourage other senators to spread the word and to join them as well on their epic walk into Perth against the nuclear industry. We in Western Australia are at the front end of the nuclear fuel chain and our colleagues and friends and brothers and sisters in other parts of the world who might know very little about uranium mining and where the industry comes from know a great deal about the end products of the industry.

Public opinion, which has flattened the progress of the civil nuclear industry since the 1980s when most countries simply stopped building these facilities, has turned sharply against the industry. The industry believes this is simply a consequence of the Fukushima disaster on Japan's Pacific coast, but the roots run much deeper than that. Public opinion has reasserted itself in countries and places where public opinion is taken seriously. I cannot provide you an opinion poll from China because I am not even aware if such things are taken, but I can provide one courtesy of an article in the Bulletin of the Atomic Scientists by MV Ramana, who provides links to the polls. I will just mention a couple. Support for civil nuclear power—this does not go into the weapons issue—in Chile is 12 per cent; it is not a very popular industry in Chile. Support is 16 per cent in Thailand, 34 per cent here in Australia and 35 per cent in the United Kingdom, and 57 per cent of French citizens want to abandon nuclear energy—in France, which we are told is one of the pillars of the nuclear industry around the world.

Between 41 and 54 per cent of Japanese oppose nuclear energy but many say it is much higher. I think the politics of nuclear energy in Japan will take some time to work through. In 2005 a poll showed that 82 per cent of Japanese favoured nuclear industry. I think the consequences of the horrific disaster in Tohoku have changed that and have changed it permanently, right up to the very highest levels of Japanese politics. The interest groups are still very well entrenched; the vested interests pushing the reprocessing and the civil nuclear power and the research side are still terribly well entrenched in Japan. But this is one of our major client countries and public opinion there has
shifted very quickly. In the middle of April, 17,000 people protested at two demonstrations in Tokyo, and 60,000 people marched in demonstrations in Tokyo, Osaka, Hiroshima and Fukushima in June of this year. In July of this year Hidankyo, the group that represents the 10,000 or so survivors of the atomic bombings in Japan, the first generation of hibakusha, called for the very first time for the elimination of the civilian nuclear industry.

In Germany 60,000 people participated in a protest on 12 March, forming a 45-kilometre human chain from Stuttgart to the Neckarwestheim power plant in Germany. And 110,000 people demonstrated in 450 other German towns on 14 March. This is a country that had intimate experience with the far end of the nuclear fuel chain, which seems such a long way from Lake Way in the north-east goldfields of Western Australia, when they were showered with caesium, strontium, iodine and other toxic, carcinogenic by-products of the explosion at Chernobyl in 1986. On 26 March a quarter of a million people demonstrated against nuclear energy in four cities in Germany, so of course, at the end of May, the German Chancellor announced the full phase-out of the German nuclear industry.

In Switzerland, 20,000 people turned out, marching peacefully near the Beznau nuclear power plant, the oldest one in Switzerland. In Taiwan, 2,000 people demanded an immediate halt to the construction of the country's fourth nuclear power plant in March of this year. In Russia, the environmental groups Ecodefense and Groza risked a great deal by recently demonstrating in front of Rosatom. We do not hear a great deal here in Australia about the Russian antinuclear movement. Those are people who take risks that I could not even imagine to do the kind of work that I do here. People have been killed in Russia for expressing their views on the so-called peaceful nuclear industry and the extraordinary carnage that has been writ in the Russian and Eastern European populations by this industry.

In India last Wednesday a hunger strike was held at the Koodankulam reactor, where a plant is currently under construction. I have had a bit to do with the Indian antinuclear movement over the last 12 years or so. They are amazingly inspiring. They carry, I think, the original intent of Gandhi's ahimsa into their campaigns against these appallingly misconceived and very, very dangerous projects in India.

In the United States, two dozen groups launched a legal challenge to the US nuclear regulator to stall the extension of the operation of ageing reactors. The industry is in such grave and serious trouble around the world because very few countries have been building these plants since literally the late 1970s, before the Three Mile Island near disaster at which the evacuation of a million people was contemplated. It has bankrupted a generation of utilities and investors and it will do so again. We have a different proposal, which is the orderly phase-out worldwide of this industry that has brought such misery in so many places.

People have died in this struggle, from Karen Silkwood to Fernando Pereira, who died in 1985 when the Rainbow Warrior was sunk in a terrorist operation conducted by the French government. Hilda Murrell, the aunt of Rob Green, the retired UK navy commander, died in 1984 and the investigation into the cover-up of her murder is ongoing. Anna Mae Aquash, a Native American woman, was murdered in 1975 for opposing uranium mining at Pine Ridge, and a Russian antinuclear activist was killed in 2007 in a protest outside a future uranium enrichment site. The industry would do well
to pay attention. These voices are not from the fringe. We are not going anywhere and we will not rest until this industry finally has been closed down.

**United Voice Big Steps in Child Care**

**Senator CAROL BROWN** (Tasmania—Deputy Government Whip in the Senate) (19:18): All great people were children once—something that we should all keep in the forefront of our minds as we commit to implementing comprehensive reforms to the early childhood education and care sector. I am sure all of you in this chamber would agree that we want to see our children, our next generation, achieve their full potential. With that in mind I want to share with you tonight some of the insights I have gained into the early childhood education and care sector, ECEC, through the United Voice Big Steps in Child Care campaign.

The United Voice Big Steps in Child Care campaign is a sector-wide effort to address structural problems within the funding system for the ECEC workforce. The United Voice campaign articulates the challenges faced by the 100,000 Australians who are working as early childhood educators and carers. Those 100,000 workers are looking after an estimated one million Australian children who are attending government supported early childhood education and care programs. We know it is imperative that we ensure children in early education and care centres are receiving the highest standard of care and have the best formative learning experiences. Naturally, we want our children to have the best start in life and we invest a great deal in those early childhood education and care professionals who mentor and care for our kids while we are at work or studying. To give the Senate a sense of why the United Voice campaign has been embarked upon, I will quote from the Big Steps campaign booklet a letter from Ros Cornish, CEO of Lady Gowrie in Tasmania. It says:

7 December 2009 was a defining date for Australia’s children! It was the day the Council of Australian Governments agreed and committed to the Reform Agenda for Early Childhood Education and Care. The Reform Agenda has a number of initiatives including the development of national curriculum framework for early and middle childhood, plus a new national quality framework bringing together state/territory based licensing and quality systems into one nationally consistent system.

For many who have been part of the early childhood education and care sector for many years, this commitment has been a long held vision and hope, and one which aims to improve outcomes for young children and indeed the broader community. It also promises to contribute to raising the status and standing of the early and middle children profession—one which has been undervalued by the community for far too long.

But this vision will not be realised until there is a sophisticated and capable workforce to deliver these aspirational outcomes. For quality education and care there must be a well qualified and well paid workforce which is valued and respected for the important role it plays in the most critical years of a child's development.

The Reform Agenda demands improved qualifications and adult:child ratios as well as pedagogical understanding and leadership. The sector will not be able to meet these requirements unless there is the capacity to retain current professionals and attract new entrants to the profession. Improved wages and conditions is a key determining factor to support retention and recruitment within the sector.

Dedicated, committed and passionate professionals have borne the brunt of subsiding affordable child care by accepting inadequate wages and conditions for too long. Whilst such passion, commitment and dedication are acknowledged—alone it is not enough! A well paid professional workforce is essential now more than ever before!

Wages and conditions must be addressed immediately or the historical 7 December
agreement which promises so much for Australia’s future will continue to be just a hope!

As many of you would be aware, the government has made a commitment to building a high-quality, accessible and affordable early learning and care system in Australia. We are investing $17.1 billion over the next four years in early childhood education and care, and the Council of Australian Governments has agreed to a new national quality framework which will apply to all long day care, family day care and school-age care services.

There has been the equivalent of a 112 per cent increase in government spending between 2005 and 2010. The stark increase in the government's investment in this area is long overdue, particularly since under the Howard government Australia slipped to 13th out of 14 OECD countries in terms of public expenditure on early childhood education. We are also providing $16.4 billion in direct fee assistance for Australian families through the childcare benefit and the childcare rebate—an investment which is more than double what was previously provided. Australian families have never before had more direct financial assistance for their childcare costs and they have never had more flexibility than under this government.

We have also implemented the national quality framework, which will improve child to staff ratios, set new staff qualification requirements, introduce a new quality rating system and establish a new national oversight body. The NQF also incorporates the national quality standard to ensure high-quality and consistent early childhood education and care across Australia.

Notwithstanding our investment and reforms, workers in the sector, mostly women, have come to us with a very clear message—that the early learning and care sector in Australia is facing serious workforce issues. In order to guarantee our high standard of care, it follows that we must also support and invest in those who are engaged to deliver that care.

Thanks to the work of Janette Armstrong, United Voice's Tasmanian campaign coordinator for the Big Steps campaign, and her team, I have had the opportunity to meet with early childhood educators and carers from across Tasmania. I also attended, along with my colleague Senator Singh, United Voice's 'Child care in crisis' summit held on 31 July in Hobart, one of a series of summits being held across the country. During these meetings, workers have told their stories of essential early learning and development work for low wages and with limited community recognition.

I wish to touch on the personal stories I heard as part of the summit of two women who work in the early education sector and had joined the Big Steps campaign. Firstly, Kellie, who is a centre director in Hobart, has worked in the industry for nearly 20 years. Kellie is a wonderfully passionate and articulate advocate for her sector and is a strong supporter of lifelong learning. Kellie, in her presentation, outlined her long hours of work in the role and also her working day, which involves performing a variety of skilled tasks to deliver quality care, including chairing meetings; organising rosters; writing reports; providing support and advice to parents and staff; ensuring high standards of safety, quality and hygiene; evaluating work plans; and reporting on each child's progress. These represent just some of the daily requirements and long hours worked as a centre director. Kellie believes that wonderful staff are leaving the sector because of the inadequate wages.

Secondly, we heard a very emotional and passionate story from Alicia, who has been
an assistant director working in the early learning industry for nine years. Alicia talked about the stress and struggle she is under to make ends meet. Alicia is currently earning about $41,000 per year. Alicia finds it tough to make ends meet on her wage and she is working two extra jobs, one as an usher earning more than she does in her role as assistant director and the other delivering brochures and pamphlets letterbox to letterbox. Of course, working a full-time job and two extra part-time jobs in an attempt to make ends meet is extremely stressful and difficult. Alicia believes this is a situation faced by many working in the sector.

