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**SITTING DAYS—2015**

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

Governor-General
His Excellency General the Hon. Sir Peter Cosgrove AK, MC (Retd)

Senate Office holders
President—Senator Hon. Stephen Parry
Deputy President and Chair of Committees—Senator Gavin Mark Marshall
Temporary Chairs of Committees—Senators Christopher John Back, Cory Bernardi,
Sam Dastyari, Sean Edwards, Alexander McEachian Gallacher, Susan Lines,
Deborah Mary O'Neill, Nova Maree Peris OAM, Dean Anthony Smith,
Zdenko Matthew Seselja, Glenn Sterle, Peter Stuart Whish-Wilson and John Reginald Williams
Leader of the Government in the Senate—Senator Hon. George Henry Brandis QC
Deputy Leader of the Government in the Senate—Senator Hon. Mathias Cormann
Leader of the Opposition in the Senate—Senator Hon. Penny Wong
Deputy Leader of the Opposition in the Senate—Senator Hon. Stephen Conroy
Manager of Government Business in the Senate—Senator Hon. Mitchell Peter Fifield
Manager of Opposition Business in the Senate—Senator Claire Moore

Senate Party Leaders and Whips
Leader of the Liberal Party in the Senate—Senator Hon. George Henry Brandis QC
Deputy Leader of the Liberal Party in the Senate—Senator Hon. Mathias Cormann
Leader of The Nationals in the Senate—Senator Hon. Nigel Scullion
Deputy Leader of The Nationals in the Senate—Senator Hon. Fiona Nash
Leader of the Opposition in the Senate—Senator Hon. Penny Wong
Deputy Leader of the Opposition in the Senate—Senator Hon. Stephen Conroy
Leader of the Australian Greens—Senator Richard Di Natale
Co-deputy Leaders of the Australian Greens in the Senate—Senator Scott Ludlam and
Senator Larissa Joy Waters
Chief Government Whip—Senator David Christopher Bushby
Deputy Government Whips—Senators David Julian Fawcett, Anne Sowerby Ruston and
Dean Anthony Smith
The Nationals Whip—Senator Matthew James Canavan
Chief Opposition Whip—Senator Anne McEwen
Deputy Opposition Whips—Senators Catryna Louise Bilyk and Anne Elizabeth Urquhart
Australian Greens Whip—Senator Rachel Siewert

Printed by authority of the Senate
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Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives:

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<td>Peris, N.M.</td>
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(1) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice R. Carr), pursuant to section 15 of the Constitution.
(2) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice J Faulkner), pursuant to section 15 of the Constitution.
(3) Chosen by the Australian Capital Territory Legislative Assembly to fill a casual vacancy (vice K. Lundy), pursuant to section 15 of the Constitution.
(4) Chosen by the Parliament of Queensland to fill a casual vacancy (vice B. Mason), pursuant to section 15 of the Constitution.
(5) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice C. Milne), pursuant to section 15 of the Constitution.
(6) Chosen by the Parliament of South Australia to fill a casual vacancy (vice P Wright), pursuant to section 15 of the Constitution.
PARTY ABBREVIATIONS
AG—Australian Greens; ALP—Australian Labor Party; 
AMEP—Australian Motoring Enthusiast Party; CLP—Country Liberal Party; 
FFP—Family First Party; IND—Independent, LDP—Liberal Democratic Party; 
LNP—Liberal National Party; LP—Liberal Party of Australia; 
NATS—The Nationals; PUP—Palmer United Party

Heads of Parliamentary Departments
Clerk of the Senate—R Laing 
Clerk of the House of Representatives—D Elder
Acting Secretary, Department of Parliamentary Services—D Heriot
Parliamentary Budget Officer—P Bowen
**TURNBULL MINISTRY**

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<tr>
<td><strong>Prime Minister</strong></td>
<td>Hon Malcolm Turnbull MP</td>
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<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator Hon Nigel Scullion</td>
</tr>
<tr>
<td><strong>Minister for Women</strong></td>
<td>Senator Hon Michaelia Cash</td>
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<tr>
<td><strong>Cabinet Secretary</strong></td>
<td>Senator Hon Michaelia Cash</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Public Service</td>
<td>Senator Hon Mitch Fifield</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Digital Government</td>
<td>Senator Hon Jason Clare</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Counter Terrorism</td>
<td>Senator Hon Scott Ryan</td>
</tr>
<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong></td>
<td>Hon Warren Truss MP</td>
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<tr>
<td>(Deputy Prime Minister)</td>
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<tr>
<td><strong>Minister for Resources, Energy and Northern Australia</strong></td>
<td>Hon Josh Frydenberg MP</td>
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<tr>
<td>Minister for Territories, Local Government and Major Projects</td>
<td>Hon Paul Fletcher MP</td>
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<tr>
<td>Assistant Minister to the Deputy Prime Minister</td>
<td>Hon Michael McCormack MP</td>
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<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
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<td><strong>Minister for Trade and Investment</strong></td>
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<tr>
<td>Minister for International Development and the Pacific</td>
<td>Hon Steven Ciobo MP</td>
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<tr>
<td>Minister for Tourism and International Education</td>
<td>Senator Hon Richard Colbeck</td>
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<tr>
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<td>Senator Hon Richard Colbeck</td>
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<td><strong>Attorney-General</strong></td>
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<tr>
<td>(Vice-President of the Executive Council)</td>
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<tr>
<td>(Leader of the Government in the Senate)</td>
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<tr>
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<td>Senator Hon Concetta Fierravanti-Wells</td>
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<tr>
<td><strong>Treasurer</strong></td>
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<td><strong>Minister for Small Business</strong></td>
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<tr>
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<tr>
<td>Special Minister of State</td>
<td>Hon Mal Brough MP</td>
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<td><strong>Minister for the Environment</strong></td>
<td>Hon Greg Hunt MP</td>
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<td><strong>Minister for Cities and the Built Environment</strong></td>
<td>Hon Jamie Briggs MP</td>
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<tr>
<td><strong>Minister for Health</strong></td>
<td>Hon Sussan Ley MP</td>
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<td><strong>Assistant Minister for Health</strong></td>
<td>Hon. Ken Wyatt MP</td>
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<td><strong>Minister for Sport</strong></td>
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<td><strong>Minister for Defence</strong></td>
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<tr>
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<tr>
<td><strong>Minister Assisting the Prime Minister for the Centenary of ANZAC</strong></td>
<td>Hon Stuart Robert MP</td>
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<tr>
<td><strong>Minister for Defence Materiel and Science</strong></td>
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Thursday, 15 October 2015

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

DOCUMENTS

Tabling

The Clerk: Documents and returns to order are tabled pursuant to statute. Details will berecorded in the Journals of the Senate and on the Dynamic Red. Details of the documents also appear at the end of today's Hansard.

COMMITTEES

Legal and Constitutional Affairs References Committee

Meeting

The Clerk: A proposal for a committee to meet during sittings of the Senate has been lodged as follows:

Legal and Constitutional Affairs References Committee—private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate today, from 3.40 pm, for the committee's inquiry into regional processing centres in the Republic of Nauru and Papua New Guinea.

The PRESIDENT (09:31): Does any senator wish to have the question put on that motion?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (09:31): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: I think there might be a process issue here. I do not think the rationale or detail of this particular proposition has been circulated. I am not aware that it has been circulated. It makes it difficult to form a view as to whether or not something should happen if details and context about the particular proposition have not been circulated.

The PRESIDENT: Senator Siewert, do you want to make some comments on this matter?

Senator SIEWERT (Western Australia—Australian Greens Whip) (09:33): by leave—I have just been consulting with a member of the Legal and Constitutional Affairs Committee, and it is my understanding that an email has been circulated to the committee members about a regular private meeting, if that is what we are talking about.
The PRESIDENT: I think the minister is saying that that might be okay for the committee, but the Senate does not understand that.

Senator SIEWERT: This is a regular practice now. This does not happen for all the other meetings. There have been dozens of these meetings since this process started, and it is only Legal and Cons that this happens with. I have not heard Senator Fifield ask about the other meetings that have come up for agreement in this place.

Senator McEWEN (South Australia—Opposition Whip in the Senate) (09:34): by leave—My understanding, from emails that I received as a participating member of the Legal and Constitutional Affairs Committee, is that this meeting is to set the estimates program. Is that correct?

Senator Siewert: No. This is the references committee.

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (09:34): by leave—My understanding, and I have just received advice from the clerks, is that normally the advices of these proposals to meet are circulated, appropriately, to the whips. The first we knew about it yesterday was that it was on the draft red. We indicated at the cross-whips meeting last night that we did not have a position. The reason we did not have a position was that we had not received the circulated notice. The advice I have received is that that was an oversight. They normally are circulated; this one was not. The reason why we could not form a position as to whether we should proceed was that it was not circulated to our office.

The PRESIDENT: The situation is this: the Senate now has the opportunity to vote on this. That is why these proposals are raised in the manner that they are raised. The Senate now has an opportunity to deliberate. If senators are uncomfortable, they can vote accordingly. I think you are trying to circumvent this going to a vote, Minister?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (09:35): by leave—The process has not worked. I have just been advised that not only was it not circulated yesterday; it has not been circulated today. I am advised that there was an oversight. It has not been circulated. The purpose of circulation is so that the various groupings in the Senate can consult internally to determine their position. That opportunity has not been afforded.

The PRESIDENT: The question before the chair at the moment is that this committee be given authority to meet or not. If there are problems with the procedure that we currently have, can I suggest that the matter be raised at the Procedure Committee.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (09:36): by leave—The laws of physics dictate that I cannot occupy two places at the same time. I cannot be in this chamber talking, as I am at the moment, and at the same time consulting with my relevant colleagues on this issue. So it is not reasonable to expect a vote to take place on something which has not been circulated. It is not my fault and it is not the fault of anyone sitting in this chamber, so I do not think it is reasonable that we be expected to vote upon something that we have not had the opportunity to reflect on and to consult on.
The PRESIDENT: Well, that is the only course of action that we have open to us. Either we grant permission by resolution for this committee to meet or the motion does not go through as it usually automatically does. I gather from the debate we are having that it is desirable now to have this matter put to a vote.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (09:37): by leave—I just indicate on that basis that, not having had the opportunity to consult with relevant colleagues and because I do not know the background to this proposition, we will need to vote no.

Senator MOORE (Queensland) (09:37): by leave—I think Senator Fifield has raised a procedural issue in terms of receiving notice of this meeting. It has been confirmed that it was an oversight. Rather than having a vote at this stage, which I think would be unnecessary and a precedent that we do not need, I say we defer to a later time the question of this committee meeting, to allow the notice to be circulated, and then have a vote—before 3.30 this afternoon.

The PRESIDENT: The appropriate stage would be the placing of business, which will commence at about five to 12, but the Senate will have to grant leave to diverge from the usual arrangements. Do I gather that there is consensus on deferring this matter until the placing of business? No-one objects to that course of action? In that case, the matter will be deferred until the placing of business today.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (09:38): by leave—I would just indicate that I am not reflecting on Senator Siewert; she has not done anything inappropriate. What I am reflecting on is the fact that the usual internal processes have not been followed, which has denied colleagues the opportunity to consult on the question.

Senator Moore: Which is unprecedented. It has never been done previously.

Senator SIEWERT (Western Australia—Australian Greens Whip) (09:38): by leave—

The PRESIDENT: Senator Siewert, you have the call, but I am keen to wrap this up.

Senator SIEWERT: there are two things here. I did not take it as a reflection, Senator Fifield, so that is fine. But what I was going to comment on earlier when I was bobbing up and down was the point that Senator Moore made, which was about deferral. However, overall, Senator Fifield's comments earlier could have been interpreted as a reflection on the whole of this process not working, and I want to put that to bed; I think it is working. There has been a breakdown in this particular case, I think, rather than it being a reflection on the way that we are seeking approval for these meetings.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (09:39): by leave—Mr President, this will be my final comment on this.

The PRESIDENT: Thank you, Senator Fifield.

Senator FIFIELD: I also think that there are some issues with the timeliness with which these matters are circulated. There is a very short gap between when they are circulated and
this point of the day, which makes it more difficult—not impossible but more difficult—to consult with colleagues than it previously was under the former arrangements.

The PRESIDENT: In summary, then, we have deferred this matter until the placing of business later today. I also encourage the whips to have a discussion about this and, if there is deemed to be a flaw in the procedure, to formally write to me in relation to having this matter examined by the Procedure Committee.

BILLS

Racial Discrimination Amendment Bill 2014

Second Reading

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

Senator SESELJA (Australian Capital Territory) (09:40): I hate racism and bigotry. I cannot understand how someone can look at the colour of someone's skin, their gender or their ethnic background and make broad, sweeping assumptions about their moral virtue, their suitability for a role or whether they should be part of an organisation or grouping. But, unfortunately, the reality is that racism and bigotry have been part of the world in which we live for a very long time. That said, I also know that one of the great things about modern Australia is that, while these kinds of attitudes are still around, they have become increasingly isolated and rare.

There were certainly challenges in growing up here in Canberra for me, coming from a non-English-speaking background and with a name like Zdenko Seselja, but for the most part I did not feel too different. The isolated incidences of bigotry I experienced did hurt, but in a significant way they are memorable because they did not happen all that often. I will come back to that. Mostly what I saw was that my neighbourhood and school community were relatively cohesive, with people of many different backgrounds working hard and getting along pretty well.

I remember growing up with people both like me and unlike me. There were people from southern Europe, such as the Croatians, Greeks, Italians and Macedonians, and there were my best friends through the years, who came from Malaysia, the US, Sri Lanka and New Zealand. I got to know a refugee family from El Salvador, whom my family welcomed and assisted. I even remember the half-Zambian kid who grew up around the corner and went on to captain the Wallabies. Through growing up with these people, I formed the view as a young boy and then a young man that people should be judged by who they are—the content of their character, if you will—rather than judging them based on where they or their parents might have been born or on the colour of their skin.

Of course, it was not perfect, and there were times that I experienced bigotry. I still clearly remember going off to Croatian lessons and being ridiculed for being different. I remember being called ‘wog’ or ‘dago’. I had much darker skin then, compared to now, and I vividly remember being called ‘black’ as a derogatory term. Most of these instances were just kids being kids, though it did not make them hurt any less.

In considering the merits of section 18C of the Racial Discrimination Act, I have reflected on my experiences as well as the experiences of many others who have gone through much
worse than I did. It struck me that this section of the act came into force when I was a teenager. I cannot help but wonder: would it have made any difference to my experience growing up? Could or should the act have been used to help schoolkids like me, who were dealing with bigotry? My answer to these questions is no.

There are a number of reasons for this. Above all, I passionately believe in free speech, even speech which I find offensive. That is central to our democracy. I believe it is an absolutely fundamental right, and it is from the right to life and free speech that all other freedoms flow. And, if free speech really is a fundamental right, then the bar needs to be set very high before a law can outlaw any form of speech. Section 18C in its current form sets the bar too low.

In my maiden speech, I talked about the experiences of my family, particularly of my uncle, who came from the former Yugoslavia where he was imprisoned for exercising his right to freedom of speech and freedom of religion—things that we have to work very hard to guard.