It is these personal struggles and battles faced by both women at work which have led them to join the Big Steps campaign. From what I have seen and heard as a part of this campaign so far, I have been inspired and moved. Through meeting with these workers and visiting some of their early learning centres I have gained a deeper understanding of the challenges facing those employed in the sector. Whilst the national reforms and the introduction of the Children's Services Award 2010 have increased the wages of workers across the country, these increases still see the sector among the lowest paid. That is why the United Voice Big Steps in child care campaign calls upon the government to assist educators already working in the sector to complete their degrees and asks for government to subsidise the wages of the degree-trained positions.

The research suggests that a child's experience in their first five years of life sets the course for the rest of their life. The emotional wellbeing and skills that our children develop through the early years shape the life change and social mobility of our children into the future. Whilst the government is already investing more than $181.3 million over five years to train and retain a high quality early education childcare workforce, the pressure faced by those working in the sector, including those working as centre directors, is overwhelming. We need to push beyond the 'care penalty' that exists in the sector and beyond. We have the opportunity here to break down the perception that early learning professionals are just babysitters. We know that they are much more than that. If we are serious about inspiring and equipping our young people to commence a lifelong journey of learning, we owe it to workers in this sector to ensure that they are afforded the rights and recognition that they deserve.

(Time expired)

**Assyrian Universal Alliance**

Senator FIERRAVANTI-WELLS (New South Wales) (19:28): Recently I attended a commemoration seminar at the New South Wales parliament organised by the Australian chapter of the Assyrian Universal Alliance. The seminar focused on events of 95 years ago in one of the bloodiest chapters in modern history, with the massacre and deportation of hundreds of thousands of Assyrians, Armenians and Greeks. This persecution left thousands homeless, dispossessed or fleeing to refugee camps. The systematic dismantling of human rights and the persecution of the Assyrians has been acknowledged by many members of the parliament across the political spectrum at both federal and state level.

We not only have taken a keen interest in this issue but have wanted to support the community in Australia in its efforts to raise awareness of the problems of persecution. We have sought to raise the issue in parliament and actively have continued our efforts to assist the current plight of those persecuted as they continue to face hardship and persecution. But as we commemorate and remember past atrocities we need to look
to the future and continue the pressure on
governments of all persuasions to do all in
their power to highlight the plight of the
Assyrians and to represent their concerns.
But whilst they continue to integrate and
make a contribution to Australian life, it is
important that they continue with the support
of others to work towards redressing past
injustices. The community here in Australia
are the children and grandchildren of an
oppressed generation. We must not lose sight
of past struggles which shaped the present
status of the Assyrians as a stateless nation.

Tonight I would like to focus on the
Australian connection with these tragic
events, which took place 95 years ago, under
the shadow of World War I. During a
seminar that I attended at Parliament House
in New South Wales recently, Dr Panayiotis
Diamadis, Director of the Australian Institute
for Holocaust and Genocide Studies, made a
very informative presentation. He has kindly
provided me with a copy, and I would like to
share with the Senate some fascinating
insights into Australians who rescued
Assyrians, Armenians and Hellenes. In his
presentation, he stated:
The survivors of the Assyrian, Armenian and
Hellenic genocides rescued were not an
amorphous mass of people; they were tens of
thousands of individual stories. The Australian
men and women who rescued those in need were
also individuals with their own unique
experiences.

Dr Diamadis also made reference to those
many Australians who rescued people, who
not only did what they could in very difficult
circumstances but then subsequently
continued their efforts in Australia, and I will
come to those in a moment. He began his
presentation with the Dunsterforce. He
stated:
Formed to secure the Caspian Sea oilfields for the
British Empire, this elite unit included many
Australians, outnumbered and outgunned by the
Turkish-Kurdish forces arrayed against them. The
force retreated into north-west Iran and began
marching south-west towards British
Mesopotamia. This was mid-1918.

Dr Diamadis recounted some of those
stories, for example, of Captain—later
general—Sir Stanley Savage. He described:
One of the unfortunate women folk was so
overcome at the sight of the first party of British
that they wept aloud. Striking their breasts they
would call down upon us the blessings of God
and rush across and kiss our hands and boots in
every joy at the sight of their first deliverance.

He also quoted another member of the
Dunsterforce, Captain J M Sorrell MM, and
quoted from an article that was published in
the Perth Sunday Times, on 27 April 1919:
It was almost a hopeless task, as the road for 100
miles was black with refugees. The suffering was
very great and, in spite of all that our people
could do, thousands succumbed to starvation,
disease and exhaustion.

He relates that, by the time the survivors
reached the town of Baqubah, north-west of
Baghdad in British Mesopotamia, only
40,000 were left. He stated:
The men of the Dunsterforce have left us with a
stunning collection of eyewitness testimonies and
photographs of the Assyrian exodus, now housed
in the Australian War Memorial in Canberra.

And further:
These young Australian soldiers were assigned to
secure certain territory for the Empire. Failing
that, their duty was to return to base as safely as
possible.

They were not under orders to risk their lives
to save these local people. Savage, Sorrell
and their comrades rescued some 40,000
Assyrian and Armenian men, women and
children. They saved these lives because it
was their duty as human beings to help the
helpless.

He then went on to describe the efforts of,
in particular, Mrs Edith Glanville, a remark-
able woman who founded Quota and who
did so many other things when she returned to Australia, including returning to the Middle East on various occasions and doing wonderful work at the Australian orphanages in Beirut and Syria in connection with Armenian refugees. During the 1920s and 1930s Edith Glanville was a vocal proponent of Assyrian settlement in Australia.

I also want to make reference to an article which appeared in the *Australian* on 25 April 2008. It is one of those articles that appeared at the time of Gallipoli commemorations. It talks about the efforts of Australians who also helped in Armenia and elsewhere in that area. The article refers to the handful of Australians who were at the forefront of the relief effort, yet their stories have been largely hidden. The article goes on to state:

> Not one Australian historian has devoted any attention to these remarkable Australians, who have been forgotten along with the "forgotten genocide".

The article also refers to Mrs Edith Glanville. But it also talks about other people like Charles Lloyd Jones, the first chairman of the ABC; and Oscar Lines, the general manager of the Bank of New South Wales. They were concerned with the plight of the Armenians and worked together with others, such as former Menzies cabinet minister and British High Commissioner Thomas White, who was also a prisoner of war during World War I in Turkey and, as the article states:

> As a witness to the Armenian genocide, he later returned home and joined the Armenian relief effort.

The article also refers to another prominent Australian, the Reverend JE Cresswell from Adelaide's Congregational Church, now the Uniting Church. He was the national secretary of the Armenian Relief Fund of Australasia in the 1920s. The article also refers to Sydney Declaration of Philadelphia, which set up the Armenian Relief Fund, which included prominent philanthropists, businesspeople such as the Griffith brothers, who at the time were large suppliers of tea and coffee in Australia, and the Elliot brothers, who were one of the nation's biggest pharmaceutical groups. The article describes how this fund, with the help of many Sydneysiders, raised hundreds of thousands of dollars to help the Armenians when Australians were already sacrificing so much during World War I. The article concludes:

> So as we reflect on the sacrifices of brave Australians who landed on those distant shores, let us also remember those Australians who lost loved ones and through the kindness of their hearts were able to save others.

I raise this issue tonight not just in commemoration of the thousands of Assyrians, Armenians and Hellenes who died but as a tribute to the contribution of so many individuals—people like Captain Savage and Captain Sorrell, Mrs Edith Glanville and so many more good, anonymous and generous Australians who saw a need and acted.

**Qantas**

Senator XENOPHON (South Australia) (19:37): I rise to speak tonight on an issue that is close to the hearts of many Australians, and that is the future of our national carrier, Qantas. At 90, Qantas is the world's oldest continuously running airline. It is an iconic Australian company. Its story is woven into the story of Australia and Australians have long taken pride in the service and safety standards provided by our national carrier. Who didn't feel a little proud when Dustin Hoffman uttered the immortal line in *Rain Man*, 'Qantas never crashed'?

While it is true that Qantas never crashes, the sad reality is that Qantas is being deliberately trashed by management in the pursuit of short-term profits and at the expense of its workers and passengers. For a
long time, Qantas management has been pushing the line that Qantas international is losing money and that Jetstar is profitable. Tonight, it is imperative to expose those claims for the misinformation they are. The reality is that Qantas has long been used to subsidise Jetstar in order to make Jetstar look profitable and Qantas look like a burden. In a moment, I will provide detailed allegations of cost-shifting that I have sourced from within the Qantas Group, and when you know the facts you quickly see a pattern. When there is a cost to be paid, Qantas pays it, and when there is a profit to be made, Jetstar makes it.

But first we need to ask ourselves: why? Why would management want Qantas to look unprofitable? Why would they want to hide the cost of a competing brand within their group, namely Jetstar, in amongst the costs faced by Qantas? To understand that, you need to go back to the days when Qantas was being privatised. When Qantas was privatised the Qantas Sale Act 1992 imposed a number of conditions, which in turn created a number of problems for any management group that wanted to flog off parts of the business. Basically, Qantas has to maintain its principal place of operations here in Australia, but that does not stop management selling any subsidiaries, which brings us to Jetstar.

Qantas has systematically built up the low-cost carrier at the expense of the parent company. I have been provided with a significant number of examples where costs which should have been billed back to Jetstar have in fact been paid for by Qantas. These are practices that I believe Qantas and Jetstar management need to explain. For example, when Jetstar took over the Cairns-Darwin-Singapore route, replacing Qantas flights, a deal was struck that required Qantas to provide Jetstar with $6 million a year in revenue. Why? Why would one part of the business give up a profitable route like that and then be asked to pay for the privilege? Then there are other subsidies when it comes to freight. On every sector Jetstar operates an A330, Qantas pays $6,200 to $6,400 for freight space regardless of actual uplift. When you do the calculations, this turns out to be a small fortune. Based on 82 departures a week, that is nearly half-a-million dollars a week or $25½ million a year.

Then there are the arrangements within the airport gates. In Melbourne, for example, my information from inside the Qantas group is that Jetstar does not pay for any gates, but instead Qantas domestic is charged for the gates. My question for Qantas management is simple: are these arrangements replicated right around Australia and why is Qantas paying Jetstar's bills? Why does Qantas lease five check-in counters at Sydney Terminal 2, only to let Jetstar use one for free? It has been reported to me that there are other areas where Jetstar's costs magically become Qantas's costs. For example, Jetstar does not have a treasury department and has only one person in government affairs. I am told Qantas's legal department also does free work for Jetstar.

Then there is the area of disruption handling where flights are cancelled and people need to be rebooked. Here, insiders tell me, Qantas handles all rebookings and the traffic is all one way. It is extremely rare for a Qantas passenger to be rebooked on a Jetstar flight, but Jetstar passengers are regularly rebooked onto Qantas flights. I am informed that Jetstar never pays Qantas for the cost of those rebooked passengers and yet Jetstar gets to keep the revenue from the original bookings. This, I am told, is worth millions of dollars every year. So Jetstar gets the profit while Qantas bears the costs of carriage. It has also been reported to me that when Qantas provides an aircraft to Jetstar to
cover an unserviceable plane, Jetstar does not pay for the use of this plane.

Yet another example relates to the Qantas Club. Jetstar passengers can and do use the Qantas Club but Jetstar does not pay for the cost of any of this. So is Qantas really losing money? Or is it profitable but simply losing money on paper because it is carrying so many costs incurred by Jetstar? We have been told by Qantas management that the changes that will effectively gut Qantas are necessary because Qantas international is losing money but, given the inside information I have just detailed, I would argue those claims need to be reassessed.

Indeed, given these extensive allegations of hidden costs, it would be foolish to take management's word that Qantas international is losing money. So why would Qantas want to make it look like Qantas international is losing money? Remember the failed 2007 private equity bid by the Allco Finance Group. It was rejected by shareholders, and thank goodness it was, for I am told that what we are seeing now is effectively a strategy of private equity sell-off by stealth.

Here is how it works. You have to keep Qantas flying to avoid breaching the Qantas Sale Act but that does not stop you from moving assets out of Qantas and putting them into an airline that you own but that is not controlled by the Qantas Sale Act. Then you work the figures to make it appear as though the international arm of Qantas is losing money. You use this to justify the slashing of jobs, maintenance standards and employment of foreign crews and, ultimately, the creation of an entirely new airlines to be based in Asia and which will not be called Qantas. The end result? Technically Qantas would still exist but it would end up a shell of its former self and the Qantas Group would end up with all these subsidiaries it can base overseas using poorly paid foreign crews with engineering and safety standards that do not match Australian standards. In time, if the Qantas Group wants to make a buck, they can flog these subsidiaries off for a tidy profit. Qantas management could pay the National Boys Choir and the Australian Girls Choir to run to the desert and sing about still calling Australia home, but people would not buy it. It is not just about feeling good about our national carrier—in times of trouble our national carrier plays a key strategic role. In an international emergency, in a time of war, a national carrier is required to freight resources and people around the country and around the world. Qantas also operates Qantas Defence Services, which conducts work for the RAAF. If Qantas is allowed to wither, who will meet these strategic needs?

I pay tribute to the 35,000 employees of the Qantas Group. At the forefront of the fight against the strategy of Qantas management have been the Qantas pilots, to whom millions of Australians have literally entrusted their lives. The Australian and International Pilots Association sees Qantas management strategy as a race to the bottom when it comes to service and safety. On 8 November last year, QF32 experienced a serious malfunction with the explosion of an engine on an A380 aircraft. In the wrong hands, that plane could have crashed. But it did not, in large part because the Qantas flight crew had been trained to exemplary world-class standards and knew how to cope with such a terrifying reality. I am deeply concerned that what is being pursued may well cause training levels to fall and that as a result safety standards in the Qantas Group may fall as well. AIPA pilots and the licensed aircraft engineers are not fighting for themselves; they are fighting for the Australian public. That is why I am deeply concerned about any action Qantas management may be considering taking.
against pilots who speak out in the public interest.

A lot of claims have been made about the financial state of Qantas international but given the information I have presented tonight, which has come from within the Qantas Group, I believe these claims by management are crying out for further serious forensic investigation. Qantas should not be allowed to face death by a thousand cuts—job cuts, route cuts, quality cuts, engineering cuts, wage cuts. None of this is acceptable and it must all be resisted for the sake of the pilots, the crews, the passengers and ultimately the future of our national carrier.

National Rental Affordability Scheme

Senator SINGH (Tasmania) (19:47): On 4 August I was able to attend the opening of the 100th Tasmanian home delivered under the National Rental Affordability Scheme. Located in Kingston, which is about 15 minutes from the Hobart CBD, this three-bedroom property is now home to the Malano family—Paulo and Melanie and their children Mahlia and baby Eliana. Here is a family who have been given the opportunity to live in a brand-new three-bedroom home with plenty of space for their children to play in a new safe backyard. There is also room for a vegetable garden and a swing set. This is something Melanie said she never thought would be possible for her family. This illustrates the very real outcomes and benefits of Labor's National Rental Affordability Scheme policy.

The Gillard government understands that renting a home is a real pressure for many Australians and is making an unprecedented investment in increasing the supply of affordable housing in Australia. The National Rental Affordability Scheme began in 2008 in a bid to increase the number of affordable rental properties across the country for those who meet the criteria for low to middle incomes. This includes individuals who are looking to rent a property for the first time, singles and those working or undertaking study or training. I was pleased to be able to represent the Minister for Sustainability, Environment, Water, Population and Communities, Tony Burke, and to meet the Malano family, who have benefited so greatly from this opportunity.

The scheme works by providing incentive payments to eligible contractors who then build or find brand-new rental properties and then lease them at a rate that is at least 20 per cent below the prevailing market rental rate. The developments range from studio apartments to family homes and they are being built where affordable rental accommodation is needed the most.

The National Rental Affordability Scheme has the full support of the Tasmanian Labor government, who also contribute financially. It is a wonderful example of both state and federal governments working together for the benefit of the whole community. In Tasmania alone we expect 900 brand-new rental dwellings to be delivered by June 2014. Not only is the National Rental Affordability Scheme providing homes but this scheme is also creating employment. The Mali Property Group is a Tasmanian property consortium selected by the federal and state governments to provide over 200 new properties throughout Tasmania under the scheme, from Kingston in the state's south to Burnie in the north-west. The Mali Property Group have then gone on to contract Anard Development and Anard Constructions, local Tasmanian construction and development companies, which have built many properties under this scheme for the Mali Property Group, with more work to come. The Mali Property Group not only oversee the building of new properties that they commission but also arrange to lease...
new properties from private owners, providing between five and 10 years of rental security for private investors. Importantly, these properties also incorporate sustainable building design to maximise energy efficiencies and provide a comfortable environment with reduced running and infrastructure costs, which is something that I bore witness to when I visited the Malano family's new home.

The government continues to be strongly committed to supporting up to 50,000 incentives through this scheme. To date more than 4,000 dwellings have been delivered. We expect to see 35,000 dwellings by 30 June 2014, with the remaining incentives to be delivered between 2015 and 2016. Announcements about round four of the scheme are expected to be made shortly. Successful contractors will receive their letters of offer from the federal Labor government.

In addition to the National Rental Affordability Scheme there are a range of affordable housing options that the Gillard Labor government is providing to improve the lives of and give housing security to many Australians across the country. For example, there is the $450 million Housing Affordability Fund, which reduces housing related infrastructure and planning costs and passes savings on to new home purchasers. The Housing Affordability Fund helps to reduce the cost of new homes for home buyers and addresses two significant barriers to increasing the supply of affordable housing, including the holding costs incurred by developers as a result of long planning and approval times, and infrastructure costs, such as the laying of water pipes and sewerage, transport and the creation of parks. To date 75 projects have been approved for funding, which will stimulate the supply of new housing and will support more affordable housing. On top of that the $100 million Building Better Regional Cities program will build thousands of more affordable homes in high-growth regional cities over the next three years by supporting local councils in investing in local housing infrastructure programs.

The National Rental Affordability Scheme is providing an opportunity for Tasmanians and Australians to have a decent quality of life through balancing affordable rent with all the other costs that families and individuals face. I am proud to be part of a Labor government that is introducing such significant social policies that are not only helping to create a sustainable Australia but also a nation of sustainable communities where people wish to work and live in affordable housing. The National Rental Affordability Scheme is a good example of how this government is helping to change people's lives.

**West Kimberley Heritage Listing**

**Senator CASH** (Western Australia) (19:54): I rise to speak tonight on the proposed National Heritage listing of the West Kimberley region, including the intertidal zone of the Dampier Peninsula. In particular, I refer to the decision that the federal Minister for Sustainability, Environment, Water, Population and Communities, Mr Tony Burke, will be making in relation to the national heritage listing of the intertidal zone of the Dampier Peninsula, where the shore crossing for the proposed Browse LNG precinct at James Price Point would occur. I have been following this issue closely and recently met with representatives from Woodside Petroleum to discuss the issue. I have to say that as a consequence of the advice provided by Woodside I took the opportunity to discuss the issue with some other interested parties who are supportive of the proposed Browse LNG precinct at James Price Point.
and question the motives of the proposed National Heritage listing of the intertidal zone of the Dampier Peninsula. I have come away from those briefings and discussions convinced that there are a number of critical issues and inconsistencies that Minister Burke must address prior to making any decision on the proposed heritage listing.

By way of background, and I will refer to my briefing notes on this issue, senators will be aware that in 2009 the Western Australian government announced its intention to establish a single LNG precinct at James Price Point in the West Kimberley. James Price Point was chosen after an extensive review of 43 sites in the Kimberley, floating LNG and sites in the Pilbara and Darwin. Quite properly, the process took some time and involved considerable input from a multitude of parties, including input by the Western Australian Environmental Protection Agency, many Australian government agencies, traditional owners, environmental organisations and industry. James Price Point was identified as the preferred site for an LNG precinct because of its minimal environmental and heritage impacts. As part of the consultative process prior to the precinct being announced, the West Kimberley environment working group was set up. This group included organisations such as the Australian Conservation Foundation, the Wilderness Society, the Conservation Council and Environs Kimberley. They signed a joint position statement which acknowledged the significant potential beneficial outcomes for traditional owners should this project go ahead. Further, they advocated that LNG development should occur at a single location in order to minimise the footprint of the development.