There are some who argue in the context of section 18C, 'Well, what about defamation? What is the difference between a defamation action and an action under the Racial Discrimination Act?' In my opinion, the line is clear and significant. A defamation action needs to show that an individual has been damaged by the speech. A person must clearly show that the defamatory statement, to be actionable, has resulted in them being viewed in a lesser light by a reasonable person and that the statement was not true. However, under the Racial Discrimination Act, we have a completely subjective test applying to anyone identifying with a particular ethnicity or nationality—a 'hurt feelings' test. This can and does have a particularly chilling effect on free speech. In looking at this issue, I have also considered how different ethnic groups in the past responded to prejudice—not through the law but with humour. Wogs Out of Work and Acropolis Now were some of the responses of southern Europeans to the negative labels that they sometimes received. Well-known Australian comedian Vince Sorrenti has often used, to great effect, this type of humour.

I also make the point in passing that much of the ethnic ribbing that was part of my life growing up was a good natured two-way dig—part of a longstanding Australian irreverent character which most immigrants to this country have adopted and embraced. But, again, sometimes the labels did hurt. But when I consider the question of whether a law like 18C of the Racial Discrimination Act could have been used for me or others growing up—even if I had wanted to—my answer again is no, and that is because, like with many laws of this type, you have to have significant means and ability to bring such a matter to court. That means you get laws being used by activist organisations and lobby groups to score political points, rather than helping real day-to-day vulnerable people. Also, it seems to me that, by encouraging individuals and groups to settle their differences in court over this issue of offensive speech, we further entrench divisions in our community between ethnic and racial groups, rather than creating an atmosphere where we settle our differences with open debate, goodwill and even humour. A law designed to unite, can in fact divide.

History and experience show that you only get meaningful, long-lasting cultural change when it comes through evolving community standards rather than the threat of legal action. Outlawing speech does not stop the bigotry in people's hearts; it simply pushes it underground. It is better to bring such thoughts to light and have them discredited by rational
debate. We only have to look at recent examples in the United States, where free speech is protected in the constitution yet community standards often do the job of dealing with offensive speech. We saw this in the case of Donald Sterling, then owner of the NBA team the LA Clippers, who made highly offensive racially-based comments. The sanction by the public and the other NBA owners was swift and brutal. There was no need for a lawsuit against the behaviour—the community spoke out, and the issue was dealt with. More importantly, in that case the Racial Discrimination Act would not have even applied, as his comments were made privately and were recorded.

Another crucial reason why 18C, as it stands, is an unreasonable restraint to free speech is that it does not deal with the more subtle forms of racism and bigotry that we see. In my opinion, it is this sort of racism that is far more pernicious. Who could forget the South Australian Labor Party running election ads against Liberal candidate Carolyn Habib? The ads simply asked ‘Can you trust Habib?’ Blind Freddy could see that the ad was designed to appeal to an anti-Arab sentiment, but it is subtle enough to never attract the sanction of the law. It is better, in my opinion, to speak out and call this what it is—bigoted—and condemn it and highlight the hypocrisy of those who are putting out bigoted ads while arguing against amendments to the Racial Discrimination Act, rather than to draft a new law to try and deal with a more subtle form of racism.

This was a reform I publicly supported, and, in my maiden speech, I commended the efforts of Senator Brandis and his commitment to free speech. Indeed, for some time the coalition has been making the case for this reform. In August 2012, a year before the election of the coalition government, Tony Abbott said:

Let’s be clear: insulting, humiliating or intimidating others on any grounds, racial or otherwise, is deplorable. It should be everyone's goal to elevate the standards of public debate, not lower them, and to demonstrate respect rather than disdain for the various components of our community. Still, a "hurt feelings" test is impossible to comply with while maintaining the fearless pursuit of truth which should be the hallmark of a society such as ours.

Then, after the election, the Attorney-General said:

… never again in Australia will we have a situation in which a person may be taken to court for expressing a political opinion.

But we know that the government made the decision to put this reform to the side. Through that, I remained consistent in my views believing that this was an important reform to continue to pursue. Then, when Senator Day proposed an alternative compromise for reform of the act that simply struck out the words 'insult' and 'offend' the then Communications Minister, now Prime Minister Turnbull, said he was 'very comfortable' with the proposal and did not foresee 'any negative impact'.

So it is clear there has been substantial support in this parliament for this reform over the last few years, but we haven't matched those words with deeds. As the now Prime Minister went on to say about Senator Day's proposal … the reality is with change like this you've got to do it very delicately and you've got to bring people along with you.

Well I believe the time to bring people along is now. Section 18C does not unite us; in my opinion, it has the tendency to do just the opposite.

It has been less than a year since the tragic massacre of cartoonists and writers at Charlie Hebdo in France—a massacre that took place because of cartoons and words. The response of
many at the time was to lament the horrible murders as part of a physical attack on free speech. As Human Rights Commissioner Tim Wilson made clear at the time, while Charlie Hebdo would likely have been a legal publication in Australia, there is no doubt it would have faced constant legal challenges under the Racial Discrimination Act. Wilson argued: 18C would have been used against Charlie Hebdo because it sets a low bar to restrict free speech. Administratively, 18C also makes it easy to take action; all you need is an aggrieved party and an arguable case.

Wilson went on to say: The Charlie Hebdo massacre is a tragedy, and it should be a reminder that we need to defend free speech even when speech offends and insults. Offence and insult are subjective, emotional responses to the actions of others. Individuals can be offended and insulted by just about anything, even when it is not intended. For that reason, a law that prohibits speech that merely offends and insults sets the bar too low. Instilling these principles in law ultimately leads to self-censorship.

So this is not a trivial bit of policy; this matters, and we have seen recently how much it matters.

Reform of Section 18C of the Racial Discrimination Act is a policy that we advocated for before the last election. It is a policy that we took to the election. It is a policy the leadership of the government has spoken about and clearly supported, and it is a policy that I believe should be supported. I support this bill because I believe freedom of speech is one of the centrepieces of our democracy. Without it, we do not have real freedom. I support this bill because I have lived a life where I have occasionally experienced bigotry firsthand, but I know that punitive legal action ultimately will not result in the real lasting cultural change which leads to greater respect. I support this bill because this is what I said I would do when I was elected and it is what the coalition said we would do in opposition and in government. I commend it to the Senate.

Senator LINES (Western Australia) (09:51): I do not know how someone can stand in this place and say that they are opposed to vilification and then try to water down the Racial Discrimination Act: the two are mutually exclusive concepts. The last time an amendment to the act raised its ugly head I received many emails from concerned Australians about the watering down of the act. We saw community organisations across the country come out and speak against the watering down of the act. Many were community organisations who, unfortunately, deal with racism every day—the experts, if you like; those at community level who hear the offence and witness the pain it causes.

This is a time in Australia when tolerance should be at its highest, following the tragic and horrific shooting of Mr Curtis Cheng. There has been an outpouring of grief by thousands of Australians who did not know him but who were moved by his death to act in a kind and tolerant way. Tolerance should be at the forefront of our actions when we confront the fact that his death was carried out by a 15-year-old boy and when we are told by law enforcement agencies that children as young as 12 are being groomed by adults. Of course, we need strong law enforcement. Of course, we need vigilance and new strategies. What we do not need is an amendment to the Racial Discrimination Act which allows people to be bigots, to offend and to insult. This is exactly what the Racial Discrimination Amendment Bill 2014 seeks to do. It is not about free speech; it is about offending and insulting.
This is an amendment that the Turnbull government wants—only this time it is using the backdoor, through a private senator's bill. Of course, the bill is co-sponsored by two Liberal senators—one a former minister and one a deputy whip. They are two liberals who have held and continue to hold senior positions within the Liberal Party. This is Prime Minister Turnbull pandering again to the wishes of the bigots in his own party, who want to push through these changes under the guise of a private member's bill. Make no mistake: nobody is fooled by this action.

In June of this year the act celebrated its 40th anniversary. It was introduced under the Whitlam government in 1975, but from its inception right up until now a long succession of Liberal governments have tried to water it down, and this backdoor attempt by the Turnbull government follows that legacy. It is useful to reflect once again on the words of Kep Enderby, who, when he moved the bill, said: 'This bill was a significant step in the development of policy and the promotion of human rights in Australia' and also on the words of the great Gough Whitlam when he said in relation to the bill:

There is a need to spell out in an enduring form the founding principles of our civilisation, and in particular the principle that all Australians, whatever their colour, race or creed, are equal before the law and have the same basic rights and opportunities.

This amendment, like all previous Liberal government amendments, seeks to radically change that meaning and that intention of the Racial Discrimination Act. Last year, when the Attorney-General tried to move a very similar amendment to water down the Racial Discrimination Act, we saw thousands of submissions flood in in response to government consultation that almost universally panned the Attorney-General's exposure draft for a watered down 18C. There were rallies. There were petitions. There were delegations of community leaders to this place. Australians of all backgrounds spoke out against the government's divisive proposal. Australians from many organisations who would not normally agree with each other on a number of significant matters agreed that the watering down of 18C was not in anybody's interest. They showed that their principles were based on tolerance—tolerance that they can accept one another's positions and tolerance that they can disagree. They all came out supporting the original intention of the act.

Mr Abbott—as we know, the old management—eventually abandoned the government's attack. He humiliated the Attorney-General by making him backflip on his signature policy. So now they are trying the backdoor approach. Now the Turnbull government is trying to hide what it really wants by co-sponsoring a private senator's bill. We will see Liberal senator after Liberal senator stand up and say that they do not support racist comments, they do not support bigotry—and maybe that is true—but they cannot stand in this place and make those comments and also support this bill. So there is something else going on here, because they are mutually exclusive points of view.

I do not stand for racism. I do not stand for bigotry. I am a feminist; some over there think that is a dirty word. I do not stand for the watering down of the Racial Discrimination Act, to take out the words 'insult' and 'offend' and to say that it is okay in this country to insult and offend people. Australians do not stand for that. Last year, when the Liberals tried to water down 18C, we saw a very, very strong reaction from Australians. A private senator's bill is a sneaky way to try and achieve exactly the same thing, because it does not have the currency of a bill that the government is promoting. But we all know on this side, Labor senators know,
that it is the Liberal government, the Turnbull government, that is really promoting this bill. You would not see the Labor Party—the Labor senators or Labor members of parliament—co-sponsoring this bill, because, yes, we stand for free speech, but we do not stand for insults and offence. That is not what the Labor party stands for. We are proud that in 1975 Gough Whitlam had the foresight to introduce such a bill to say that Australians are inclusive, to say that we support free speech but not speech which insults and offends.

This year we saw the outrageous reaction to a dance that Adam Goodes performed on the football ground. Who would want to make all of those insults and offences that Adam Goodes received legal? Who would want to say that is okay? Let me tell you, as an Australian, I say that is not okay. I do not stand for insults and offence. I stand with Adam Goodes and other people who demonstrate their culture or their beliefs in a way that is not offensive, who should not have to stand and cop the sorts of racist comments that he has copped almost throughout his football career. You can stand here and say, 'Yes, I've been bullied. Yes, people have made racial taunts to me.' This is not okay, because those comments are painful and they leave a scar. Anyone who thinks they do not is kidding themselves.

The last time I defended this act I told the story of my granddaughter, and I think it is worth telling again. She is 11. She is Gidja. She lives in Geraldton. She went into a shop and she told me that the shopkeeper followed her and her mother around. When I asked Charlee why that happened, she responded by saying, 'Because I'm Aboriginal.' That is offensive. Who wants to make that legal? What happened to Charlee and the lesson she has learnt at the tender age of 11 she learnt many years ago.

I am often appalled when my fellow senator Nova Peris shares with me some of the emails that she receives. They are disgraceful. They use terms that went out in the 1960s—terms that I would not even repeat in this place because they are so offensive. This is because of the colour of her skin. What a disgrace! She is an Olympic hero and she puts up with that. If Nova Peris cops that, imagine what ordinary people cop on the street if they look a little different to me. It is a shame that my 11-year-old granddaughter has learnt that lesson at such a tender age—that the colour of her skin somehow makes her different to other people and causes other people to be suspicious that she might steal something from a shop. Well, I do not stand for that. I certainly do not stand for this Liberal Party amendment wrapped up in a private senator's bill.

Senator IAN MACDONALD (Queensland) (10:02): If Senator Lines is interested, and I am sure she is not, I am offended and insulted by her comment that all Liberals are bigots and racists. Does that mean that I should sue Senator Lines in a court of law for her view—inaccurate though it might be—of what members of the Liberal Party are? That was an appalling speech, I have to say, from Senator Lines. She is talking about free speech but she just runs out the mantra of the Labor Party that is dictated to her by the union movement, which represents no more than 17 per cent of all Australians. The Labor Party do not have free speech here or anywhere because if they cross the party line, as a number of government senators do regularly, and may well do in relation to this bill, they are expelled from the Labor Party. How is that for free speech, which Senator Lines so loudly claims she is in favour of?

I want to commence my contribution by congratulating Senator Day on bringing forward a bill which I thought my party was going to bring forward. It is something that we flagged
prior to the last election as being an important issue that we would address following the
election. The people of Australia still voted for us in large majorities right across the nation.
Clearly, our indication to the Australian public that we supported this approach or this policy
was not something that caused people to vote against us. I would assume, from the majority
that we got, that most people supported all of our policies, which included that.

I am pleased that Senator Day had the courage to bring forward this bill. As a result of that,
and I heard Senator Day speaking yesterday, he has been vilified by members of the Labor
Party simply for doing what parliamentarians are supposed to do—that is, bringing forward
legislation that they believe the people they represent support. And yet Senator Day's thanks
for doing that was the sort of vilification we got from Labor senators yesterday. So I
congratulate Senator Day on having the courage. I suspect he knew that he would be
subjected to abuse and vile language. I can only guess at the number of horrendously vile
emails that Senator Day would have received.

Senator Lines was suggesting that people get vile, hateful email. Gee whiz! I get them all
the time. Should I be suing Senator Ludlam and his nasty little band of people called GetUp!
for the emails they orchestrate to send me? Perhaps I do not have Senator Ludlam's great
knowledge of Twitter. Perhaps I did not have Senator Ludlam's or Labor Party senators'
advantage or privilege of attending expensive private schools and going full time to university
and perhaps occasionally I get things wrong. That then leads Senator Ludlam and his nasty
little band of GetUp! people to fill my email with what you could call hate mail
— only I do
not like to use that term. It is just insults, which says more about the people
who are not only
sending them but organising people to send them.

Australia has always been a very egalitarian and a very laid-back country. In fact, with the
coming of modern Australia, one would think—and genealogists would perhaps give a better
explanation of this—that a lot of the psyche, and a lot of the way we are as Australians, comes
from the fact that we were established as a penal colony. The people who made our country,
who pioneered our country—the modern Australia—had been subjected to transportation
from European countries. Part of our psyche is that we are laid-back, we can roll with the
punches, we can laugh at ourselves, we can deal with issues and we do not need governments
to legislate to tell us when we can be offended and insulted.