In relation to the economic and social benefits that will flow to the Indigenous communities in the West Kimberley, the deal is expected to return $1.5 billion in benefits to the region's Indigenous communities over 30 years. In addition, a $1.4 billion package of benefits has been negotiated with the traditional owners of James Price Point, the Western Australian government and Woodside. The package, I am advised, includes specific job targets, substantial support for education and training, support for Indigenous businesses and business development as well as environmental assurance and cultural heritage protection.

Federal resource minister Martin Ferguson has shown his enthusiasm for the project, saying, 'If we actually bank this then we are talking about multibillion-dollar jobs with huge export earnings. The Browse project is a win for all Australians.' And Western Australian Premier Colin Barnett is on the record as saying, 'The Pilbara has supported WA for the last 50 years and the Kimberley will support us for the next 50 years.'

In 2010 the Australian Heritage Council, led by former WA Labor Premier Carmen Lawrence, recommended to the federal environment minister that parts of the Kimberley region covering around 20 million hectares be included on the National Heritage List under the Environmental Protection (Biodiversity Conservation) Act 1999. Relevant to the Western Australian government's proposed Browse LNG precinct is the recommendation to include in the National Heritage List the intertidal zone of the Dampier Peninsula where the shore crossing for the proposed Browse LNG precinct at James Price Point would occur. The Australian Heritage Council recommended that the intertidal zone of the Dampier Peninsula be listed on the National Heritage List because of its heritage values of outstanding value to the nation associated with dinosaur tracks and associated fossils.
On 8 August 2011 the assessment report prepared by the Australian Heritage Council was released by Mr Tony Burke, Minister for the Environment. As set out in the minister's press release, he says:

Heritage Council assessments are not normally released before a decision, however, I felt that it was important so that the public can be better informed about this assessment.

... ... ... When I come to make my decision on the proposed listing I will take into account the Council's assessment along with submissions from the public consultation process.

The Australian Heritage Council found that there are a number of potential natural and cultural heritage values in the west Kimberley.

... ... ...

The Council also found that the Dampier Coast dinosaur tracks are among the best and most extensive evidence of dinosaurs from the western half of the continent, include some of the largest footprints found anywhere in the world, and provide a rare glimpse into the ecology of the ancient past.

I understand that Minister Burke is expected to announce his decision regarding the national heritage listing by 30 August 2011. I consider it imperative that, prior to making any decision, the minister address the following issues.

The first is the issue of the complete absence of scientific rigour in the Australian Heritage Council's assessment to support its recommendation to the minister that he include the intertidal zone of the Dampier Peninsula on the National Heritage List. I asked the minister if he is aware that the Australian Heritage Council's report does not make a single reference as to where fossils and dinosaur prints might be located along the Dampier Peninsula. I ask the minister to delay any decision in respect of the national heritage listing until an appropriate level of credible scientific assessment is made, so he and the community are adequately informed of the facts.

On the economic front, I ask the minister if he is properly informed of the massive economic benefits that will be derived from the LNG precinct at James Price Point and whether he is aware of the statements of Premier Colin Barnett, who has referred to the economic and social benefits as being 'a once-in-a-generation opportunity' for the Australian community, including the Indigenous communities in the West Kimberley.

I further ask the minister if he is aware of the $1.4 billion package of benefits that has been negotiated with the traditional owners of James Price Point, the Western Australian government and Woodside. Further, is the minister aware of projections that the Browse LNG development will increase WA's gross state product by around $65 billion, increase Australia's gross domestic product by around $50 billion over the life of the project and generate 6,000 direct jobs during the peak construction period and 400 ongoing jobs once operations begin?

I implore the minister, having regard to the economic and social benefits that will flow to the Australian community from this project, to at the very least defer any decision on the national heritage listing until after the completion of the research of the dinosaur footprints within the area of the proposed Browse LNG precinct. This would be the most prudent course of action for the minister to take.

John Curtin School of Medical Research

Senator HUMPHRIES (Australian Capital Territory) (20:03): I rise tonight to draw the attention of senators to the many assets of the Australian people to be found in the national capital. I refer particularly to one that may have escaped the attention of many people and one that I think is often
overlooked because it is not a frequently visited site like other national institutions in the national capital. It is, like so many jewels in the treasure box that is our national capital, an asset of enormous importance and value to the Australian people—but, again, perhaps not well understood.

I am referring to the John Curtin School of Medical Research, which is found on the northern shores of Lake Burley Griffin. The school was established more than half a century ago to be Australia's national medical research institute. It was conceptualised by the Australian-born Howard Florey—later Baron Florey—who won the Nobel Prize in 1945 for his contribution to the development of penicillin as a therapeutically useful drug while working at Oxford University. He was in Australia in 1948 for the establishment of the John Curtin School and guided it basically for its first 10 years, until its buildings were officially opened in 1957. The John Curtin School of Medical Research was named for Australia’s wartime Prime Minister John Curtin, who supported Florey’s concept for an Australian world-class medical research school.

Although Florey and Curtin never actually met, they saw the need for a national medical research school and in their own ways shepherded the school through its early years. It became clear that this facility would be ideally sited at the new university being established in Canberra, the Canberra University College, later the Australian National University. The aim then, as now, was to keep exceptionally talented minds working in Australia rather than losing them to appointments at overseas universities or institutions. The John Curtin School of Medical Research was one of the first of the five research schools built at the ANU, and they are all great national assets and treasures.

The John Curtin school was and is more than simply a place where research was conducted in those early postwar years and has continued since; it rapidly achieved international prominence and recognition. Indeed, it was very quickly a centre of excellence in medical research, and that excellence can be measured in a very reliable way—through a very high rate of acknowledgement by the international community, most conspicuously through the awarding of Nobel prizes. The school has the distinction of having three investigators who have received Nobel prizes in physiology or medicine for work conducted at the school. In 1963, Sir John Eccles was awarded his Nobel Prize for his work on the transmission of signals in nerve cells. Much more recently, in 1996, immunologists Professor Peter Doherty and Professor Rolf Zinkernagel were awarded the Nobel Prize for studies describing how the body’s immune cells protect it against viruses. The research was carried out at the John Curtin school in the early 1970s, when Professor Zinkernagel was a PhD student. Indeed, he had the distinction until relatively recently of being the only Nobel Laureate awarded a prize for work done during his PhD studies. Another award was made in 2010, so he was the first of two to have received that distinction. To celebrate the work carried out by Professors Doherty and Zinkernagel and to encourage young researchers with excellent ideas and enormous potential to achieve success in medical research, the school is currently offering the first Zinkernagel-Doherty ‘Freedom to Discover’ Career Development Award for Medical Discovery. The award program will offer the successful candidate an opportunity to foster innovation, discovery and major breakthroughs in medical research.

There is another name associated with the school which, although it does not have a...
Nobel Prize attached to it, is nonetheless rightly a name considered among the giants of medical research in this country. Professor Frank Fenner is a name associated with work in virology and parasitology. He was a director of the school. He has received numerous prizes and awards during his long association with the school. He died relatively recently. He was well known for his work on the malarial parasite particularly and was appointed professor of microbiology at the new school in 1949. His interest then lay in the balance between virus, virulence and host resistance and he was famously involved in the minimisation of the rabbit plague in Australia through the release of the myxoma virus. We all know of myxomatosis. Professor Fenner had the distinction of chairing the World Health Organisation Global Commission for Certification of Smallpox Eradication. It made this famous certification on 9 December 1979, saying it:

Declares solemnly that the world and its peoples have won freedom from smallpox, which was a most devastating disease sweeping in epidemic form through many countries since earliest time, leaving death, blindness and disfigurement in its wake and which only a decade ago was rampant in Africa, Asia and South America.

In fact that was one of the most important achievements in medical science of all time, one of only two diseases to have been completely eradicated by human endeavour. This is little known by many Australians, I am sure, but here in Canberra, at our national institution the John Curtin School of Medical Research, enormously important work was done by Frank Fenner and his colleagues to that very goal. Professor Fenner was awarded the Japan Prize in 1988 and the Prime Minister's Prize for Science in 2002. Florey's vision for a diversified medical school covering a range of disciplines, with scientists carrying out superlative, basic and fundamental research in areas including pathology, medicine, physiology and epidemiology has been carried forward today into new fields. Today scientists are carrying out groundbreaking research in areas that include immunology, genomics, neuroscience, mental health, infectious diseases and metabolic disorders.

The latest in a long line of extremely distinguished academics to have held the post of Director of the John Curtin School of Medical Research is Professor Julio Licinio, formerly of the University of California, Los Angeles and the University of Miami. He took up the appointment in 2009, leading the school to develop a focus on translational medicine, which aims to bring discovery from the laboratory to the clinic through improve patient care. At one time the school was essentially funded entirely by a block grant from the Commonwealth. These days, as we know, these things have tended to change and the school is now only partially federally supported directly and in fact raises most of its funding for its academic and research mission from granting bodies and other sources nationally and internationally. That is why at the moment the school is developing a John Curtin medical school foundation to support the school and to foster new programs. There have been a number of those new programs in recent years. Some of those new initiatives include setting up the national centre for translational medicine, including a new national centre for human genomics in partnership with the Beijing Genomics Institute from Shenzhen in China, and establishing the Eccles Institute of Neuroscience. The Eccles Institute will bring together ANU neuroscientists studying brain and nervous system function and diseases at a new $65 million purpose-built building due for inauguration in December 2011. There is currently a search under way for the director of that institute.
The John Curtin School of Medical Research is conducting an open day next Saturday. If any of my colleague senators are in Canberra on that day I would warmly encourage them to spend some time visiting this great national institution housed only a few kilometres from this national parliament. The building in which it is housed is an award-winning building, only relatively recently opened, funded by a significant grant from the Howard government to give it a new home after having lived in its previous home, the one opened by Howard Florey more than half a century ago. It is a fabulous building to visit in its own right. Again I remind senators that this is only one of a range of extraordinary institutions owned by the Australian people which are littered across this city and which represent together a great national asset of importance to all Australians.