Senator Day's amendment bill is very carefully and, I think, wisely drawn to remove the
words 'offend' and 'insult' but to leave the act so that it would read:

(1) It is unlawful for a person to do an act, otherwise than in private, if:
(a) the act is reasonably likely, in all the circumstances, to humiliate or intimidate another person or
a group of people; and
(b) the act is done because of the race, colour or national or ethnic origin of the other person or of
some or all of the people in the group.

The law as it would stand, should this bill be adopted, would still make it illegal to humiliate
and intimidate anyone by making racist comments. I think that is fair, and I think most
parliamentarians, indeed, most Australians would probably agree with that.

As it now stands if you offend or insult someone, which is a very subjective test, you can
be subjected to quite substantial criminal penalties. Although it is not always based on race, if
offending and insulting becomes a criminal act in Australia, we have lost one of those very
valuable icons that define the Australian people. We are that laid-back group, we are that group that accepts everybody into the country. We are a group that has been made up, over a long period of time, of people from all nationalities, races, different colours and ethnic origins. That is what is so wonderful about the Australian psyche. To make it a criminal offence to offend and insult, as I said, is a very subjective thing and is, in my mind, just nonsensical.

Senator Cameron once said to me—and I am not quoting him exactly—'You're not fit to be a Scotsman's shoelace,' or something like that. Well, there is a racial comment against me, and perhaps I should have been offended and insulted by that. When I told Senator Cameron the other day that he should learn to speak English properly, he did not worry too much about that. I do not think he was offended and insulted. He certainly was not humiliated or intimidated by it but, of course, some people in his party thought they could make a little bit of an issue about it and got on their high horses. I am sure that Senator Cameron was not offended or insulted by that comment. If he was, well, so what? That is what Australia is about. If he was humiliated or, if me saying that to him had, in some way, intimidated him and made him want to resign from parliament or cut his wrists or something, then perhaps that is another issue. I am sure saying that would not be classed as humiliating or intimidating.

I find that the furore created by this bill difficult to understand. The subjective test of 'offend and insult' is not something that should attract criminal penalties in whatever way the offence or insult is given, whether it be in relation to race, political beliefs or age. I get a bit of comment because of my age from people who say that they are not bigoted, racist, ageist or gender critical. They say that, and you then see how things come out. Nevertheless, if people want to offend and insult me, that is fine; I am not going to slit my wrists. That is how I have found people right across Australia to have been in what has now turned out to be a long life.

I grew up in the immediate post-war period in a place called Stanthorpe where there was a big cohort of principally Italians who had been there for some time. During the war they had sided with the Germans and they were a bit ostracised. I can still remember people who may have been treated a little bit differently in those days. They were part of Australia. They had come to Australia, as most people do, because of the way we are as Australians, because we can have a go at each other. When I was starting school, people who may have been singled out because they were Italians are people who are now leaders of the community. They have worked hard and have built up their assets, and they are now leaders in every aspect of our community.

I remember my good friend Senator John Panizza was one of them. I might say, the Labor Party in this chamber used to laugh at him when his English was not quite as good as it should have been. I was always absolutely disgusted at the way Labor Party senators used to do that. Senator Panizza is a great example of the types of people who would have had a difficult life when they first came to Australia. They wore different clothes, they did not quite speak the ocker language, but they worked hard and they succeeded and ended up very wealthy, as Senator Panizza did. He became a leader of his community. Where I live now, in Ayr in North Queensland, the Italian, Spanish, Greek and Southern European cohort of third and fourth generation is the group that, as I say, have worked very hard and have done very well. They are now, absolutely, community leaders. They are in that situation because they came to Australia because of what we were. They have contributed to what Australia now is.
This idea of trying to legislate against offence and insult is just not what Australia is about. Sure, if it goes further and humiliates and intimidates, perhaps that is something that a parliament should legislate about. But this amending bill, of course, continues the criminality of humiliation and intimidation. I support free speech in Australia and that is something that this country should be very interested in.

I have heard much better prepared and much more intellectual speeches from some of my colleagues here. I particularly noted Senator Seselja's fine contribution to this debate earlier. I agree entirely with nearly all of what he said. I think the furor that has been raised by the Labor Party, for whatever political purposes they might think are appropriate, is just ridiculous. Again, in itself it is un-Australian. I again congratulate Senator Day and those other senators who co-sponsored the bill. I am not a co-sponsor but I have indicated all along that I believe that the bill is the right way to go. It will receive my support. As I say, it is what my party took to the last election. Most Australians were aware of our party's position on this, and it certainly did not impact upon the very large majority that my party received at the last election.

This idea that government should legislate to prevent people being offended or insulted is, quite frankly, ridiculous. I repeat, as others have said, offence and insult is a very subjective test. What people say to one person may offend and insult, but they may say exactly the same thing to another person and it will not offend or insult. Government should not be legislating to define or to make criminal words that offend and insult people on the grounds of race, colour, national or ethnic origin or anything else. Why not have a law in case I am offended because someone says I am old? Why don't we make that a criminal offence? It would not worry me, I might say; I do not care if people offend and insult me because I am old. But are we going to legislate to protect this minority, of which I am part, because I might be offended by what someone says about that?

I think this is a most uncontentious bill. I think it could almost be passed as a non-controversial bill, if people were thinking clearly about it and not following the party line. Perhaps some in the Labor Party see some political merit in making an issue of this. Australia is a wonderful country. We cherish our free speech. We cherish each other. We cherish people from all nationalities who have made Australia what it is today. We, as a nation, do not need government legislation to prevent us from offending and insulting one another. I strongly support the bill and again congratulate Senator Day for bringing it forward.

Senator McALLISTER (New South Wales) (10:19): This is really quite exquisite timing because on 31 October this year we will mark 40 years since the Racial Discrimination Act came into effect. We should be commemorating what was one of Whitlam's most enduring achievements. Instead, we have to defend it. It is a shame that some in the Liberal Party think it necessary to water down the race hate protections in the act. We hope that the new Prime Minister shows the strength necessary to stare down the less tolerant parts of his party. But we do not have much reason to hope because the Prime Minister himself has said to Andrew Bolt that he is 'very comfortable' with the measures in the bill. I am not comfortable with the measures in this bill, and neither are the Australians of all backgrounds who spoke out against the government's divisive proposal—Indigenous Australians and the most recent of migrants, Jewish people and Arabic people, and people of all political persuasions.
It might be that some opposite need a history lesson on why it is that we have the Racial Discrimination Act in the first place to understand why it is that we should not be watering it down. It is true to say that Australia has long struggled with racism, but it is probably fairer to say that Australia's minorities have long struggled against racism because it is they who have borne the consequences of prejudice. Unhappily, it is the case that the White Australia policy was one of the first pieces of legislation passed by this parliament after Federation. Prime Minister Edmund Barton argued in support of the bill, saying:

The doctrine of the equality of man was never intended to apply to the equality of the Englishman and the Chinaman.

And for the next 60 years, the doctrine of equality was not applied in Australia. All sides of politics share the blame for the discrimination that was entrenched in Australian life. Racism was not a minority view, nor was it a quiet one. In 1948, for instance, 57 per cent of respondents to a Morgan Gallup poll thought that the immigration of 'coloured peoples' should be stopped. These 57 per cent were not all bad people. They simply grew up in a time when racist beliefs were not just acceptable but could be passed off as a mark of civilisation. Nor was Australia alone in housing these beliefs. Racism has been and still is a global struggle.

None of this, however, made racial discrimination any easier to bear for those who suffered it. We will never know the cost of having turned away people because of their race. We do not know how many brilliant minds we turned away nor how many humble people who would have lived honest lives. What we do know, however, is the indignity and harm wrought on those of different backgrounds who made it to Australia, people who were denied jobs or education because of the colour of their skin, immigrants and their children who would hear families just like their own vilified on TV or in the papers simply because of where they had come from—the national shame of the stolen generation.

Forty years ago, this parliament looked at this past and said 'no more'. It was not a unitary effort; Australia's racist policies had required the connivance of both sides of politics, and dismantling it likewise required their cooperation. The Racial Discrimination Act was passed with bipartisan support. This did not mean universal support, however, far from it. Paul Keating later described the act as a 'very brave piece of legislation'. Only as brave a Prime Minister as Whitlam could have made it law.

It is instructive to recall what was said in this chamber when the bill was debated. One popular view was expressed by the senator who remarked:

Sometimes people have an aversion to others either because of personality, race, creed or whatever it might be. Does that mean it is such a bad thing? ... The fact of somebody having a racial attitude towards a person should not worry that person.

Or, to give it a more modern phrasing, people have the right to be bigots. I guess that, 40 years on, some things have not changed. But other things have changed and that is why it is so important to oppose this bill.

We are truly a multicultural nation today. The last census revealed that almost one in four Australians was born overseas and more than 43 per cent of us have at least one parent who was born overseas. The bill that is before us today is a product of a mindset that cannot even countenance tolerating difference let alone celebrating it. What I think we need to do,
however, is value this diversity for what it is: our country's greatest competitive advantage in a global market place.

We are a successful, multicultural country with an educated multicultural people. This is something that the old economies of Europe do not have. They remain largely a monoculture and their migrant populations have very different educational and community profiles from ours. We cannot rest on our laurels in this respect. There is much to be done in ensuring that people from different ethnic backgrounds are able to enjoy the success they deserve.

There has been much discussion recently about a bamboo ceiling that prevents people from Asian backgrounds from reaching the management and leadership positions that people with similar or even lesser qualifications and experience are able to reach. It is a huge mistake if we do not capitalise on the raw human talent that we have.

This is the century of the south. We have heard from the government ad nauseam recently about the importance of trade linkages with China and other countries in the Pacific. Well, the people in Australia who are in the best position to help us take advantage of these opportunities are the well educated people with cultural understanding and links to these nations—in other words, the very people that this government slaps in the face.

It is difficult to conceive of this bill as anything other than an insult to ethnic communities in Australia. What is startling is the urgency with which it has been brought on. This is a government, we should remember, that thought that it was too busy with other matters to debate same-sex marriage and would not let that private member's bill onto the floor—no time for love, but when it comes to people's right to be bigots, this government clears a smooth passage onto the floor of the chamber.

The question we need to really ask is: why is this so important? Why is it so important to allow people to offend or insult people of other backgrounds? What are the situations where people have a legitimate debate fouled because of these provisions? That is what I think we should hear from the other side—a list of the types of racist and insulting statements the supporters of this bill have in mind that currently cannot be said because of the bill as it stands. It is all well and good to talk in esoteric terms about the freedom of speech, but what we are really talking about here is speech that is on the margins, speech that has the ability to poison the tenor of public debate, speech that is toxic to our community.

It is worth remembering why the original bill, the government's bill, was withdrawn by former Prime Minister Tony Abbott in the first place. He thought that the divisiveness of the government's attack on race-hate protections was distracting from national security issues. You do not need to make an instrumental argument against race hate and divisiveness. You can oppose it on its face. And you should.

Senator BACK (Western Australia) (10:28): I rise to support Senator Day and his co-sponsors' Racial Discrimination Amendment Bill 2014. I commence with a quotation from the French philosopher Voltaire:

*I disapprove of what you say, but I will defend to the death your right to say it.*

The principles of the French republic, the three pillars—liberty, equality and fraternity—go to the absolute essence of what we are discussing in this chamber today. Voltaire, 1694 to 1778, a writer, historian and, of course, philosopher wrote:

*I disapprove of what you say, but I will defend to the death your right to say it.*
If I can stay with the historic quote for a further moment and that of the first president of the United States of America, George Washington. I quote Washington's comment because it is relevant to our discussion in this place today. He said:

If freedom of speech is taken away, then dumb and silent we may be led, like sheep to the slaughter.

Washington was acclaimed as probably the most famous and influential of the presidents of the United States, which of course he led into independence.

I have heard a lot of debate and discussion but I have not heard too many definitions. I propose now to place on the record the commonly accepted and indeed dictionary definitions of some of the words that we are debating here today. The bill proposes to remove the words 'offend' and 'insult' from section 18C of the Racial Discrimination Act 1975, which currently makes it unlawful to 'offend, insult, humiliate or intimidate another person or a group' on the basis of their 'race, colour or national or ethnic origin'. That is what we are addressing today.

I applaud Senator Day for his initiative in bringing this bill before this chamber, which surely must rest at the base and the root of Australia's democratic system. Because if we cannot debate it, if we cannot come to the conclusion as to what is free and what can be said in this country then the courts have got no basis upon which to make their statement, so I do now want to put onto the record the definitions. The first word is 'humiliate'. The definition of humiliate: to humiliate is to injure the dignity of self respect of a person or a group, to embarrass or to put them down. As I understand from Senator Day's bill, there is no intention to remove the word 'humiliate' from section 18C as amended. The second is the word 'intimidate'. It is defined as to frighten or to overawe, especially in order to subdue or influence. A further definition: to threaten. And, again, unless I am mistaken, there is no intention within Senator Day's amendment to section 18C to have any effect, to leave 'humiliate' and 'intimidate' in the amended bill.

I now want to go to the definition of the two terms that are proposed in this bill to be deleted or to be limited and they are 'offend' and 'insult'. The definition of the term 'to offend': firstly, to cause offence to or resentment in, to upset; secondly, to displease or to cause anger; thirdly, to do wrong or to transgress. And that is one of the two words that are proposed in the Day bill to be removed. The second is the term 'insult', which refers to speaking to or treating a person with scornful abuse, to make an insulting remark or an insulting action or something that is so worthless or contemptible as to be offensive.

Whilst we are on the topic, since it has been thrown around—although it is not included in the words of 18C now and not included in the intended amendment by Senator Day and his cosponsors—I will introduce the term 'bigot'. A bigot, by definition, is an obstinate believer in religion, a political theory or similar who is intolerant of others and who tries to impose his or her views on others, a person who is prejudiced. That is what the definition of a bigot is. I would venture the opinion that on many of the occasions when we are speaking in this chamber, when we are countering the views of others who have spoken before us, we certainly express a level of intolerance to the view of others. We certainly in the words that we use would, in the view of the listener or an observer, be considered to be trying to impose our views on others. That is what the term 'bigot' means.

I turn, as indeed others have, as indeed Acting Deputy President Bernardi has, to the comments of many people in this debate in terms of where they stand on freedom of speech and the words 'offend' and 'insult'. If we take the commentary of Mr David Marr, a person...
who, as you said, I believe, in your contribution, Acting Deputy President Bernardi, and—I will repeat—a person who would not agree with most areas or positions that we would take. He said:

…in a free and energetic society, giving offence is necessary. 'Offending' and 'insulting' are the two terms that are proposed to be deleted. Marr goes on to say 'offence and insults are the everyday reality of free discourse' in a free and open and democratic society.

I imagine even some of the young people looking down on us today would certainly in their conversation in the classroom or the playground on occasion have said things of offence to others or, indeed, may have insulted a classmate or friend. Should they, in their maturity beyond the age of 18 years, be dragged before a court and be the subject of an action under the Racial Discrimination Act? Of course they should not. In fact, as Marr said:

Hurt feelings should never attract the law as they do now under section 18C. I wonder if the young people who are listening to what is being said today are aware that, once they reach the age of 18 years and possibly even younger, if they do hurt the feelings of another, they may in fact attract the law under section 18C.