New South Wales Community Organisations

Senator THISTLETHWAITE (New South Wales) (20:13): I wish to inform the Senate of the tremendous work of a number of community organisations in New South Wales that I have had the great pleasure of meeting and of viewing the work that they perform in my first two months as a senator. In July I was fortunate to join the Australian Indigenous Leadership Centre to celebrate its 10th birthday in Sydney. The Australian Indigenous Leadership Centre should be praised for their efforts in fostering and nurturing new Indigenous leaders through a range of programs, through networking opportunities and through building a strong foundation in identity and promoting the value of Indigenous leaders. It was wonderful to meet a number of the graduates of that Indigenous leadership program at their 10th anniversary dinner and to talk to them about the benefits of the program and how that program had inspired them to become leaders in their particular communities, to take on further studies and to take on vocations and opportunities that they may not have otherwise had visited upon them had they not been graduates of this particular program. I congratulate the Indigenous Leadership Centre for the great work that they are doing in our community.

Later in the month I was fortunate to attend the Golden Wattle Awards with the Chinese community in New South Wales. These awards recognise the momentous contribution that Chinese Australians have made to our country and to enhance the unity of our multicultural nation. The golden wattle, the symbol of these awards, is Australia’s national flower. It represents friendship and unity among people. This was the inaugural awarding of these particular awards and they recognised excellence in the promotion and fostering of good relations between the Chinese and Australian communities in a number of areas, including business, academia, sport and philanthropy. I was fortunate to be involved in presenting a number of those awards to very studious and hardworking members of the Australian Chinese community. Our two countries have a long history of friendship and cooperation. It is through initiatives such as these awards that the relationship continues to thrive.

The Chinese-born population in Australia is one of our largest immigrant groups and Chinese visitors, including international students, contribute greatly to this country’s social and economic wellbeing. China is a very important two-way trading partner with Australia. Recent growth in Chinese investment has signified the importance of that relationship to the Australian economy. The Golden Wattle Awards are a significant way of creating a better future for this country by promoting and awarding the young role models who will surely serve as examples to the rest of our young citizens.
Later in July I was pleased to make a visit to one of the duty electorates that I have the pleasure of serving in the north of my state, Cowper, to attend the announcement of works that will begin the construction of the nation's largest bridge. The work is another milestone in the long-awaited bypass of Kempsey and Frederickton as well as the ongoing upgrade and full duplication of the Pacific Highway. The government is investing $618 million in this project as part of its Nation Building Program. When the new bypass is completed, it will remove up to 2,000 trucks from the streets of Kempsey each day, improving the safety of our national land transport network as well as the public amenity within Kempsey.

The project is a very big one. It includes the construction of 14½ kilometres of four-lane divided highway, grade separated interchanges at South Kempsey and Frederickton, nine interchange bridge structures, small creek crossings, local road overpasses, a crossing of the main northern rail line and a 3.2 kilometre bridge over the Macleay River flood plain, the longest bridge in Australia. During the project's construction, I am advised that it will directly employ a total of 450 workers and indirectly create another 1,400 jobs for each year of construction. One of the particularly pleasing aspects of this project is seeing the principal contractors working with the local Indigenous community. They have created 10 Indigenous traineeships and will be employing a further 24 Indigenous people across various industries relating to the project.

The federal government's commitment to the Pacific Highway in New South Wales now sits at $4.1 billion. This includes an extra $1 billion in the 2011 budget. Under the Nation Building Program to 2013-14, the government is providing a total of $11.8 billion for land transport infrastructure in New South Wales. I am looking forward to watching the completion of this project and the continuing duplication of the Pacific Highway to deliver on the government's commitment to providing a safe passageway along the eastern seaboard in the states of New South Wales and Queensland.

Whilst I was in Cowper, I had the honour of visiting the Kempsey PCYC and meeting with some of the hardworking staff, in particular Paula Skinner, who is the manager of the club and is doing her local area proud. This club runs numerous youth programs which are having an overwhelmingly positive effect on local young people. The programs operated out of this facility include a midnight basketball program and an SAY patrol and are providing youth with real support, particularly those in the community who are deemed to be at risk. The PCYC reaches out to the young people of Kempsey through their programs that offer food, activities or just a safe place to spend a Friday and Saturday night. I was pleased to hear from Ms Skinner that the club's success has seen a reduction in incidents in the local area involving young people on Friday and Saturday nights.

It was also pleasing to see that the club is working in conjunction with the local police officers, the local Indigenous community and local businesses to actively work with youth at risk in those particular hotspot areas. The programs are paying benefits and reducing crime in a number of areas in the electorate of Cowper, so I would like to congratulate Ms Skinner and the CEO of the PCYC in New South Wales, Chris Gardiner, for their tireless commitment to improving the lives of young people.

I would also like to report on the wonderful work of the Kooloora community centre in Malabar in the east of Sydney where I attended an awards ceremony and
thanked local volunteers for their hard work and effort. The Kooloora community centre is a fantastic local community organisation predominantly funded through state government grants and the philanthropy of local businesses and organisations. It provides a number of important community resources for locals in that area, including a strong local Indigenous population. I would like to thank and pay tribute to Julie Spies—I hope she will not mind me calling her the mother of the Kooloora community centre—and volunteers like George and Gillian Collinson, who work incredibly hard to keep the show running and serving the local community.

I have also been fortunate to attend a number of Building the Education Revolution ceremonies in a number of electorates—in particular, the Botany Public School, which has officially opened its Johnny Warren community hall and covered outdoor learning centre. I was fortunate to attend that particular event. The hall has been dedicated in honour of the legendary Australian, Johnny Warren, a local from the Botany community whose family still has a connection with that particular school. It is a wonderful piece of infrastructure, achieved and provided under the government's Building the Education Revolution Program.

**United Nations Security Council Resolution 1325**

**Senator MOORE** (Queensland) (20:23): I seek leave to speak for up to 20 minutes.

Leave granted.

**Senator MOORE:** In Parliament House on 18 August, Minister Kate Ellis—who, amongst her other titles, is the Minister for the Status of Women—officially launched the consultation draft of the Australian National Action Plan on Women, Peace and Security. This is part of Australia’s commitment to UN Security Council resolution 1325. In launching our plan, Minister Ellis said:

… this government … made a promise.

A promise to protect women and girls around the world from violence, and to break down the barriers that stop them from equal participation. We made that promise and we intend to see it through, not only here but with other governments.

It is up to all Australians, both men and women to be agents of change and peace.

It has been a long road. The original UN Security Council resolution 1325 was adopted unanimously on 31 October 2000 at the UN. On that day it was stated, 'Peace is inextricably linked to equality between women and men.' Now we know that is true but for the whole of the UN Security Council to make that statement was fulfilling a resolution and agreement that was made in Beijing in 1995, having led on from the International Year for Women many years earlier. So it is an ongoing journey on which our world is travelling. United Nations Security Council resolution 1325, and most of us just call it ‘1325’, called for a range of action, because it was a dynamic commitment.

This is not just a latent policy. This is a dynamic commitment from the nations of the world. What is called for is the adoption of a gender perspective that includes the special needs of women and girls during repatriation, resettlement, rehabilitation, reintegration, and post-conflict reconstruction. Resolution 1325 grew out of an increased realisation of the special victim status of many women through war and attack. In particular resolution 1325 calls for:

The participation of women at all levels of decision-making, including:

in national, regional and international institutions;

in mechanisms for the prevention, management and resolution of conflict;
in peace negotiations;
in peace operations—
in all ways as participants—
as soldiers, police and civilians—
so active engagement in peace—
as Special Representatives of the UN Secretary-General.
The protection of women and girls from sexual and gender-based violence, including:
in emergency and humanitarian situations, such as in refugee camps;
We see through the media the special needs that exist in refugee camps across the world. Remember that this statement was made in 2000. We look back today, in 2011, and see the need is greater than ever. We need to, through the development and the delivery of pre-deployment and in-theatre training in all elements of peace operations, ensure that personnel have that knowledge on the rights of women and girls and effective protection measures. The training is an incredibly important element of the whole process, so we need to raise the knowledge level and ensure that people have those skills, amongst all the other skills that are necessary, when going into theatres of war and peacekeeping. This needs to be front of mind, not a tacked-on extra. Resolution 1325 calls for:
The prevention of violence against women through the promotion of women’s rights, accountability and law enforcement, including by:
Prosecuting those responsible for war crimes, genocide, crimes against humanity and other violations of international law;
respecting the civilian and humanitarian nature of refugee camps;
excluding sexual violence crimes from amnesty agreements, as they may amount to crimes against humanity, war crimes or genocide;
strengthening women’s rights under national law;
supporting local women’s peace initiatives and conflict resolution processes.
Again, the focus is on action and commitment. The world’s nations, in accepting resolution 1325, agreed to:
The mainstreaming of gender perspectives in peace operations, including by:
appointing Gender Advisors to all UN peace operations—
no matter where they are, and clearly—
considering the specific needs of women and girls in the development and design of policy in all areas;
incorporating the perspectives, contributions and experience of women’s organizations in policy and programme development.
So it is engaging with women’s organizations, making this an integral part of policy development and planning. Resolution 1325, in October 2000, was the first formal and legal document from the United Nations Security Council that required parties in a conflict to respect women’s rights and to support their participation in peace negotiations and in post-conflict reconstruction. The struggle to achieve this had taken a long time. The women and the men who voted to ensure this was put in place had seen the horror of war across continents for many years. They acknowledged that there needed to be special consideration of women as people who were caught up in this conflict and who had special skills that could end conflict and work at maintaining peace. A series of processes were put in place when 1325 was agreed, including regular reporting. In 2004, the UN Secretary-General’s report on the implementation of the UNSCR 1325 called for the development of national action plans to implement national commitment to UNSCR 1325. This call was put out in 2004. You can see that it has taken a while for us to get our national plan there, ready for consultation with our community, but it is now out there.
UNSCR 1325 was not the last resolution that was passed by the Security Council on these important issues. When you make that first important step, what happens so often is that other actions flow and people understand the need for further commitment. This has been exactly the situation with the whole process of women's empowerment and engagement in this area. Since 2000 the UN has continued the establishment of a women's peace and security agenda by passing additional Security Council resolutions. The ones that reflect particularly in this area are resolutions 1820, 1888, 1889 and 1960. Resolutions 1820 and 1888 build on the UNSCR 1325 commitment to eradicate sexual violence against women and end the culture of impunity that surrounded the abuse of women in conflict and post-conflict zones.

Resolution 1889 identifies strategies to increase women's participation in peace talks, not as observers, but as clear participants in the process of finding a peaceful solution. Resolution 1960 provides measures aimed at ending impunity for perpetrators of sexual violence. The clear stream of action runs through these various Security Council resolutions. Australia has been deeply engaged in and a leader in all of them, working across international boundaries to achieve these results. I am really pleased to say—and it has always been a position in this place—that UNSCR submissions in this area enjoy a measure of true bipartisan support in this parliament, and that is something of which we can be very proud and something that is noted by the international community.

Now that we have our draft plan before us we have acknowledged that it crosses many areas of policy. The drafting of our national action plan will involve a number of government agencies, as well as the community, including the National Security Adviser, the Department of Foreign Affairs and Trade, the Department of Defence, AusAID and the Australian Government Office for Women.

The journey has been long, and a very important part of it has been WILPF—the Women's International League for Peace and Freedom—about whom I have spoken many times in this place and of whom I am a very proud member. I joined WILPF in 1994 in the lead-up to the Beijing International Conference for Women. WILPF was a key participant in that wonderful international conference. As a member since then, I am extraordinarily proud of the work, commitment and ongoing passion of the women across the world involved in this organisation. WILPF naturally has had an active interest in UNSCR 1325 since it was drafted and we have a commitment in the WILPF organisation to work diligently to involve women to create and maintain international peace and freedom. In 2004, just after the first report on UNSCR 1325 back to the UN, we started the process through the Australian government of looking to develop our own national plan. In 2004, WILPF received Australian government funding to develop an Australian website promoting the United Nations Security Council Resolution. We in WILPF also undertook a project in conjunction with many women's nongovernment organisations to provide a report to inform the Australian government about possible steps towards meeting our responsibility to have a plan in this area. We helped national community consultations for the project and there was a wide range of consultations undertaken across the country under the WILPF umbrella. It was a wonderful thing in which to participate. Women, women's organisations and schoolgirls came together to talk about the
issues of peace and security in our world. The range of opinions and concerns were pulled together in a report provided by WILPF to the government of the day, in 2009. The project reported unanimous agreement for the development of an Australian national plan to implement UNSCR 1325. That commitment was there in 2009 and it continues to this day. We need to pay appropriate respect to the people who worked on that plan and that consultation. Peacewomen.org is a project of the Women’s International League for Peace and Freedom United Nations office. The PeaceWomen project promotes the role of women in preventing conflict and the equal and full participation of women in all efforts to create and maintain international peace and security. PeaceWomen monitors the UN Security Council and the UN system and provides a hub of information-sharing on women, peace and security, again making sure that this area is never dropped off the agenda and that we see it as a dynamic action moving forward, not as a simple policy that people can read and forget. The project's website, peacewomen.org, aggregates reliable information and analysis about the impact of armed conflict on women and women's role in peacekeeping. It aims to overcome the absence of formal approaches to collecting and analysing information on women in conflict.

Historically gender issues have not been systematically addressed in political and preventive actions and post-conflict peace building. This is where the plan comes in. We need to ensure that the gender issues are integral in the development of policy in these areas. Consistently this website monitors world events and the impact on women from war and violence. Examples of latest news articles on the website include an international statement about engaging men in the effort to end violence against women, unfortunately an issue that remains current and needs to be consistently reviewed and understood. There is a special report on the website about Somalia, not just the issues about the awful famine that is being felt so tragically in that area but the systematic use of rape as a weapon of war in that area; an overall African assessment of action plan to help women in war zones; and a report from Pakistan women which says that violence against women in that country is increasing. This website actually engages women in the process, shares knowledge and makes sure that we can have that experience on which we can build effective policy. We as countries working together in the UN can make sure that we learn from the experience, establish clear processes to implement the plans around UNSCR 1325 and, most importantly, keep the peace agenda front and centre. When we look at women, peace and security, sometimes the issues around security may be more openly discussed, and we must have a clear commitment to ensure that it is peace that we are seeking and peace that we are working to achieve.

Last year on the 10th anniversary of this resolution 1325, in the standard State of World Population report that the UNFPA puts out every year, the focus was on women in conflict and women in peace. In that report, which was particularly done to coincide with the 10th anniversary, UNFPA looked at women's real experiences across the globe in areas of true conflict—Bosnia-Herzegovina, Rwanda, areas of central Africa and also South America. In these real-life examples, talking with women who were the victims of so much direct violence in these areas and the women who are working with men to ensure a postviolence, postwar response, we learnt that the true skills and knowledge which can be developed through the effect of women working together can then be used very effectively to give support
to women across the globe. We also looked at women actively involved in peace work. We could see that women were more open about talking about their experiences, telling each other how they could work together and starting the important aspects of healing, which is so important in leading to genuine peace in a community and in self.

It is important that the community now takes up the consultation draft that was launched on Monday the 18th in this place. We have a booklet available on the net and also in hard copy.

What we are doing now is asking for people in the community over the next two months to consider the draft plan put before them, whether it meets their needs, and compare it to the work done by the WILPF organisation in the period 2004-09 so that by the end of this calendar year we will be able to endorse in our country the Australian National Action Plan on Women, Peace and Security.

This is not the end of the action; this is part of an ongoing dynamic experience for women and men in our country. When we operate together at the UN, when we look at the action we have taken over the years since 2000, we will be able to see that Australia has continued to be a leader in the program, that we bring a true national commitment to the process, and that the women and men of Australia have taken up that promise mentioned by Minister Ellis on Monday—we have made the promise that we as Australians, both men and women, are going to be agents of true change and peace. In our Australian National Action Plan on Women, Peace and Security the issues around UN Security Council resolution 1325 will continue to be important and will have a place in our future.

**International Labour Conference**

**Senator JACINTA COLLINS**

(Victoria—Parliamentary Secretary for School Education and Workplace Relations) (18:41): I seek leave to speak for up to 20 minutes.

Leave granted.

**Senator JACINTA COLLINS**: Tonight I will address a different element of the United Nations system when I speak about my recent address to the International Labour Conference at its historic 100th session. Prior to this year, the last time I attended the International Labour Conference as a member of the Australian delegation was as a worker delegate to its 81st session in 1994. That International Labour Conference was also significant as it marked the 75th anniversary of the establishment of the International Labour Organisation and the 50th anniversary of the Declaration of Philadelphia, which widened the International Labour Organisation's mandate to cover matters such as unemployment and poverty alleviation.

For nearly 100 years this forum has brought together governments, employers and workers to discuss the issues critical to the lives of working people. At the 1994 conference I recall the historic and moving resolution presenting the ILO Declaration concerning Action Against Apartheid as a conference welcome to South Africa, back in the ILO after a 30-year absence. This year it is North Africa that has been undergoing historic political changes and, again, the ILO has a role to play in assisting the people of North Africa to obtain employment, dignity and rights they have demanded.

As a founding member of the ILO, Australia has a long and productive history in working with the organisation. But this relationship was tested throughout the term of the Howard government with its Work
Choices system, the subject of repeated criticism from the ILO supervisory body. As we well know, Work Choices reflected the Howard government’s determination to introduce an ideologically inspired and extreme framework for regulating Australia’s workplaces. I recall the Committee on Freedom of Association in 1999 noted serious concerns in relation to Australia’s workplace relations system, particularly as it gave primacy to individual over collective relations.

The situation for Australian workers became worse when in 2005 the Howard government won control of both houses of parliament and used its new powers to introduce the Work Choices package. The International Labour Organisation’s committee of experts continued to highlight its concerns and fortunately, in the 2007 election, Australians overwhelmingly rejected the erosion of their rights and protections and elected a Labor government to reintroduce fairness. It gave me great pleasure at the ILO to represent the Labor government that two years ago implemented the Fair Work Act. This historic reform, developed in consultation with unions and employers, ushered in a new era of cooperative industrial relations in Australia and re-established a fair and balanced workplace relations system.

The government is pleased that the new fair work system has been received favourably by the ILO committee of experts and that for the first time since 2001 the committee has not expressed concerns about Australia’s compliance with conventions 87 and 98. It was especially heartening to reflect on the observation made in the Director-General of Social Justice report released for the recent conference that it is countries such as Austria and Australia, which have recently reinforced their labour market institutions, that have weathered the global crisis so much better than other advanced economies. It is my hope that through my representation as a member of the Australian government executive at the International Labour Conference and with concrete progress towards the implementation of international labour standards, Australia’s standing as a strong and active member of the International Labour Organisation will be further reinstated. I am pleased to inform the Senate that Australia will ratify four ILO conventions this year. Among these is the Part-Time Work Convention which sets minimum standards for the treatment of part-time workers. This is particularly satisfying from my perspective as assisting people to balance their work and home responsibilities has long been a passion of mine, and it was when I last attended the International Labour Conference in 1994 that this convention was adopted by the conference.

I am also pleased to confirm that Australia will ratify the Maritime Labour Convention this year. As one of the most comprehensive instruments ever adopted by the ILO, ratification of the Maritime Labour Convention will be a particularly momentous achievement for Australia. We are also close to ratifying the Asbestos Convention of 1986 and the optional protocol of 2002 to the Occupational Health and Safety Convention.

As well as historic changes to Australia’s workplace relations system and this progress towards ratifying international labour standards, the Australian government is also enhancing our engagement with the International Labour Organisation in other ways, particularly through the signing of the historic Australia-ILO partnership agreement which funds a range of ILO projects in our Asia-Pacific region. Through this agreement Australia is working cooperatively with the ILO and our Asia-Pacific neighbours on projects such as the Better Work program, Green Jobs, Labour governments and youth employment. I am proud that Australia is now the largest donor to the Better Work
program, with funding of $7.5 million over two years. This successful program sees international labour standards applied at the enterprise level, leading to improved working conditions, better pay and increased productivity and competitiveness.

The Australia-ILO partnership agreement is being implemented at a critical time in the face of widespread unemployment in the Asia-Pacific region resulting from the global recession. The opportunity to make decent work a reality for people in the Asia-Pacific is very important for the Australian government. It is for that reason that I plan to visit Timor-Leste at the end of the month to provide a keynote address to the Our Work Our Lives 2011 Conference, the fourth such conference on women and industrial relations, on this occasion to be held in Dili.