Professor James Spigelman, a former Chief Justice of the Supreme Court of New South Wales and Chairman of the ABC, made this comment:

I am not aware of any international human rights instrument or national anti-discrimination statute in another liberal democracy that extends to conduct which is merely offensive. He goes on to say:

The freedom to offend is an integral component of freedom of speech. There is no right not to be offended.

I was very impressed with the first speech of our Western Australian Labor Senate colleague Senator Bullock. He said:

To be tolerant of your views I do not need to pretend that you are just as right as I am but rather to accept that you have a perfect right to hold a view I believe to be wrong, even if I find your view offensive.

I look forward to robust discussions with Senator Bullock at different times on different topics in which we will be in disagreement and indeed as we have been. If he finds my words offensive or insulting, he has the perfect opportunity to retort and to come back to me in the way in which he wants to.

I will defend strongly the continuation of the words 'humiliate' and 'intimidate' to be held within 18C. They are deeply offensive to anybody. The fact that somebody tries to injure the dignity and self-respect of others, to put others down as either an individual or a group—the concept of someone trying to frighten, subdue, influence or threaten a person or a group of people—is deeply offensive in Australia. It is absolutely counter to the fundamental that created the essential Australian system of mateship. It is the absolute anathema of mateship that one would attempt to humiliate or intimidate.

Since mateship probably had its origins in the battlefields of Gallipoli and other places, you had better believe that there would have been plenty of rejoinders that somebody listening from the outside indeed may have seen to be offensive or insulting. The term 'bastard', as we know as Australians, will have many different meanings depending on the context in which it
is used. Somebody from another country may think that a person is being deeply insulting or offensive to use that term when indeed they may actually be using it as a term of endearment. But of course we would never relate that term to humiliation and intimidation in the context of mateship as I speak.

In considering my contribution to the amendment proposed by Senator Day I reflected on some of the feedback I get to some of the contributions I make in this place and outside it. I have spoken at different times, for example, in terms of hormonal balance within the foetus. I have indeed made the observation that maleness is suppressed femaleness in the embryo and the foetus. I have drawn attention to you, Acting Deputy President Bernardi. I remember in one contribution making the point that, foetally and embryologically, you in fact were female before you became male. I received a lot of emails at that time which I would certainly regard as having been offensive. Indeed, I don't know if they might not have been from some members of your family! Or they may have been insulting.

I have made other comments about embryologic development in the animal species and the human species and I have incurred the wrath of people who have emailed me. I can assure you that those terms were deeply insulting to me. I am known to be a person who very strongly endorses and promotes the live export of production animals from this country. You would understand and had better believe that over time there have been and will be more communications to me, to my family and to my staff which any reasonable person would say are offensive and insulting—sometimes, of course, as you know, beyond that. Section 18C as it stands at the moment would allow me to drag such a person before the courts because they have expressed their democratic view that what I have said, in their view, is insulting or offensive.

Certainly there has been no attempt in those circumstances to intimidate. If there were, they would have to expect a different response from me. But, as a public person, as we all are, if we express our views openly and freely then we must be the subject of communication from others who would disagree with us. That person must know that they are free of the possibility of being dragged before a court.

I conclude my contribution with the words of the Attorney-General and now our leader in this place:

By making the reasonable likelihood of causing offence or insult the test of unacceptable behaviour … section 18C is a grotesque limitation on ordinary political discourse.

Surely this country was born on the principle of the freedom of political and related discourse. I commend Senator Day for his initiative in proposing this amendment bill. It is reasonable. It leaves those offensive words 'intimidation' and 'humiliation' in, and it removes the words 'offend' and 'insult', which have no place in a modern democracy

Senator SINGH (Tasmania) (10:44): I rise to speak against the amendments put forward by Senator Day in the Racial Discrimination Amendment Bill 2014 to weaken our racial discrimination laws in this country. I do so because I see these amendments as anathema to the social inclusion and national unity that this country, at this point in time particularly, is so crying out to achieve. In fact, I was very pleased to join with so many faith leaders this week here in Parliament House for the National Day of Unity. Representatives from the Muslim, Sikh, Christian, Jewish, Buddhist, Baha’i—so many different faiths—came here to Parliament House to stand with us, leaders in our own community and members of parliament, to say:
'We stand together against hate speech. We stand together against bigotry. We stand together to celebrate the diversity and mutual respect that we engender amongst each other to foster positive relationships between all faiths and all ethnicities.' Why would anyone want to reduce and weaken that bond that we have? That is how I see an attack on our racial discrimination laws—laws that have served this country for the last 20 years very, very well, laws that provide for freedom of speech.

We have freedom of speech in this country, and it is provided for within the very piece of legislation that this senator is trying to weaken. As he would be very well aware, it is provided for in section 18D of the legislation. We have gone through this debate. We have gone through this debate tirelessly under the Abbott government. We saw very clearly that, after an immense amount of community pressure and pressure from the opposition, the Abbott government and, embarrassingly, the then Prime Minister Tony Abbott himself, had to tell the Attorney-General that his ideals in trying to reduce our racial discrimination laws in this country were a bad step and he had to withdraw them. Of course, that was welcomed. It was very much welcomed by all of the faith leaders and the community at large, but little did we know that it was going to be temporary. Little did we know that, if a senator from another party were to introduce amendments—changes which look very similar to those that were introduced by the Abbott government—the new Turnbull government would not come out and say: 'No, we dealt with that. We said that we were not going to weaken our racial discrimination laws in this country, and we will not support Senator Day's bill.' That is not what we have had from the new Turnbull government.

Everyone thought that, with a new broom at the top, it was all going to be different. Why doesn't Malcolm Turnbull, the Prime Minister of this country, show that he is different? Why doesn't he show that his government is different and say that the coalition government in this country will not support Senator Day's weakening of our racial discrimination laws? We have had absolute silence from the Prime Minister. Instead, we have had the contributions of a number of his backbench and a number of individuals in this place, particularly, such as Senator Back's contribution just now. Acting Deputy President Bernardi, you have also made clear your support for the weakening of the racial discrimination laws. So who is to know where this government stands? You are completely divided on this—completely divided. You have some who are still standing firm on the previous government's complete rejection of the Attorney's attempt to weaken these laws, and then you have others who are very much in support of the attempt.

That is not good enough. That is not good enough for this country to go forward with. That is not good enough to tell to faith leaders, who need more than ever at this time to know that their government is standing strong and firm with them in support against hate speech. That is what our Racial Discrimination Act provides. It provides very strong and robust provisions, particularly in 18C, that give this multicultural country of ours something to feel strong and proud about. We know that all of those rallies, petitions and delegations of community leaders who came to this place meant something. Those of us on this side listened, but it seems that those in government are now willing to turn a blind eye to all of that support for our racial discrimination laws and to all of that opposition against what the coalition government was trying to do. They are completely ignoring all of those leaders—Indigenous leaders, Jewish leaders, Arab leaders—and trying to bring these awful amendments back through this place.
That is not what you will find from the Labor Party. We stand very firm with all of those faith leaders and those community leaders. We do not want to see racism and bigotry in this country. We do not want to see the likes of Frederick Tobin back preaching his anti-Holocaust rhetoric. We want to ensure that we have decent and fair laws in this country that deal with hate speech. That is what our Racial Discrimination Act has provided for a very, very long time. What on earth is the motivation behind this particular senator and behind those senators who want to weaken these laws? What is your motivation? That is what I ask you. You cannot say your motivation is to have freedom of speech in Australia, because we have freedom of speech in Australia under this particular law, and you all know it—in section 18D, we have it. Of course, all freedom of speech has to have some limits. Do you really want to live in a country where hate speech is on your doorstep, where it is okay to have the likes of Frederick Tobin go out there and preach his Holocaust-denying, awful speech? No, we do not. We do have some limits. But I can tell you: the bow is pretty long when it comes to freedom of speech in relation to race in this country and those provisions are in this law, the Racial Discrimination Act.

I think it is important to remember the reason given by the then Prime Minister, Tony Abbott, for his change of policy. It was in August last year when, in the wake of the emerging crisis in Syria and Iraq, Prime Minister Abbott admitted that the divisiveness that his government had created, the divisiveness of his government's attack on race hate protections, was a distraction from national security issues. That was the excuse he gave for abandoning the weakening of our racial hate laws. In doing so he threw the baby out with the bathwater, so to speak, and that was the end of the weakening of these laws. We now find ourselves in a very similar position. More than ever, we need unity in this country, and the episodes that have occurred in the last week or so in Victoria and in New South Wales prove that more than ever. So why would anyone come into this place right now and try to weaken the national unity that we have in this law, the social cohesion that is provided in this law? Why would anyone come in here and open the gates to hate speech at this point in time? It is beyond me in any circumstances but it is particularly beyond me at this point in time.

Labor stands very firmly against extreme hate speech, which section 18C has covered. The Australian people made very clear their opposition to the coalition government's attack on racial hate speech, so my message to Prime Minister Malcolm Turnbull is: show that you are different from the previous Prime Minister, Tony Abbott. One way you can show that is by rejecting this amendment and standing firm with our faith leaders and our multicultural communities and ensure that this law remains as strong and robust as it has for the last 20 years.

Debate adjourned.

Commonwealth Grants Commission Amendment (GST Distribution) Bill 2015
Second Reading

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

Senator WANG (Western Australia) (10:55): I am one of many fortunate Australians who have worked in the mining industry, which has been a critical social and economic foundation of this country's prosperity throughout history. I was delighted to hear Senator Back's
contribution to Senator Day’s bill, talking about mateship. I think we should try to adopt the principle of mateship also on this issue. I look forward to the contributions of Senator Back and Senator Smith on my bill in the future.

I worked in the mining industry and I know it is a very tough game. There have always been peaks and troughs; therefore, in the true spirit of fairness and mateship, the highs and lows should be shared among all states and territories. Distribution of the goods and services tax, the GST, has been problematic because it has not been allowed to evolve while the world economic environment is changing quickly. Western Australia has been a victim of the distribution model’s failure to adapt to the new terms of global trading, especially those around the iron ore market. Global iron ore trades shifted to quarterly prices five years ago with a lot of iron ore now traded on the spot market. The commodity market has its ups and downs but this shift has made it less predictable. As a mining state, WA has been hit brutally by the volatility of recent years. What made it even worse was that WA’s share of GST kept falling during the same period—a double hit to the state budget.

The Commonwealth Grants Commission calculates each state and territory’s capacity to raise mining revenue based on data at three-year intervals. Frankly, this is a 20th century way of thinking and it fails to adjust to the way the 21st century world trades. A bad year is a bad year, but the impact cannot be moderated just because the previous two years were not so bad. So the states and territories should be provided with the means to cope with revenue shortfall immediately, not three years later. Using three-year-old mining revenue data has driven a huge reduction in GST distribution to Western Australia at the same time as the actual mining royalties have reduced.

For 10 years now the issue of the volatility of mining revenue has been raised in the Commonwealth Grants Commission reviews of the GST distribution process. The issue is of particular importance to the people of Western Australia and, to a lesser extent, the people of Queensland. I would like to take this opportunity to thank my fellow parliamentarians from WA, especially Mr Tony Crook, who have all advocated for a fairer treatment of WA’s GST position.

The Commonwealth Grants Commission Amendment (GST Distribution) Bill 2015 bill instructs the Commonwealth Grants Commission, when considering the capacity of a state or a territory to raise mining revenue in preparing its annual recommendation on GST distribution, to take into account only the most recent financial year for which data is available. Some may say that using annual assessments of royalty revenue will disadvantage the mining states when these royalties are increasing. The argument clearly shows a lack of understanding of the current impacts felt by Western Australia. My bill offers a real buffer for the states against volatility.

Of course, I am putting this bill forward because the GST distribution has not been fair to my home state. But, more importantly, I am doing so because we now know that the distribution model has a problem which is capable of producing undesirable results, as proven in this case by the unfairness suffered by Western Australia. This problem has to be fixed so that it will not haunt another state or territory in the future as that state or territory’s economic circumstances and revenue mix change. It could be Queensland; it could be Tasmania; it could be any of my good colleagues’ home state should the mining industry become a bigger part of its economy.
I welcome the $500 million of Commonwealth compensation to Western Australia this year. But the fundamental problem with the distribution remains untouched. We cannot sweep the problem under the carpet and pretend the job is done. Why is it that my home state has to cry every now and then, like a baby crying for milk, for what is rightfully ours? Honestly, I do not like the prospect of WA continually doing so in the future. And, dare I say, if it were a bigger state, population-wise, suffering from this very problem, we would have fixed it in no time.

Yes, unanimous agreement by all states and territories is required for the Commonwealth to change the rate of the GST, but no such agreement is needed to modify the distribution of the GST. Under my bill, if legislated, Western Australia would receive $3 billion additional GST revenue in the 2014-15 financial year and $3.5 billion in the 2015-16 financial year. Queensland would also benefit from this bill. But let me say again that the real benefit will be felt nationwide because, once mining revenues go up, other states' share of the GST will go up immediately in the following financial year. This is true equalisation, true mateship.

I am putting forward this bill for WA, a state I love, a state I am a representative of here in this parliament. I make no apology for doing this because WA has been ripped off for too long. But all states and territories will also be better off from this long-overdue change. I believe this bill represents the best interest of this nation.

Senator CANAVAN (Queensland—Nationals Whip in the Senate) (11:02): I welcome this opportunity to speak about the very important issue of horizontal fiscal equalisation in this country and the distribution of the GST. At the outset, I would like to commend Senator Wang for bringing forward the Commonwealth Grants Commission Amendment (GST Distribution) Bill 2015. This is an area that I think needs change; indeed, I think there needs to be major change to how we calculate fiscal equalisation across our nation. It is not simply an argument about fairness and who deserves more money and who deserves less. It is actually more than that because, in my view, our current system is creating perverse incentives and, particularly, not encouraging our state governments to develop their resources, their industries and their economies. Ultimately, that is what we want our state governments to do because that will create more jobs and more opportunities for all Australians.

I will expand a bit further on that in this contribution. But first I would like to say to Senator Wang that I, too, am one of the senators who have defended WA and tried to point out the inequities. I think I deserve a little bit of credit for that because actually I am, of course, not a Western Australian senator, and I have received some criticism in my home state for standing up for the interests of my western brothers and sisters. I have done so because I think, fundamentally, clearly there is something wrong when a state can receive less than a third of the GST that it raises. At one point, the projections were for WA's share to fall to around 10 per cent of the GST raised in WA. That did not eventuate, given the fall in iron ore prices, but even the fact that that could have potentially been an outcome shows there is something wrong with the system.

While I am in this chamber to represent the interests of Queensland, and regional Queensland in particular, I believe that I am a senator for the Commonwealth of Australia and that we all have a duty to make sure that we try to encourage the Commonwealth of our nation. I do not think our current system, particularly the way it is assessed and implemented,
does a good job of keeping us together within that Commonwealth and creating the right environment which ensures we all try to live together as one nation.

I want to turn, though, in particular to the provisions of this bill Senator Wang has put forward. I have to say I will not support the particular provisions in this bill, notwithstanding the fact that I do commend Senator Wang for bringing them forward. I have some questions about the impact of the provisions in this bill. I do not think it particularly deals with the issues with the system that I will expand on later. My understanding of the provisions in the bill is that they will shift our current arrangements from a three-year averaging approach to a single-year approach. While there may be some merit in that recommendation, it does not deal with the fundamental issues that I have with the horizontal fiscal equalisation process. Of course, over time, it will not, by definition, make a difference to what a state receives over a 10-, 20- or 30-year period. It may, of course, correct some things in the short term, in the transition phase, as Senator Wang has pointed out in his contribution. But I actually hope and think that we need to make some changes for the long term in this area which will fix the problems we have in the future and not be just a temporary fix to deal with the anomalies that we have seen during this terms-of-trade boom.

I also have some questions marks over whether it is appropriate to switch from an averaging regime to a single-year regime as quickly as proposed in this bill. Notwithstanding that I think there should be some changes to the way we do things, I recognise that an appropriate transition process should, perhaps, be considered. There are, of course, other states and territories that receive large amounts of additional funding thanks to the horizontal fiscal equalisation process, and it would also be somewhat unfair on them if the rules of the game were changed mid-game, leaving them without the opportunity to appropriately adjust to any particular changes.

I want to talk more broadly about the horizontal fiscal equalisation system. It is often remarked that this is a sacrosanct methodology that has almost been given to us on some mountain in the Middle East in the Old Testament: 'We can't change. We can't amend anything to do with this methodology because it is something that has been handed down by our forefathers and it almost has some constitutional merit to it.' In fact, that is clearly not the case. Not only is this particular way of dividing up the different resources of different states relatively new—only a few decades old—but it is also regularly reviewed and changed. There have been reviews in the past decade—in 2004 and 2010, and a review in the last few years that was implemented in the last Commonwealth Grants Commission assessment. Sometimes there are major changes made; it is not just window dressing that occurs at particular times.

Indeed, this year's assessment established for the first time an urban transport methodology for the assessment process. Previously the costs and revenues of public transport services offered by state governments were not included in the process, but this year, for the first time, they were included. Many people probably do not realise or know that that change to include public transport services in the methodology cost Queensland $500 million, because Queensland is a state that is largely dispersed and where large amounts of the population are in regional areas where state governments generally do not provide public transport services. There are often some private services that receive subsidies, but they do not directly provide the services themselves. My understanding of the Commonwealth Grants Commission
process is that they have only included the services offered directly by state governments, which are almost invariably in our major and capital cities.

We have a horizontal fiscal equalisation process which was meant to spread the wealth around our nation, yet this particular change has instead concentrated the wealth back in our major cities. I find that rather anomalous, and I asked the Commonwealth Grants Commission about it at last estimates. I have some serious problems with how this is being assessed. We need to take a step back and think about why we have this process and what we are trying to achieve with it. With horizontal fiscal equalisation we are trying to achieve an element of equity across our nation, keeping in mind that this is the Commonwealth of Australia. I have no problem with ensuring that the people of the Northern Territory, Tasmania and the other states receive an appropriate level of public services across our nation. It will often require transfers of money between states to make that happen. Almost every federation in the world has a system like this in some form, so the argument is not against the equalisation process itself; it is about how we achieve that. And in achieving that what we should aim to do is make sure it is as policy-neutral as possible. That is the criterion that the Commonwealth Grants Commission themselves say they apply, but I have serious questions about whether they are actually achieving that objective in the way they are doing it at the moment.

Take this urban transport issue itself. The Commonwealth Grants Commission is meant to say, 'However we transfer money, it should not affect the policy decisions of state governments. It is meant to be policy-neutral. So however we decide to spread money from one state to another, it should not change how state governments do business or what they do.' In fact, what is happening with their urban transport methodology is that they are looking at how much in fares state governments take in. They are looking at the costs of providing bus, train and ferry services. Invariably, in almost all of our states, there is a large gap between those revenues and costs, so there is a net cost to providing these services and, through this process now, state governments receive a subsidy for providing public transport services. The provision of public transport is of course a very important one, particularly for Australians living in major cities. But it is clearly a policy decision. It is not something that state governments have to provide or must provide; it is a policy decision. By providing particular states that have more urbanised populations with greater subsidies for those services they will be subsidising those services, thereby encouraging state governments to provide more of them and clearly breaching the Commonwealth Grants Commission's principle of policy neutrality.

Putting that particular example aside, I have much greater concern that in the area of mining royalties in particular this principle of policy neutral is being breached on an enormous scale. Once again, both the decision to develop a mining industry itself and the decision to apply a royalty to that mining industry are clearly policy decisions of any government. The resources that WA and Queensland have, yes, are God-given. They are given to us by the Lord and we are lucky to live in a country with many of these resources. Senator Wang and I are lucky to live in states where these resources are quite plentiful. But those resources alone do not give anything to the citizens of those states. Just because you walk above some coal or iron ore it does not make you any wealthier. The only way you can convert those natural resources into some form of wealth and prosperity is to exploit those resources. That exploitation requires money, it requires political will and it requires some social and other costs associated with their development. It is also then the case that the actual
royalties that apply and are charged to any production of natural resources is a decision for government. Any decision to go higher or lower will be affected by how much revenue that state can retain. Under the current system, they cannot retain much.

Indeed, the Queensland government submission to the recent Commonwealth Grants Commission assessment found that if Queensland were to increase the rate of royalties on a particular thermal or on coking coal, for example, Queensland would only retain its population share of the increase in revenue. Because the assessment is blind to the revenue raised, Queensland would only receive a share based on the population it accounts for in our Commonwealth, which is about 20 per cent. So if the Queensland government increased royalty rates on coal by 50 per cent and raised a few more billion dollars, it would only retain 20 per cent of that increased revenue. Eighty per cent would go back to the other states.

In WA it is worse, of course, because they are a much smaller proportion of our country. They would only retain 90 per cent of the increased royalties raised. In the Northern Territory, sorry, Senator Scullion, because you only represent one per cent of our population, if the Northern Territory decide to increase a royalty they would retain just one per cent. They would lose 99 per cent of the revenues associated with that increase in royalties. That is all on page 34 of the Queensland government's submission to the Commonwealth Grants Commission. How can that be seen as a policy neutral approach? It clearly is not a policy neutral approach.

In the case of Western Australia, which has received lots of attention, the commission estimates that they raised around $7.2 billion in royalties last financial year—and I should say that that includes payments in lieu for some offshore resources from the Commonwealth. They had $4.6 billion of that taken away, if you like, and redistributed to other states as part of the assessment approach. They lost 63 per cent of the total royalties that were raised in Western Australia mainly, of course, from iron ore. Again, how can that be seen to be policy neutral? How can that be seen to not influence the decisions of state governments?

I said before that there are two decisions: there is the royalty rate and then there is the cost of actually developing a mining industry. Mining does require a fair amount of commitment from governments to get off the ground. It often occurs in very desolate and new areas of our country. There are currently proposals for a mine not too far from where I live, in the Galilee Basin, which is very desolate. There is almost no civilisation for hundreds of kilometres around that proposed mine. That will require a significant investment from the state government in terms of new infrastructure for new areas. Just as would be case if there were a new suburb to rise up in a city or a new area of development in an inner-city area, it will require investment. But, in my view, the Commonwealth Grants Commission at the moment seriously underestimates those costs and does not take into account the net revenues that the state would accrue but more the gross revenues that they would accrue from the mining industry—which, again, breaches its principle of policy neutrality. The Western Australian government estimates that the commission takes into account around three per cent of gross royalty revenues to be factored in as the cost of developing a new mining industry.

I think it is interesting for us to note that Canada—a Federation and a large natural resources country like ourselves—have the same issue where those resources are largely concentrated in their western provinces, and they have to account for an equalisation process for that. Canada have recently, in the last few years, decided that they will provide a 50 per
cent discount on royalty revenues before they calculate the redistribution or equalisation process—a 50 per cent discount. That is their estimate—a broad estimate, obviously; and only an estimate—of how much it would cost a state government in net terms to establish a mining industry and what they deserve to have to build the infrastructure required to support an industry which still produces enormous amounts of wealth and net wealth to a state and to a country. We only discount it by around three per cent. Canada are discounting it by 50 per cent.

The Queensland government—and perhaps the Western Australian government as well—put in their submission to the Commonwealth Grants Commission that they should consider the Canadian decision and look at a more generous interpretation of mining costs before it calculates an equalisation process. I asked Mr Spasojevic—and I apologise if I have mispronounced his name—the head of the Commonwealth Grants Commission, at Senate estimates:

Are you familiar with Canada's recent changes?
Mr Spasojevic answered:
No.
I asked:
So you have not looked at that at all?
Mr Spasojevic answered:
No.
I asked:
Why not?
And he said:
Why should I have?
One reason he should have is that it was in the Queensland government's submission to his organisation for their assessment process.

The Commonwealth Grants Commission has made an assessment. They are very complex issues. I certainly appreciate that, and I can reasonably appreciate that Australians will come to different views about what the final conclusions would be. But what I cannot appreciate is that the Commonwealth Grants Commission is apparently blind to a very important part of the Queensland government's submission—probably the most important part of their submission—and I am informed that it was in the Western Australian government's submission as well. Two major states raised in their submissions this massive issue in terms of the redistribution process, and the Commonwealth Grants Commission is blind to it, has not looked at it, has not engaged with it and has not even bothered to look at what Canada is doing and what it has changed.

This was pointed out to the Commonwealth Grants Commission by their stakeholders. They only consult with state governments; they do not consult with the wider community. They only have to consult with eight states and territories. It would be pretty simple, but they do not even take the time, seemingly, to get across the detail of their submissions. That is very concerning to me. It is particularly concerning to me given that the next decision that the
Commonwealth Grants Commission will be confronted with in this space is how they treat the coal seam gas industry in Queensland.

Once again, Queensland is lucky to have coal seam gas resources in its state, but other states are lucky too. New South Wales has substantial resources, as does Victoria. In both of those states there has not been substantial production; indeed, in Victoria, there is a moratorium on coal seam gas production. But Queensland has made the decision to develop its industry. It has been a difficult decision. It has created a certain amount of political angst in Queensland, and I must say as a representative of some people it certainly has not gone smoothly for many farmers and landowners. But the decision has been made. It has been made because Queensland wanted to generate the jobs, the industry and, of course, the royalty revenue from coal seam gas. Thanks to this industry, the royalty revenue is expected to generate around $800 million over the next decade or so.

The Commonwealth Grants Commission will have a look at this and, going on what they are doing to Western Australia— who will lost 63 per cent of their iron ore revenue—I am concerned. What if we were to lose 50 per cent to 60 per cent of the $800 million to other states? If that were the case, we would therefore be subsidising the states of New South Wales and Victoria, who have not made the decision to develop their industry, as is their right. They have decided to forgo the opportunity to exploit their God given resources and forgo the political pain and other costs with developing those resources, but they will be bailed out by a state that has made that decision and has created thousands of jobs in Queensland and an enormous industry across the state and our nation. I do not think that is particularly fair. But, more importantly, I certainly do not think it is efficient and I certainly do not think it is what we need to create a productive economy or to create the right environment for state governments to ensure they are making the decisions that promote economic growth in our country—decisions which promote jobs and which promote higher incomes and prosperity for us all.

The current system is failing us; it is failing us as a nation. It needs to change. I think the Commonwealth Grants Commission need a kick up the backside because clearly they are not doing their job at the moment. Something needs to change here.

Once again, I commend Senator Wang for bringing this forward. It is a conversation that we need to continue to have as a nation.

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (11:22): I rise today to speak on the private senator's bill, the Commonwealth Grants Commission Amendment (GST Distribution) Bill 2015. While I have great respect for Senator Wang, and I do not begrudge him trying to secure money for his state, I cannot agree with this bill. It is fundamentally unfair, counter to the national interest and realistically could not gain the support of the states that it would need to be implemented.

What this bill proposes is a significant change to the calculation of the GST breakdown between the states, which would see the majority of states in this country lose billions of dollars between them. The bill would instruct the Commonwealth Grants Commission, in preparing its annual recommendation on GST distribution and when considering mining revenue, to take into account only the most recent completed financial year data available. Unfortunately, the explanatory memorandum reveals the dire consequences that this would have on the rest of the country, just in the 2015-16 financial year alone.
If this bill were to proceed to implementation, the effect would be that New South Wales would get $1.1 billion less to provide vital services to its people, and $1.5 billion would be ripped away from the Victorian state government's budget. South Australia would have to get through some very challenging economic times with $444 million less. The Northern Territory would have its revenue reduced by $344 million, and my home state of Tasmania would be absolutely debilitated by a $229 million cut to our state income. At the same time, Western Australian would get a massive $3½ billion dollar windfall and Queensland would also secure a cool $118 million. Clearly, this is not fair.

I understand the challenges that the mining states are going through, but the problem cannot—and it must not—be solved by gutting the revenues of the other states and territories. The states' share of GST goes towards vital services that Australians need—things like health, education and transport are all heavily supported by revenue provided by the goods and services tax. If the bill before us were to pass, state budgets would be debilitated and vital public services would crumble.

In Tasmania, New South Wales, the Northern Territory, Victoria and South Australia we would see large-scale job cuts and resultant losses in services that the states simply cannot afford. Tasmania's share of the GST revenue equates to approximately 40 per cent of the state's total revenue. This bill would rip the heart out of the Tasmanian budget, and it would rip the heart out of the services that Tasmanians depend on. Clearly, this bill is not a workable solution to the problem of Western Australia's declining financial position. It is not a long-term solution to the problems facing the state and it certainly is not a proposition that is in the national interest.

But, more than that, it is absolutely unworkable. The government has said that the only way any changes will be made to the GST is through the agreement of all states and territories. Clearly, such a significant change to the formula for the calculation of the GST distribution that would see their budgets crippled as a result would never secure the consent of the states and territories. There is no way that New South Wales would line up for a $1.1 billion cut, Victoria would never agree to losing $1.5 billion, South Australia certainly could not forego $444 million and the Northern Territory, I am sure, will not voluntarily give up $344 million. And I see Senator Scullion shaking his head! And Tasmania, most definitely, cannot wear the loss of $229 million.

Our current formula of distributing the GST among the states and territories seeks to ensure that all have the financial capacity to provide their residents with services of the same standard in areas such as education, health, transport and public safety. But it does not mean that there will be equal services in each state. It is up to each state government to decide how best to spend its budget. But for each state government to even get to the starting line in providing decent services to its people, we do need a fair system. And ripping money out of the majority of states and territories to benefit two is not the answer.

Ironically, the parlous state of the Western Australian economy in the late 1920s provided the impetus for the federal discussions for interstate financial transfers. The reality is that the Commonwealth Grants Commission was created for Western Australia's benefit. We cannot forget that the current principles of horizontal fiscal equalisation have benefitted the state of Western Australia for the past 80 years.

I quote the Western Australian Department of Treasury and Finance:
… in the early days of Federation, the Western Australian economy bore little resemblance to its present prosperous form. Isolated by geography and unable to exploit the free trade between States that resulted from the newly formed Constitution, it became necessary in 1925 for the Commonwealth to establish a Royal Commission into Western Australia’s financial disabilities. As a result, in 1933 the Commonwealth Grants Commission was formed to oversee a more equitable distribution of Commonwealth finances, which resulted in Western Australia being given the status of “claimant State”, and being in receipt of special grants from the Commonwealth for the next 30 years or so.