The theme of my address will be women's access to their rights and entitlements. I will speak about Australia's experience with the current equal pay case for social and community sector workers. The conference is presented by the Working Women's Centre Timor-Leste with the support of the Australian National Network of Working Women's Centres, the University of South Australia and the Queensland University of Technology. While in Dili I expect to meet key officials to discuss the youth employment promotion program which is funded under the Australian government's ILO partnership agreement 2010-2015 and AusAID's education sector support program.

As governments around the world continue to grapple with the effects of the global recession and its aftermath, several international forums such as the G20 are highlighting the importance of creating jobs and addressing social inequality for a sustainable recovery. The International Labour Organisation has a unique place in this global dialogue. It is the only forum where governments and social partners cooperate on the international stage to ensure that decent work is a reality for everyone. Australia looks forward to continuing its partnership with the International Labour Organisation and working together towards this goal.

Defence Procurement

Senator MARK BISHOP (Western Australia) (20:48): I seek leave to speak for up to 20 minutes.

Leave granted.

Senator MARK BISHOP: I have spoken a number of times over the last 12 months on the subject of defence procurement. Tonight I want to address current developments in this area and to set out some perspectives which I believe need to be understood. Let me first recap the current circumstances of procurement within defence. The budget for the purchase and sustainment of defence materiel over the next four years is almost $40 billion. Over coming decades the investment will total hundreds of billions flowing from recommendations of the 2009 white paper. In the face of disgraceful waste in procurement, in particular from inherited legacy programs, significant reforms have been and continue to be implemented. These reforms flow from several high-level reviews, principally the Kinnaird review of 2003, the Mortimer review of 2008, the Prowse review of a few years ago and more lately the reports of Mr Pappas of McKinsey and Co. and Dr Black and Mr Rizzo. Performance of our procurement processes has improved to a degree whereby it is now plain that delivery is happening within 0.7 per cent of budget estimates, against which time slippage is said to be more than 30 per cent. It is frequently claimed that continuing poor performance is due to its complexity for the following reasons: the life of many procurements can
be up to 30 years; significant research is needed to achieve leading-edge technology in a world of rapid growth and sophistication; Australia's operational circumstances are unique given remoteness and distance, and that uniqueness requires, of course, unique equipment; industry has variable capacity with gaps in critical areas, especially high-tech systems development; skills are in demand and hard to acquire, with stiff competition in particular coming from the mining sector; past investment has been very lumpy, depriving industry of continuity of investment and skills retention; industry has become dominated by international prime companies, making for greater globalisation and reduced competition; competition between US-based and European industry leads to serious issues of intellectual property conflict, not to mention difficulty in systems integration, the eternal bugbear; and the needs of the three services are both different and varied.

That is all valid to some degree. It is true that governments over the years are accountable for many poor decisions and failures. These often span more than one government, such are the time frames involved. At the same time governments have sometimes been astute, in spite of military advice and failure, to purchase the appropriate capability—for example, the new Hornet aircraft bought while we wait for the JSF.

We are not alone in this. In fact, we may be better placed as a result of our reforms than many other nations. However, one thing is constant regardless of the improving circumstances, and that is the criticism made of the system and the attribution of fault. Let me give a string of examples. The military remain too susceptible to the latest gun runners' glossy catalogues and thereby can never be trusted with the chequebook. The military are under skilled, untrained and unable to make adequate technical assessment or project manage to the standard required—and incidentally are rotated too frequently. Civilians in the procurement and policy areas have no idea of military needs. Civilians and military are thereby mutually distrustful. Defence is constipated with bureaucratic process without any accountability. DMO is too fat at 7,000 staff and impervious to Defence, military and industry needs. Both DMO and Defence are ignorant of commercial realities and the needs of industry for continuity and certainty of investment. Industry is comprised of cost plus gougers who over-promise and under-deliver. The military have unrealistic expectations of cost and time and constantly underquote to obtain decisions. Past administrative reform destroyed service chiefs' responsibility through outsourcing and centralisation. Defence constantly fails in its administration, as evidenced by frequent ANAO reports. Contracting and tendering requirements are too onerous. Research and development needs are inadequately provided for, with a call for a return to the old cost plus, open-ended formula. The white paper was clearly too ambitious and unrealistic. Defence regularly fails to fully specify equipment detail, resulting in multiple tender and contract changes. Industry is never adequately consulted. Procurement decisions are too often based on inadequate or narrow advice without all options being thoroughly tested, especially with respect to viable local options. Industry, on the other hand, is too competitive and jealous to manage or consult collectively. Too much off-the-shelf product is modified for alleged Australian conditions or, alternatively, off-the-shelf purchases are too frequently sought in preference to Australian products. And, finally, government decision making is too slow and is
impearing industry investment decisions. And so it goes on and on, ad infinitum.

Sadly, there is some truth to many of these, and many examples can be cited in support. Some, however, are patently wrong and result from poor information and poor communication. Some are historic and cultural. This reflects very different paradigms between government and industry, and within government, all of which is in fact centuries old. However, in combination, these are all symptoms of unsatisfactory policy and administration.

To be fair, governments have been tightly focused on these issues for almost a decade. The question therefore is: have we made any progress? My view at this time is that progress has been made since Kinnaird and Mortimer. In coming to this general conclusion, I make the following observations in support. Lead times are very long for some projects. For example, the current AWD project, which will cost $8 billion for three ships, actually began almost 10 years ago. Part of the administrative failing in Defence can be attributed to previous reforms not part of Kinnaird or Mortimer. Adherence to budget, while assisted no doubt by a number of large off-the-shelf purchases, is pleasing to see. Much of the bad publicity, all well deserved, is almost exclusively attached to legacy projects. Allegations by industry seeking to blame government for slow decision making on projects, thereby affecting their business planning, are simply wrong. A number of legacy projects of concern have either been sensibly scrapped at the cost of $1.5 billion or restored to health. The experience since Mortimer in particular has shown that continuing refinement of those reforms is necessary. Continuing scrutiny by both parliamentary committees and the ANAO is essential, as is diligent ministerial oversight. In addition to these general observations, there are two other large elephants not to be ignored. First is defence industry policy and second, perhaps a large subset of the first, is naval shipbuilding itself. These subjects are very much alive as we progress through the production of LHDs in Spain and AWDs in Adelaide, not to mention 12 new submarines sometime in the future.

Having participated in this debate over the years I have come to some very positive views on progress being made, but analysis of the causes of problems is needed rather than of the symptoms. It has been the view of many commentators, and indeed of past ministers, that Defence is dysfunctional in some respects. That is not to say that much credit is not due for its many responsibilities, nor does it mean that everyone in Defence is incompetent; quite the opposite. However, it is a very large organisation. It has a long history and an accumulation of reforms which overlap even more frequently than constant changes to senior management. In short, it seems to me that in procurement it is not so much a matter of institutional structure or relationships within it, but the way in which it works—in the management-speak of Dr Black: governance, accountability, training and culture.

From my perspective, these matters are difficult to comment on. While we see evidence of dysfunctionality around these themes on a regular basis, we do not have much visibility of the causes of failure. What we do have, however, are regular reports from ANAO and management initiated reviews which, while valuable, are in themselves limited. I say limited because they never deal with the whole, nor does the recent report by Dr Black. It excluded the ADF, the DMO and the DSTO, the operations of which are part of the problem. There are also ad hoc reports such as the Rizzo report into naval maintenance, which is very insightful indeed. From both the
ANAO report *Acceptance into service of Navy capability* and Rizzo, we have a very clear picture of what has happened in the Navy at least. The centralisation and outsourcing of maintenance functions in the past has resulted in the disempowerment of Navy to manage its own ships. Maintenance became someone else's problem, hence the expression 'learned helplessness'. Further, Navy has been almost totally deskilled in the technical area. This does not bode well for the future with such a massive shipbuilding program underway. What was once a clear and direct hierarchy of authority with clear role definition and clear lines of accountability became a matrix model unsuited for the task. That is not to say the efficiencies sought were not well motivated, just that the management nous to make it work fell into a hole. Thankfully, at least the RAAF seems to have resisted the deskilling and loss of responsibility. As ANAO has pointed out in considerable detail—detail to the nth degree—RAAF has retained its regulatory authority and skill base despite maintenance being outsourced. Of course, RAAF procurement is largely off-the-shelf assembly line production, but equally highly sophisticated in a technical sense. Army procurement is somewhat different, but only because of scale. Army, of course, has its own failures. Navy, however, attracts all the attention. Perhaps it is just the scope of the projects, their enormous cost and complexity, the lengthy time lines and the state of local industry. But look at the recent record—Seasprites, the FFGs, HMAS *Wesralia*, amphibious ships, landing barges, submarines, lightweight torpedos and Sea King maintenance. In fact, naval ship building encapsulates the entire debate on defence procurement.

Nowhere else in the debate is so intense when it comes to local manufacture, adequacy of skills, continuity of investment, intellectual property, mixed operating systems between US and European, systems integration, corporate industry competence, project management and accountability, and the operating effectiveness in combination of Defence, DMO and industry. All this is against a background of a highly successful Anzac frigate project, a project regularly cited as an example of what can be done if only. Thus all credit to the minister for having a fresh look at the proposed submarines before we go too far down that track. I understand Mr Cole has now commenced his task and I hope his advice is both frank and fearless. He should challenge the group-think and unrealistic expectations which have grown up around this huge putative project. As Kinnaid and Mortimer advised: do the detailed work, ask the hard questions and fully test the expectations and assumptions upfront. To that extent the white paper should not be taken as prescriptive holy writ but as mere strategic guidance to direct contemporary outcomes for changing circumstances, especially where off-the-shelf has been genuinely discounted as a serious option. I stress the word 'genuinely'. The last thing we need is more projects masquerading as off-the-shelf when they are clearly developmental. I do not want to rake over these coals for the sake of it, but we must not forget. I sincerely hope the reviews now being implemented will address the dramas of the past decade.