The cuts to most of the states and territories contained in this bill would come in addition to the Abbott-Turnbull government's $80 billion cuts in health and education levied in their first vicious budget. If it proceeded to implementation, this bill would create further holes in the eastern states' budgets to the tune of billions of dollars. Essential service delivery would be put at risk and people who rely on these services would suffer. This is not the way the parliament and our government should go about such a major structural change in financing the Federation.

Thus far, the Abbott-Turnbull government have promised everything to everyone on GST distribution. Prior to the last election the Prime Minister went to Tasmania and South Australia and said, 'She'll be right,' before then going to Western Australia and promising to fix the problem. Unfortunately for the coalition, with modern communications we do not need to rely on the bush telegraph to hear them telling different stories to different audiences.

After the election, when their magic pudding economics did not eventuate, those opposite turned to more devious tactics. Rather than taking the case to the Australian people and admitting that they want to increase the GST, Mr Abbott and Mr Hockey set out to try to starve the states into submission. By massively cutting state health and education funding, to the tune of $80 billion, they hoped that the desperation that would ensue would force the states to call for an increase to the GST to make up the shortfall. This bully boy behaviour was, quite frankly, appalling and dishonest. Not willing to face the Australian people with their clear intention to increase the GST, Mr Abbott and Mr Hockey tried to force the premiers to be the fall guys.

Mr Abbott and Mr Hockey then promised the last Commonwealth Grants Commission review would fix the problems. The report was presented to the Council on Federal Financial Relations. The Abbott-Turnbull government then realised what we already knew: that this is a zero-sum game and that the eastern states were not going to cop having to carry the load in a change of GST relativities to benefit Western Australia at their own expense—no surprises there. Bill Shorten then put forward a practical idea to assist Western Australia with the financial pressure it is under by bringing forward infrastructure funding. Surprise, surprise—within a month or so Senator Mathias Cormann announced $500 million in infrastructure for Western Australia, noting the GST distribution issue.

Labor awaits the government's Reform of the Federation white paper for a more considered view on changes that could be made to the Commonwealth grants formula. But, given the government's form to date, we will not die wondering. I am also concerned that it seems our newly minted Treasurer's mind is already made up and the consultation and discussion are simply a facade for him to push what he always wanted. Mr Morrison's true intentions were confirmed yesterday by Mr Morrison's Western Australian counterpart, the Western Australian Treasurer, Mike Nahan, who said on this matter:
The new Treasurer has indicated that he has full support for changing the distribution of GST. Labor is also very concerned about the Turnbull government's refusal to rule out an increase to the GST. Mr Turnbull may try to put a positive spin on his lack of transparency, but the reality is that he is simply refusing to be honest with the Australian people about his intentions. But clearly we know what the Liberals want to do.

History tells us that they cannot be trusted when it comes to the GST. Before the election, Mr Abbott promised Australians no fewer than 33 times that there would be no changes to the GST. Those opposite then set out to do everything in their power to force others to push the issue. But we really should not be surprised. Of course Mr Turnbull and the Liberals want to increase taxes that hurt low- and middle-income earners the most. They are completely out of touch with the increasing cost-of-living pressures being faced by millions of Australian families. You only need to look at their intention to see millions of Australian workers lose their penalty rates, or consider their plan to put higher education out of reach of ordinary Australians, or think about the tax they want to levy on visits to the doctor. Those opposite have demonstrated their complete unwillingness to develop fair policy again and again.

We know what the new Assistant Minister to the Prime Minister and Mr Turnbull's right-hand-man, Senator James McGrath, is going to be arguing for, because he has already told us. As recently as July, Senator McGrath called for a GST to be broadened to include every single good and service in the Australian economy—fresh food, education, health, everything. Senator McGrath also wants the GST to be hiked to 15 per cent. This is the man that has the ear of our new Prime Minister. For our Prime Minister to try to pretend that nothing has been decided, that the Liberals do not have any specific intention to hike the GST, is disingenuous and counter to what key Liberals have already told us about what they want to happen.

Labor believes that just hiking the GST is a lazy approach. It is not reform—it is a tax grab. And it is in keeping with the record of a government that is now one of the highest taxing in recent history. They talk about keeping taxes low and then they do exactly the opposite. Their own budget papers show that Australia's tax-to-GDP ratio rose to 22.3 per cent in the Liberals' second budget. This is set to rise even further, to 23.4 per cent, over the forward estimates—the highest tax intake since the Howard government.

In the past two years, those opposite have increased fuel excise for every Australian motorist. They have scrapped planned changes to the tax-free threshold that would have lowered taxes for 10 million Australians. They have increased superannuation taxes for three million low-paid workers by scrapping the low income superannuation contribution. They have placed an additional two per cent levy on high-income earners. They have introduced 17 new or increased taxes and charges on everything from fresh fruit to visas. And now they are clearly cooking up a plan to hike the GST.

The GST is a regressive tax—that is, it hits the poorest people in the country the hardest. Because people on lower incomes spend a larger proportion of the money that they receive, they inevitably incur a larger tax impost as a proportion of their income than those on higher incomes. What is worse is that, while those opposite refuse to rule out increasing a tax that would hit those who earn the least the hardest, they came to this place yesterday and asked the Senate to support a bill that would hide the taxation affairs of the companies that earn the most in this country. They asked the Senate to agree to changes that would drape a shroud of
secrecy over the taxation contribution of Australian companies worth more than $100 million. This is despite the recent revelation from the Australian Taxation Office that one in five of these companies paid no tax at all last year. And, at the same time, they have admitted they are considering hiking taxes for ordinary Australians. It simply is not fair. Labor understands that fairness must be at the core of any taxation reform. And that is a fundamental test that this bill also fails.

In summary, this bill is not the way forward. It would gut the budgets of the majority of states and territories and see the huge majority of Australians worse off. Not only that, but even if it were passed by the Senate it would have little chance, if any, of success when it came to securing the approval of the states that would see their revenue gutted by the implementation. I would urge senators not to support this bill.

Senator SMITH (Western Australia—Deputy Government Whip in the Senate) (11:37): Before I begin my commentary in support of Senator Wang's Commonwealth Grants Commission Amendment (GST Distribution) Bill 2015, I think it is important to make an observation about what has happened in the Australian Senate this morning following prayers. We debated a private senator's bill, the Racial Discrimination Amendment Bill 2014, a bill that came to this Senate with little support—the support of four senators. If you look at the speakers list today, you will see that momentum for reform has been building. Indeed, I suspect that, when a vote happens in this Senate, there will be many senators who support reform of racial discrimination laws in our country.

The second issue is the one that we are debating here this morning, which of course is the sensitive but very important issue of GST distribution reform—a debate that once upon a time had very few voices. I think it is worth noting that Senator Wang, since he has come to the Australian Senate, has been a strong champion for reform of GST distribution arrangements, but it was great to hear the contributions of Queensland's Senator Canavan and of others who over time have seen the merits of this debate.

The point is that on this Thursday morning in this Australian Senate we have seen how discussion, debate and bringing informed opinions to the parliament can lead to change over time. The change will take place. I am confident that, on both the Racial Discrimination Amendment Bill, which I co-sponsored, and this bill on GST distribution reform, change will happen. Yes, sometimes change takes a little bit of time, but it will happen, because momentum is building on both of these important causes.

I would just like to reflect briefly on the contribution of Tasmania's Senator Urquhart. It stretches belief for Labor Party senators in this place to claim credit for or involvement in the very wise decision of the former Prime Minister Tony Abbott in May this year to provide $499 million in infrastructure funding to Western Australia—and I will come to that point later. It is absolutely not defensible. Labor senators in this place cannot take one ounce of credit for that very wise short-term decision—short-term in the sense that it is part of a longer term solution to the GST distribution issues.

With Senator Canavan, Senator Wang and other senators in this place, I am sure that the very important issue of GST distribution reform will be addressed. I want to make this point while we are debating the issue of GST: GST reform falls into three categories. There is the debate about the GST rate, and I am on the public record as not supporting an increase in the GST rate. The second element of the broader GST debate is one which focuses on the issue of
the base and how wide the base should be. I am on the public record as arguing for an extension of the GST base, but I do not think it is necessary that food be included. It is possible that food could be included in extending the GST base, but it is not necessarily necessary. When you look at the growth in GST revenues across our country, you can see quite clearly that extending the GST to health and education meets two important criteria: one is that that is where the growth in the Australian economy is occurring, and the second is that it makes sense from a simplification perspective. Anyway, they are two views of mine that are on the public record. People will not be surprised to hear that.

Of course, on the third element of the debate, which deals with distribution—how that GST is distributed across the Commonwealth—I am well and truly on the public record as arguing for GST distribution reform. That is why I support Senator Wang's bill as a small first step in this important debate. I will come to some other points that I think could be included in reform of GST distribution.

For my part, I spoke on this issue on 18 June 2012, when I first came to the Senate, in my maiden speech. I spoke again about the issue on 19 March 2013. I am pleased that The Australia Financial Review published an opinion piece by me on this issue on 15 April this year and that The West Australian published some views of mine on this issue on 15 April this year also. Then, of course, on 6 May 2015 we had the very wise decision of former Prime Minister Tony Abbott in bringing forward $499 million of infrastructure funding for Western Australia in response to concerns raised by coalition members and senators in this parliament, and of course we have had the release of the 'Reform of the Federation' discussion paper. It is in that document that we can see further hope for reform on the issue of GST distribution.

Debates around the Federation are as old, and sometimes as tedious, as the Federation itself. I have my own ideas about how we can improve the Australian Federation, but that is not for this debate. The discussion paper that was released, called the 'Reform of the Federation green paper 2015', points to three options worthy of consideration in tackling the GST distribution reform issue. For the sake of the Hansard, I am just going to read each of those three out, because they demonstrate that the issue is a live one and that for the first time people are putting their minds to the challenge but also the options. I would say, being the eternal optimist, that this points very clearly to reform being undertaken, hopefully at some point in the not-too-distant future. That discussion paper identifies three options. The first option is 'Maintain the status quo, with changes to improve transparency':

Under this option, the GST would continue to be distributed according to the objective of full fiscal equalisation, as defined by the CGC—

the Commonwealth Grants Commission—

so that each State and Territory has the fiscal capacity to provide services and associated infrastructure at the same standard.

It goes on to say:

The independent role of the CGC in recommending the distribution of the GST would continue. The CGC would also continue to conduct independent reviews of the equalisation methodology as directed by the Commonwealth Treasurer, which has occurred about every five years.

It goes on to say:
The CGC would be best placed to examine the key drivers of the methodology, including the treatment of mining production revenue and costs associated with providing services to States and Territories' Indigenous populations.

Some additional measures could be considered to improve transparency and public understanding of the equalisation process. These could include activities to improve the public's understanding of the intent and the operation of the HFE system.

The second option describes itself as 'less comprehensive equalisation through changing the current methodology'.

Under this option, the current methodology would be altered to move towards less comprehensive equalisation. There are a number of ways to achieve this.

Importantly—and this is a position that is advocated by many Western Australians, including me—it says we need to establish a GST relativity floor. The paper goes on:

This option would set a minimum level of GST revenue to which any State or Territory is entitled. This would mean donor States would not be able to fall below a set proportion—or floor—of their equal per capita (or population) share of the GST pool.

If one or more States or Territories had a high enough fiscal capacity to reach the floor, the GST redistributed to other States and Territories would be reduced. The proposed level of the floor would need to be developed in consultation with States and Territories.

Option 2(b) would apply a discount on all revenue and expense assessments used by the CGC.

It goes on:

In assessing how to distribute the GST, the CGC currently takes account of all significant revenue bases and expenditure undertaken by the States and Territories.

If a discount were to be applied, the CGC would be taking account of a lower proportion of these revenue and expenditure factors.

Finally, the third option that is put forward in the discussion paper is a:

… Less comprehensive equalisation through a transition to an equal per capita distribution of GST, with top-up grants to recipient States and Territories.

Under this option, and subject to the unanimous support of the States and Territories, the GST would be distributed using a simple equal per capita formula.

Fiscal equalisation would occur outside the GST through top-up grants from the Commonwealth. The top-up grants would ensure States and Territories that are recipients under the current system are no worse off.

To ensure recipient States and Territories are not worse off, and donor jurisdictions receive the benefit of the equal per capita distribution, the top-up grant would have to be financed from some combination of (1) higher Commonwealth taxes, (2) increased Commonwealth debt, or (3) savings against Commonwealth expenditure responsibilities.

There we have it: progress is being made on the issue of GST distribution reform. It is there for the world to see in the Reform of the Federation white paper. For those who are interested, you can go to pages 102 to 104.

While Senator Wang's bill contains merit, and that is a discussion around how suitable the existing averaging arrangements are, I would argue that it is just a piece of a bigger solution to reforming GST distribution reform in our country. There are five other elements. One of them is this bill proposed by Senator Wang. There are my four elements plus Senator Wang's
element, giving us five elements which would lead to a successful rectification of the GST distribution inequalities that exist in our country.

The first, consistent with the recommendation of the government’s own National Commission of Audit, would be to ensure that over time—and I think this is an important point; we do not necessarily need to rush to a GST distribution solution because it is important to build confidence amongst other states and territories—this is in the national interest and not just in the parochial interests of one state or a number of states. The first proposition in a suite of reforms would be to ensure that GST distribution moves to an allocation based on population share and, further, there should be a minimum GST entitlement of 75 per cent of each state's population share.

The second element of a broader suite of reforms would be to ensure that there is an additional mechanism developed to assist those states and territories in need of additional financial support. This mechanism should be based on incentivising and rewarding economic reform. This is an important point. GST distribution is not just about the collection and distribution of the GST revenue; it is about developing a mechanism that will drive economic reform and drive incentive in the economy so that every economy across the country, including in Tasmania, can be set on a more prosperous and incentivised footing.

The third recommendation in what could be a suite of reforms would be to ensure that the Commonwealth could actually improve the immediate situation by addressing the significant time lag in assessments made by the Commonwealth Grants Commission in relation to royalty receipts. This is the proposition that is contained in the bill that we are debating this morning.

The fourth element would be to ensure that the Commonwealth Grants Commission process includes incorporating better recognition of each state's economic development needs and reducing the impact of the Commonwealth Grants Commission's considerations of jurisdictions' efforts to raise royalties by developing their mining industries.

Importantly, this is the fifth point in what I would call a broader suite of reforms. Senator Canavan correctly identified this in his criticisms of the Commonwealth Grants Commission. I also used the Senate estimates process last year to inquire of the Commonwealth Grants Commission about a number of issues that are important to Western Australia. Their response—and I will be as polite as I possibly can—was poor. That is why I think it is timely now for an independent review of the Commonwealth Grants Commission itself and of the methodologies.

I am happy to be open to debate on this, but I think a good agency to do that would be the Productivity Commission. Senator Anne Urquhart made the point in her contribution—and it is a correct one—that the Commonwealth Grants Commission was established at a certain point in time. That is absolutely correct; she is right on that. But the times are now significantly different.

I am proud that in my home state of Western Australia we are enjoying the full fruits and benefits, of an open economy, we are participating in resource exploration and sending those resources and energy abroad. I am grateful, as I am sure Senator Canavan is, that Queensland too is embarking upon that course of action. I would hope one day that South Australia exploits to its fullest potential the resources that are available to it in its state. These are things
that we should all be able to agree on. I would argue that Senator Wang’s bill has merit, but I think it should be part of a broader suite of reforms that I would hope that this coalition government would eagerly put its mind to.

How did we get to this point? What was it that led a senator like myself, indeed, senators like Senator Wang and Senator Canavan and others to get to this point where we thought it was not just important enough to talk about GST distribution reform; it was important enough to start to argue for GST distribution reform. My attention to this issue was pricked when I had drawn to my attention what is called the GST distribution review: interim report. That is a report that had a very revealing statement in it. It talks about the outlook for GST distribution reform in our country and said:

As Western Australia’s fiscal position has improved, its relativity has declined—

no surprises in that—

resulting in a reduction in its GST share. It is unclear how much lower Western Australia’s relativity will go. The Western Australian Government said it expects its per capita relativity to reach 0.36 by 2014-15. Depending on the strength of the mining boom, it is conceivable that their relativity could reach zero in the medium to long-term.

That is not something that Senator Wang has said, not something that I have said; something that has been revealed in the GST distribution review: interim report. It is recognition that, while Western Australians have been arguing about the substantial fall in the relativity for their state, others have argued that it can go less than 0.36; it could actually get to zero—meaning that GST moneys raised in Western Australia would not find their way back to Western Australia at all. The consequence of that is real for Western Australians, as it would be for Queenslanders or for South Australians or, dare I say it, a long time into the future, for Tasmanians—meaning that the state government’s capacity to deliver important infrastructure, health and education for Western Australians would be seriously diminished to the extent that Western Australians will get a significantly reduced quality of life, a significantly reduced and deteriorated living standard as a result of that GST distribution mechanism in our country.

I would like to end with a quote from a political mentor—that is, former Prime Minister John Howard, someone whom I have a tremendous amount of respect for, someone who, indeed, had the political courage and momentum to drive tax reform in this country. I want to quote from an opinion piece that I had published in The West Australian, where Mr Howard was reflecting on the current state of GST distribution in our country:

Even former Prime Minister John Howard has conceded while he always knew that there would be fluctuations in the GST relativities—

Mr Howard said—

‘I do not think anyone in 1998 or 2000 had in front of them the projections as to how unequal the distribution would become.’

John Howard said that, while he and others knew there would be fluctuations in the GST relativity, nobody—not John Howard, not Peter Costello—ever thought in 1998 or 2000 just how unequal the distribution would become. When it comes to tax reform, when it comes to economic reform, I think we can put our faith in these people: Peter Costello and John Howard and their contributions in the past; Malcolm Turnbull and Scott Morrison now and into the future. I am confident that GST distribution reform will be part of a wider suite of tax
reform policies that will set not just Western Australia free but the whole country free. *(Time expired)*

**The DEPUTY PRESIDENT:** Senator Xenophon, time for this debate expires at 12 o'clock. Do you wish to commence your contribution?

**Senator XENOPHON** (South Australia) (11:57): I would be happy to cede to the Attorney. I do not know if anyone else is on the speaking list—I see Senator Back. I will cede to Senator Back if he wants to speak until 12 o'clock. I would rather reserve my contribution until later.

**The DEPUTY PRESIDENT:** Senator Back, do you wish to start your contribution? As far as I am concerned, it is virtually 12 o'clock and we could move to business at 12 o'clock. But if you want to start, please start.

**Senator BACK** (Western Australia) (11:58): I will also reserve, if I may. I would hardly get hot under the collar before I got started, so perhaps I will leave it until later.

Debate adjourned.

**COMMITTEES**

**Legal and Constitutional Affairs References Committee**

**Meeting**

**The Clerk:** A notification has been lodged for the Legal and Constitutional Affairs References Committee to hold a private meeting during the sitting of the Senate today, from 9.40 am.

**The DEPUTY PRESIDENT** (11:58): Does any senator wish the question to be put on this matter? There being none, we will move on.

**Selection of Bills Committee**

**Report**


Ordered that the report be adopted.

**Senator BUSHBY:** I seek leave to have the report incorporated in *Hansard*.

Leave granted.

*The report read as follows—*

**SELECTION OF BILLS COMMITTEE**

**REPORT NO. 13 of 2015**

1. The committee met in private session on Wednesday, 14 October 2015 at 7.16 pm.
2. The committee resolved to recommend:

That—

(a) the *provisions* of the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and the Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015 be *referred immediately* to the Education and Employment Legislation Committee for inquiry and report by 30 November 2015 (see appendix 1 for a statement of reasons for referral);
(b) the Environment Protection and Biodiversity Conservation Amendment (Prohibition of Live Imports of Primates for Research) Bill 2015 be referred immediately to the Environment and Communications Legislation Committee for inquiry and report by 1 March 2016 (see appendix 2 for a statement of reasons for referral);

(c) the Fair Work Amendment (Gender Pay Gap) Bill 2015 be referred immediately to the Education and Employment Legislation Committee for inquiry and report by 12 May 2016 (see appendix 3 for a statement of reasons for referral);

(d) the provisions of the Food Standards Australia New Zealand Amendment (Forum on Food Regulation and Other Measures) Bill 2015 be referred immediately to the Community Affairs Legislation Committee for inquiry and report by 30 November 2015 (see appendix 4 for a statement of reasons for referral);

(e) the provisions of the Health Legislation Amendment (eHealth) Bill 2015 be referred immediately to the Community Affairs Legislation Committee for inquiry and report by 9 November 2015 (see appendix 5 for a statement of reasons for referral);

(f) the provisions of the Migration Amendment (Complementary Protection and Other Measures) Bill 2015 be referred immediately to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 18 February 2016 (see appendices 6 and 7 for a statement of reasons for referral); and

(g) the provisions of the Social Services Legislation Amendment (Youth Employment) Bill 2015 be referred immediately to the Community Affairs Legislation Committee for inquiry and report by 30 November 2015 (see appendix 8 for a statement of reasons for referral).

3. The committee resolved to recommend—That the following bills not be referred to committees:

Aviation Transport Security Amendment (Cargo) Bill 2015
Customs Amendment (Fees and Charges) Bill 2015
Customs Depot Licensing Charges Amendment Bill 2015
Import Processing Charges Amendment Bill 2015
Education Legislation Amendment (Overseas Debt Recovery) Bill 2015
Student Loans (Overseas Debtors Repayment Levy) Bill 2015.

The committee recommends accordingly.

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

Australian Crime Commission Amendment (Criminology Research) Bill 2015
Commonwealth Grants Commission Amendment (GST Distribution) Bill 2015
Competition and Consumer Amendment (Australian Country of Origin Food Labelling) Bill 2015
Corporations Amendment (Publish What You Pay) Bill 2014
Crimes Legislation Amendment (Harming Australians) Bill 2015
Defence Legislation Amendment (First Principles) Bill 2015
Higher Education Support Amendment (VET FEE-HELP Reform) Bill 2015
Social Security and Other Legislation Amendment (Caring for Single Parents) Bill 2014
APPENDIX 1

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee:

Name of bill:
- Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015
- Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015

Reasons for referral/principal issues for consideration:
- Scrutinise impact of the provision of the bill; and identify any unintended consequences and risks to students, and to the integrity and reputation of Australia's international education

Possible submissions or evidence from:
- University peak bodies, including Universities Australia
- National Tertiary Education Union
- TEQSA
- ASQA
- Australian Education Union
- TAFE Directors Australia
- International Education Association of Australia
- English Australia
- Council of Private Higher Education Providers
- Individual universities, TAFE colleges, registered training organisations and non-university higher education providers
  - State governments and regulators
  - Independent education policy experts

Committee to which bill is to be referred:
- Senate Education and Employment Legislation Committee

Possible hearing date(s):
Possible reporting date:
- 30 November 2015
(signed)
Senator McEwen

APPENDIX 2

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee:

Name of bill:
- Environment Protection and Biodiversity Conservation Amendment (Prohibition of Live imports of Primates for Research) Bill 2015
Reasons for referral/principal issues for consideration:
   Alternatives to using primates in research
   Animal welfare
 Possible submissions or evidence from:
   Animal welfare groups
   Researchers
Committee to which bill is to be referred:
   Environment and Communications References Committee
Possible hearing date(s):
   TBC
Possible hearing date(s):
   To be negotiated
Possible reporting date:
   1 March 2016
   (signed)
   Senator Siewert

APPENDIX 3
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:

Name of bill:
   Fair Work Amendment (Gender Pay Gap) Bill 2015
Reasons for referral/principal issues for consideration:
   Consideration of policy proposal to help close the gender pay gap by giving workers the freedom to
discuss their pay without fear of sanctions
Possible submissions or evidence from:
   Women's groups (i.e. ES4W, ERA, Fair Agenda, NFAW)
   Professor Michelle Brown, Melbourne University
   Professor Beth Gaze, Melbourne University
   ACTU
   Other relevant trade unions
   Employer representatives
Committee to which bill is to be referred:
   Employment and Education Committee
Possible hearing date(s):
   March/April 2016 (TBC pending sitting calendar)
Possible reporting date:
   12 May 2016 (TBC pending sitting calendar)
   (signed)
   Senator McEwen

APPENDIX 4
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
   Food Standards Australia New Zealand Amendment (Forum on Food Regulation and Other Measures) Bill 2015
Reasons for referral/principal issues for consideration:
   Scrutiny of the impact of the amendments to definitions in the Act
   Scrutiny of the impact to the amendments of the composition of the FSANZ board detailed in Schedule 2 of the Bill, including the potential impact of reducing the representation of science and public health expertise on the board.
Possible submissions or evidence from:
   National Health and Medical Research Council
   Public Health Association of Australia
   Health Consumers Forum
   Choice
Committee to which bill is to be referred:
   Senate Community Affairs Legislation Committee
Possible reporting date:
   February 2016
   (signed)
   Senator Siewert

APPENDIX 5
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
   Health Legislation Amendment (eHealth) Bill 2015
Reasons for referral/principal issues for consideration:
   For detailed consideration of the implications of the changes to the collection, distribution and use of personal information in the Healthcare Identifiers act and for the purposes of the personally controlled electronic health record system (MyHealth Record system)
Possible submissions or evidence from:
   Australian Healthcare and Hospitals Association, Australian Medical Association, Consumer's Health Forum, National e-Health Transition Authority, Department of Health.
APPENDIX 6
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Migration Amendment (Complementary Protection and Other Measures) Bill 2015
Reasons for referral/principal issues for consideration:
Narrows the definition by which someone can access complimentary protection. Will potentially see people in genuine need of protection returned to danger.
Possible submissions or evidence from:
Refugee Advice and Casework Service
Asylum Seeker Resource Centre
Refugee Churches Taskforce
Human Rights Law Centre
Australian Law Council
Refugee Immigration and Legal Centre
Refugee Advice and Casework Service
Committee to which bill is to be referred:
Legal and Constitutional Affairs References Committee
Possible hearing date(s):
TBC
Possible reporting date:
18 February 2016
(signed)
Senators Rachel Siewert

APPENDIX 7
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Migration Amendment (Complementary Protection and Other Measures) Bill 2015
Reasons for referral/principal issues for consideration:
To further investigate potential impacts and unintended consequences of the Bill

Possible submissions or evidence from:
Department of Immigration and Border Protection
United Nations High Commissioner for Refugees
Australian Human Rights Commissioner
Law Council of Australia
Refugee Council of Australia
Save the Children
Amnesty International

Committee to which bill is to be referred:
Senate Legal and Constitutional Affairs Legislation Committee

Possible hearing date(s):
TBC

Possible reporting date:
23 November 2015
(signed)
Senator McEwen

APPENDIX 8
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:

Name of bill:
Social Services Legislation Amendment (Youth Employment) Bill 2015

Reasons for referral/principal issues for consideration:
Scrutinise any impact and unintended consequences to young jobseeker

Possible submissions or evidence from:
NB Suggest submissions on paper only, from:
ACROSS
Department of Social Services
Welfare Rights Group
St Vincent's de Paul
Youth Affairs Coalition
Brotherhood of St Laurence
National Union of Students
Anglicare

Committee to which bill is to be referred:
Senate Community Affairs Legislation Committee
Possible hearing date(s):
TBC
Possible reporting date:
30 November 2015
(signed)
Senators McEwen

BUSINESS

Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:00): I move:

That:
(a) the following government business orders of the day be considered from 12.45 pm today:
   No. 3 Customs Depot Licensing Charges Amendment Bill 2015
   Customs Amendment (Fees and Charges) Bill 2015
   Import Processing Charges Amendment Bill 2015
   No. 4 Australian Immunisation Register Bill 2015
   Australian Immunisation Register (Consequential and Transitional Provisions) Bill 2015
   No. 5 Social Services Legislation Amendment (Cost of Living Concession) Bill 2015
   No. 6 Amending Acts 1980 to 1989 Repeal Bill 2015
   Statute Law Revision Bill (No. 2) 2015; and
(b) government business be called on after consideration of the bills listed in paragraph (a) and considered till not later than 2 pm today.

   Question agreed to.

Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:00): I move:

That the order of general business for consideration today be as follows:
(a) general business notice of motion no. 899 standing in the name of Senator Moore relating to public sector infrastructure spending; and
(b) orders of the day relating to documents.

   Question agreed to.

NOTICES

Postponement

The following items of business were postponed:

   Business of the Senate notice of motion no. 1 standing in the name of Senator Rice for today, proposing a reference to the Education and Employment References Committee, postponed till 10 November 2015.
Thursday, 15 October 2015

SENATE

7767

General business notice of motion no. 876 standing in the name of Senator Dastyari for today, proposing an order for the production of documents by the Minister representing the Treasurer, postponed till 9 November 2015.

General business notice of motion no. 898 standing in the names of Senators Ludlam and Singh for today, relating to the bombing of a Médecins Sans Frontières hospital in Afghanistan, postponed till 9 November 2015.

The DEPUTY PRESIDENT (12:00): I remind senators that the question may be put on any of those proposals at the request of any senator. There being none, we will move on.

BILLs

Crimes Legislation Amendment (Harming Australians) Bill 2015

First Reading

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (12:01): I, and also on behalf of Senator Xenophon, move:

That the following bill be introduced: A Bill for an Act to amend the Criminal Code Act 1995 and for related purposes.

Question agreed to.

Senator BRANDIS: I present the bill and move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (12:02): I present the explanatory memorandum and I move:

That the bill be now read a second time.

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

Leave granted.

The speech read as follows—

The Crimes Legislation Amendment (Harming Australians) Bill will amend Division 115 of the Criminal Code Act 1995 to provide for the retrospective application of offences of murder and manslaughter of an Australian citizen or resident overseas.

The Bill will enable prosecution of these offences in Australia, under Australian law, in certain circumstances. The Bill will also include safeguards for the retrospective application of these offences.

Existing Harming Australians offences

Division 115 of the Criminal Code currently provides for four offences resulting in harm to Australians, including murder, manslaughter, recklessly causing serious harm, or intentionally causing serious harm to Australians.