Finally, I want to address the matters of accountability. During my service on the various foreign affairs committees and defence and trade committees and on the Joint Committee on Public Accounts, I have seen significant improvements in the level of information coming from Defence. I must acknowledge that Defence, while often resistant and recalcitrant in providing information, is making an effort to improve. Defence clearly acknowledges the need to
reform its processes, and many changes have recently been made by the current government. The establishment of the Independent Project Performance Office within DMO should help. This involves gate reviews for large and difficult projects, engaging independent experts from industry with a commercial background. This is clearly proven, good practice which works elsewhere in both government and industry. Likewise, the acceptance of Dr Black's recommendations to reduce and streamline the committee system. That is not to mention other organisational changes which hopefully will bring more quality control and a tighter and more responsive system. Among those is the creation of the new associate secretary to better coordinate the activities of the Capability Development Group, the CDG, as well as a new division created for more internal effective contestability. The latter has been strongly promoted by those who remember the successes of the past. It is said that it will reinstate the capacity to internally challenge proposals within the CDG and the DMO more objectively and more comprehensively. I have previously been critical of the CDG. It was here that previous authority held in the three services and elsewhere for capability planning and procurement was centralised. Strategically that was sensible as a means of bringing together the wish lists of the three services in a holistic manner. That is against budgetary disciplines, long-term defence planning, technical practicality and industry capacity. Questions have been posed about its technical competence to develop and pursue projects at the leading edge of technology against forceful interests, both external and internal. The criticism made by ASPI in particular, supported by others, including me, is that there must be more contestability within Defence on the advice going forward in support of all projects. The reforms of Dr Black address that directly.

As well, service chiefs have been restored as clients and must sign everything off. DSTO is to have a new probity board. All these reforms should help and I welcome them, though the proof of the pudding will be in the eating. We already know that the rapid succession of reviews, including scores of recommendations from ANAO, quickly sink into the mists of time or are usually overtaken by events. In particular, we should recognise the worth and professional tenacity of ANAO, who audit Defence so diligently. I do not know where we would be without them.

But I also acknowledge that cooperation from the bureaucracy—in particular, the DMO. With ANAO, it has began to produce an annual report on the progress of major reports. In fact, I would like to place on record my appreciation of Dr Gumley's work in support. I think the indicators show that the improvements being made are having an effect. That is against the background of tension between Defence and the DMO, where relationships are often strained, but also with respect to the quality of management. According to ANAO and Dr Black, administration is marked by a constant failure of administrative process and discipline across the board.

Many shortcomings are still being reformed following the Mortimer report and now following Dr Black's report as well. I think we are making useful progress but the challenges ahead, especially for Navy, are massive and should not be underestimated in any respect. The government is currently on the right track, but it is going to take some determination to ask the hard questions, no matter how heretical. We overlook the mistakes of the past and the symptoms of their persistence at our peril.
The following government documents were tabled:

**Treaties**

- Bilateral—Agreement between the Government of Australia and the European Atomic Energy Agency Community (Euratom) for Co-operation in the Peaceful Uses of Nuclear Energy (Date and place of signature to be confirmed)—Text, together with national interest analysis and annexure.

- Multilateral—Text, together with national interest analysis—Agreement for the Establishment of the International Anti-Corruption Academy as an International Organization done at Vienna on 2 September 2010.


**Tabling**

The following documents were tabled by the Clerk:

- [Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number. An explanatory statement is tabled with an instrument unless otherwise indicated by an asterisk.]

- Competition and Consumer Act—Consumer Protection Notice No. 24 of 2011—Revocation of existing permanent ban on miniature motorbikes (monkey bikes) with unsafe design features and imposition of new permanent ban on miniature motorbikes (monkey bikes) with unsafe design features [F2011L01702].

- Copyright Act—Select Legislative Instrument 2011 No. 149—Copyright Amendment Regulations 2011 (No. 1) [F2011L01698].

- Defence Force Discipline Act—Select Legislative Instrument 2011 No. 150—Defence Force Discipline Amendment Regulations 2011 (No. 1) [F2011L01696].

- Energy Efficiency Opportunities Act—Select Legislative Instrument 2011 No. 156—Energy Efficiency Opportunities Amendment Regulations 2011 (No. 2) [F2011L01695].

- Fair Work Act—Select Legislative Instrument 2011 No. 152—Fair Work Amendment Regulations 2011 (No. 3) [F2011L01697].


- Military Justice (Interim Measures) Act (No. 1)—Select Legislative Instrument 2011 No. 151—Military Justice (Interim Measures) (Remuneration and Entitlements) Amendment Regulations 2011 (No. 1) [F2011L01699].


**Departmental and Agency Contracts**

The following documents were tabled pursuant to the order of the Senate of 20 June 2001, as amended:

- Departmental and agency contracts for 2010-11—Letters of advice—Agriculture, Fisheries and Forestry portfolio.

- Broadband, Communications and the Digital Economy portfolio.

- Climate Change and Energy Efficiency portfolio.

- Health and Ageing portfolio.

**Indexed List of Files**

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 January to 30 June 2011—
Statements of compliance—
Agriculture, Fisheries and Forestry portfolio.
Department of Families, Housing, Community Services and Indigenous Affairs.
QUESTIONS ON NOTICE

Defence: Budget Audit Review
(Question No. 799)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the Human Resources area, in achieving the Gap to Average Performance, as identified in the Budget Audit Review, what total savings have been achieved since 2008-09.

Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

"performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500 international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the "direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform "detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.

Defence: Budget Audit Review
(Question No. 800)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the Human Resources area, if the Gap to Top Quartile Performance could be achieved, as identified in the Budget Audit Review, what total savings could have been achieved since 2008-09.
Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

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Defence: Budget Audit Review

(Question No. 801)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the Human Resources area, in achieving the Gap to Top Quartile Performance, as identified in the Budget Audit Review, what total savings have been achieved since 2008-09.

Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500
international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform

"detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.

**Defence: Budget Audit Review**

*(Question No. 804)*

**Senator Johnston** asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the levels of employment in the Finance area, if the Gap to Average Performance could be achieved, as identified in the Budget Audit Review, what yearly savings could be achieved since 2008-09 at each of the following levels: (a) below E-1; (b) at E-1 and E-2; (c) at SES 1; (d) at SES 2; and (e) at SES 3.

**Senator Chris Evans:** The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500 international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."
The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform "detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.

Defence: Budget Audit Review

(Question No. 805)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the levels of employment in the Finance area, in achieving the Gap to Average Performance, as identified in the Budget Audit Review, what yearly savings have been made since 2008-09 at each of the following levels: (a) below E-1; (b) at E-1 and E-2; (c) at SES 1; (d) at SES 2; and (e) at SES 3.

Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500 international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform "detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."
Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.

**Defence: Budget Audit Review**

(Question No. 806)

**Senator Johnston** asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the levels of employment in the Finance area, if the Gap to Top Quartile Performance could be achieved, as identified in the Budget Audit Review, what yearly savings could have been made since 2008-09 at each of the following levels: (a) below E-1; (b) at E-1 and E-2; (c) at SES 1; (d) at SES 2; and (e) at SES 3.

**Senator Chris Evans:** The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500 international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform

"detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.
Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.

Defence: Budget Audit Review
(Question No. 807)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the levels of employment in the Finance area, in achieving the Gap to Top Quartile Performance, as identified in the Budget Audit Review, what yearly savings have been made since 2008-09 at each of the following levels: (a) below E-1; (b) at E-1 and E-2; (c) at SES 1; (d) at SES 2; and (e) at SES 3.

Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500 international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics...""

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform

"detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.
Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.

**Defence: Budget Audit Review**  
(Question No. 808)

**Senator Johnston** asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the Finance area, if the Gap to Average Performance could be achieved, as identified in the Budget Audit Review, what total savings could have been achieved since 2008-09.

**Senator Chris Evans:** The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500 international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform

"detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.
Defence: Budget Audit Review
(Question No. 809)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the Finance area, in achieving the Gap to Average Performance, as identified in the Budget Audit Review, what total savings have been made since 2008-09.

Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500 international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform

"detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.

Defence: Budget Audit Review
(Question No. 810)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the Finance area, if the Gap to Top Quartile Performance could be achieved, as identified in the Budget Audit Review, what total savings could have been made since 2008-09.
Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500 international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform

"detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort...”

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.

Defence: Budget Audit Review
(Question No. 811)

Senator Johnston asked the Minister representing the Minister for Defence, upon notice, on 5 July 2011:

In regard to the Finance area, in achieving the Gap to Top Quartile Performance, as identified in the Budget Audit Review, what total savings have been made since 2008-09.

Senator Chris Evans: The Minister for Defence has provided the following answer to the honourable senator's question:

These questions have already been answered in the Budget Estimates response on the Budget Audit Review asked in writing by Senator Johnston. The Minister's answer stated that,

The "performance gaps" described in sections 7.3 and 7.4 of the 2008 Defence Budget Audit (DBA) Report are based on a comparison of the delivery of Defence enterprise support functions against a database compiled by McKinsey and Company (which is based on employee data for more than 500
international organisations across a range of industries and locations). The authors of the Report note that the methodology is subject to significant limitations to the

"direct applicability of broad benchmarks to the Defence environment (given its specific characteristics..."

The Report recommends that the "performance gaps" identified by the benchmarking exercise be regarded only as a guide to potential opportunities for savings costs across the functions examined, and not as firm targets to be implemented immediately. The DBA Report advised Defence to perform

"detailed work on translating...potential opportunity [identified by the benchmarking exercise] to specific targets, as part of an implementation planning effort..."

Defence undertook the diagnostic work recommended in the Report. This exhaustive process led to the ten-year cost reduction targets under the various SRP streams (including those that capture HR, Non-equipment Procurement and ICT support functions) that were agreed by Government and have previously been published by Defence. Defence therefore reports against these more robust targets, rather than against the gaps (or potential opportunities) initially identified.

Defence is reporting bi-annually to government on progress towards agreed SRP outcomes, including the achievement of annual cost reductions. The achievement during first year of SRP implementation is detailed in the 2009-10 Defence Annual Report. Defence is due to report to Government on its SRP performance during 2010-11 in the second half of this year, following finalisation of its financial statements. Details on the achievement of 2010-11 cost reduction targets will be included in the 2010-11 Annual Report.

Defence notes that the Government has committed to a five-year rolling program of White Papers. As part of this process a new DBA will be commissioned to inform the development of the next paper. It is likely that this audit would re-consider the performance of support functions against appropriate benchmarks, and thus provide an update on improvements in Defence efficiency.