These offences have extra-territorial application and were enacted following the 2002 Bali bombings. The existing offences were given retrospective commencement of 45 days to apply from 1 October 2002.
Purpose

These amendments will extend operation of the offences of murder and manslaughter of an Australian citizen and resident of Australia overseas to crimes committed prior to 1 October 2002.

The maximum penalty under the new laws will be life imprisonment for murder and twenty-five years for manslaughter.

While there are a range of tools at the disposal of Australia's law enforcement agencies, these amendments will clarify that crimes of murder and manslaughter of Australians can be prosecuted, wherever and whenever they occur.

Safeguards

Due to their retrospective operation, the new offences include safeguards to ensure their compatibility with Australia's obligations under international law.

Conduct constituting the offence must be an offence at the time of commission under the law of the country in which the conduct occurred. This is known as the 'dual criminality' requirement.

A person convicted of the new offences will also have the benefit of the lowest applicable penalty for the offence as between the laws of Australia and the country in which the conduct occurred. This is known as the 'benefit of the lowest penalty' requirement.

These two requirements ensure that Australia's criminal laws operate consistently with Australia's obligations under international law on the use of retrospective criminal offences.

As a further safeguard, and consistent with all other offences in Division 115 of the Criminal Code, the Attorney-General's written consent is required to commence proceedings under these provisions.

This is an important safeguard which enables the Attorney-General to consider the circumstances of a case prior to commencing prosecutions.

Conclusion

Tragically Australians have been victims of violent crimes like murder and manslaughter overseas. These amendments provide a further avenue to seek justice for Australian victims of the most serious crimes by applying Australian criminal law to those responsible for these offences when they occurred before 1 October 2002.

This bill demonstrates the Government's commitment to ensuring that Australia has every legal tool it needs to prosecute those who commit heinous crimes on Australian citizens and residents overseas wherever and whenever they may occur.

I commend this bill to the Senate.

Senator BRANDIS: Mr President, I seek leave to make a short statement in relation to the bill.

Leave granted.

Senator BRANDIS: This bill had its genesis in a very tragic event—that is, the killing of Anthea Bradshaw Hall in Brunei in 1994. It was a crime that has not been prosecuted and, but for this bill, could not have been pursued by Australian police. This bill will correct that gap in our law.

I want to acknowledge the presence in the gallery this afternoon of members of Anthea Bradshaw-Hall's family: her father, Martin; her mother, Roslyn; and her brothers Craig and Paul Bradshaw. I also acknowledge the presence in the gallery of Mr Michael O'Connell, the Commissioner for Victims' Rights from the government of South Australia. Might I finally acknowledge the work of two of our parliamentary colleagues who have been instrumental in correcting this injustice and bringing this bill before this chamber: our colleague Senator Nick
Xenophon, who introduced his own version of the bill in 2013 and whom I join in cosponsoring the bill; and the honourable Christopher Pyne, the member for Sturt, who will soon be introducing the bill in the House of Representatives and who represents the federal electorate in which the Bradshaw family lives.

This, as I said at the start, had its genesis in a tragedy. As I said to members of the Bradshaw family a little while ago, this is nevertheless an example of the political and parliamentary system working to respond to a community need across party lines and to correct a gap in our law.

Ordered that further consideration of the second reading of this bill be adjourned to the first sitting of the next period of sittings, in accordance with standing orders 111.

**BUSINESS**

**Withdrawal**

*Senator FIFIELD* (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:04): I move:

That Business of the Senate order of the day no. 2, relating to the Migration Amendment (Regaining Control Over Australia’s Protection Obligations) Bill 2013 be discharged from the Notice Paper.

Question agreed to.

**MOTIONS**

**World Food Day**

*Senator McEWEN* (South Australia—Opposition Whip in the Senate) (12:04): I move:

That the Senate—

(a) notes that:

(i) World Food Day 2015, held on 16 October, will mark the 70th anniversary of the establishment of the United Nations Food and Agriculture Organization, and that the theme for the day is ‘Social protection and agriculture: breaking the cycle of rural poverty’,

(ii) malnutrition contributes to 3 million of the 6 million deaths of children under age 5 each year,

(iii) in addition, 162 million children around the world suffer from stunting, which is an indicator of chronic under-nutrition, and affects the physical and mental development of children,

(iv) the estimated economic benefits of action to improve nutrition outweigh the additional costs by up to 18 to 1,

(v) Australia and other international donors invest less than 1 per cent of development assistance in specific nutrition investments, in spite of the toll of malnutrition, and

(vi) achieving Goal 2 of the Sustainable Development Goals, ‘End hunger, achieve food security and improved nutrition and promote sustainable agriculture’, will require increased investment in nutrition;

(b) recognises:

(i) the Australian Government has included nutrition as a priority investment in its Health for Development Strategy released in June 2015,

(ii) the next global Nutrition for Growth Summit, due to take place in Rio de Janeiro in 2016, is a significant opportunity for international donors, national governments and non-government partners to commit additional resources to reducing malnutrition, and
(iii) the Nutrition for Growth Summit provides an occasion for Australia to back its priority for nutrition to improve health outcomes with a commitment of additional resources; and

(c) calls on the Australian Government to ensure Australia has ministerial level representation and makes a commitment of new funding for nutrition at the Nutrition for Growth Summit in 2016.

Question agreed to.

WestConnex

Senator RHIANNON (New South Wales) (12:05): I move:

That the Senate—

(a) notes that:

(i) the Federal Government is contributing substantial funding to the WestConnex Motorway despite no business case being released,

(ii) the Environmental Impact Statement for the M4 East Tunnel shows it will be at capacity by 2031,

(iii) irreparable damage would be done to the Haberfield conservation area with hundreds of people forced from their homes and many heritage houses slated for demolition,

(iv) asbestos waste is being removed from the M5 interchange site in St Peters,

(v) removal of that asbestos waste is continuing without any environmental impact statement having been released, and

(vi) local residents have collected evidence that safety regulations are being breached in relation to the removal of the asbestos waste; and

(b) calls on the Government to hold current and future scheduled federal payments to the WestConnex project until the full business case is made public and proper community consultation and planning approvals are complete.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:05): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The WestConnex project is one of the largest transport infrastructure projects in Australia. This project will improve travel times, create 10,000 jobs during construction, boost economic activity in Western Sydney and help breathe new life into Parramatta Road businesses and residential corridor. WestConnex is expected to deliver $20 billion worth of economic benefits to the New South Wales economy and will help stimulate local economies. The New South Wales government announced on 7 May that any non-commercial in-confidence data from the business case will be released by the government—expected to be later this year.

For each stage of WestConnex, an EIS will be prepared, taking into consideration environmental and community concerns. The committee, including residents and local businesses, will be able to express their views throughout these processes. The M4 East EIS is publicly on public display for comment until 2 November 2015. The new M5 EIS process is expected to commence in late 2015. This is an important project. It will deliver significant economic and productivity benefits.

Senator MOORE (Queensland) (12:06): I seek leave to make a short statement.
The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator MOORE: Labor was not consulted on the wording of this motion. Parts of this motion are factually inaccurate. Labor believes that the WestConnex business case should be released. Labor shares the concerns of the New South Wales Auditor-General about the poor planning process undertaken by the New South Wales government, which is driving this project. Federal funding for WestConnex has already been paid.

The DEPUTY PRESIDENT: The question is that general business notice of motion No. 906 be agreed to.

The Senate divided. [12:11]

(The Deputy President—Senator Marshall)

Ayes ....................10
Noes ....................39
Majority ...............29

AYES
Di Natale, R
Ludlam, S
Rhiannon, L
Siewert, R (teller)
Waters, LJ

Hanson-Young, SC
McKim, NJ
Rice, J
Simms, RA
Whish-Wilson, PS

NOES
Abetz, E
Brown, CL
Cameron, DN
Carr, KJ
Day, RJ
Fawcett, DJ
Gallacher, AM
Ketter, CR
Lindgren, JM
Ludwig, JW
Marshall, GM
McEwen, A (teller)
McKenzie, B
Moore, CM
O'Neill, DM
Polley, H
Randalson, M
Ryan, SM
Smith, D
Williams, JR

Back, CJ
Bushby, DC
Canavan, MJ
Dastyari, S
Edwards, S
Fifield, MP
Gallagher, KR
Lazarus, GP
Lines, S
Macdonald, ID
McAllister, J
McGrath, J
McLucas, J
Muir, R
Peris, N
Reynolds, L
Ruston, A
Sinodinos, A
Wang, Z

Question negatived.
DOUGMNETS

Nous Group

Order for the Production of Documents

Senator KIM CARR (Victoria) (12:14): I, and also on behalf of Senators Lambie, Lazarus and Siewert, move:

That there be laid on the table by the Minister for Education and Training, no later than 3.30 pm on Thursday, 15 October 2015, the following:

(a) a redacted copy of any reports delivered under the Nous Group contract, ‘Assessment of Stakeholder Views—Higher Education’ listed on the Austender website (contract number CN3277481), omitting any reference to the views expressed by individual senators or their staff; and

(b) all other documentation related to the contract, including the contract itself and any correspondence between the Nous Group and the Minister or his department, omitting any reference to the views expressed by individual senators or their staff.

The DEPUTY PRESIDENT: The question is that general business notice of motion No. 907 be agreed to.

The Senate divided. [12:18]

(The Deputy President—Senator Marshall)

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

AYES

Brown, CL
Dastyari, S
Gallacher, AM
Hanson-Young, SC
Lambie, J
Lines, S
Ludwig, JW
McEwen, A (teller)
McLucas, J
Muir, R
Peris, N
Rhiannon, L
Siewert, R
Singh, LM
Waters, LJ
Xenophon, N

Carr, KJ
Di Natale, R
Gallagher, KR
Ketter, CR
Lazarus, GP
Ludlam, S
McAllister, J
McKim, NJ
Moore, CM
O’Neill, DM
Polley, H
Rice, J
Simms, RA
Urquhart, AE
Whish-Wilson, PS

NOES

Abetz, E
Bernardi, C
Bushby, DC (teller)
Colbeck, R
Edwards, S
Fierravanti-Wells, C
Heffernan, W

Back, CJ
Birmingham, SJ
Canavan, MJ
Day, RJ
Fawcett, DJ
Fifield, MP
Johnston, D
Question agreed to.

**COMMITTEES**

**Joint Standing Committee on Electoral Matters**

Reference

**Senator XENOPHON** (South Australia) (12:20): I, and also on behalf of Senator Madigan and Senator Rhiannon, move:

That the following matter be referred to the Joint Standing Committee on Electoral Matters for inquiry and report by the last sitting day in March 2016:

The regulatory framework governing the financing of electoral activities undertaken by political parties and other participants in the political process, with particular reference to:

(a) how many of the recommendations made by the Joint Standing Committee on Electoral Matters in its 2011 report (the report) on its inquiry into the funding of political parties and election campaigns were accepted by government, and how many have been implemented;

(b) what factors, if any, are contributing to any delays in implementing the accepted recommendations of the report;

(c) how much was spent on the last election in 2013 by:
   (i) political parties or associated entities,
   (ii) third parties,
   (iii) candidates, and
   (iv) Senate groups;

(d) what proportion of the expenditure at the last election in 2013 was provided by private sources, including:
   (i) what amounts were acquired from each source,
   (ii) the circumstances of the donation or contribution,
   (iii) whether third parties were involved in the donations or contributions, and

---

**NOES**

Lindgren, JM  
McGrath, J  
Nash, F  
Reynolds, L  
Ruston, A  
Scullion, NG  
Williams, JR

**MACDONALD, ID**  
**MCKENZIE, B**  
**PARRY, S**  
**RONALDSON, M**  
**RYAN, SM**  
**SMITH, D**

**PAIRS**

Bilyk, CL  
Bullock, JW  
Cameron, DN  
Collins, JMA  
Conroy, SM  
Sterle, G  
Wong, P

**O'SULLIVAN, B**  
**PAYNE, MA**  
**CORMANN, M**  
**BRANDIS, GH**  
**SESELJA, Z**  
**CASH, MC**  
**SINODINOS, A**
(iv) what influence those sources had on the political process;
(e) what is the current level of public funding provided to:
   (i) political parties or associated entities,
   (ii) third parties,
   (iii) candidates, and
   (iv) Senate groups;
(f) how public funds are allocated to electoral activities, and whether the current levels of such funds
   should be increased or decreased or allocated differently;
(g) whether the status of the political donations as tax deductions should be maintained;
(h) whether any comparable democracies:
   (i) regulate electoral contributions from private donors, or particular classes of private donors, or
   (ii) have absolute limits on private funding on electoral activities, and, if so, what policy objectives
   underlie the regulation and whether those objectives are achieved;
(i) how the regulation of electoral funding is achieved in comparative democracies, and whether it is
   applicable in the Commonwealth sphere; and
(j) any other related matter.

Question agreed to.

MOTIONS

West Gate Bridge

Senator KIM CARR (Victoria) (12:21): I, and also on behalf of Senator Marshall, move:
That the Senate:
(a) respectfully commemorates the 45th anniversary of the collapse of the West Gate Bridge which
   occurred at 11.50 am on 15 October 1970;
(b) acknowledges the sacrifice of the 35 workers who lost their lives in Australia’s worst ever industrial
   accident;
(c) celebrates the heroic actions of the many people who risked their own lives to assist the rescue
   efforts and help the injured and other survivors on that day;
(d) extends its sympathy to the families of those affected by the tragedy;
(e) recognises the sacrifice of the many workers who have been injured or killed in workplace accidents
   before and since the collapse of the bridge on that day; and
(f) praises the efforts of those within the union movement and others who toil to ensure that workers are
   able to return home safely to their loved ones at the end of each working day.

Question agreed to.

DOCUMENTS

Disability Support Program

Order for the Production of Documents

Senator KIM CARR (Victoria) (12:22): I move:
That there be laid on the table by the Minister for Education and Training, by no later than 4.30 pm
on Thursday, 15 October 2015, any reports resulting from the review of the Disability Support Program
conducted by KPMG on behalf of the Department of Education and Training (contract no. CN2478741
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:22): Mr Deputy President, I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: I understand that the information that Senator Carr is seeking can be viewed at the Department of Education and Training's website. The report found that the program, which has been evaluated since 2004, appropriately assists universities to meet their obligations under the Disability Discrimination Act 1992. It complements but does not duplicate activities funded by the NDIS. It funds the barriers to higher education that students with disability ranked as most important to overcome, such as difficulties in completing assignments and exams and participating in lectures and tutorials, and is valued by university staff.

The evaluation identified areas for improvement, in particular the administrative requirements of the DSP pose a significant administrative burden for universities. Universities are completing a large number of claims for small amounts of money, with 57 per cent of 2013 claims for amounts between $500 and $1,499 accounting for only six per cent of allocated funds.

Question agreed to.

Food Standards Australia New Zealand
Order for the Production of Documents

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:24): I move:

That there be laid on the table by the Minister representing the Minister for Health (Senator Nash) by 22 October 2015, a copy of the following in relation to Food Standards Australia New Zealand (FSANZ):

(a) any advice FSANZ has received from the Attorney-General’s department, the Attorney-General’s office or the Solicitor-General relating to the right of FSANZ to give advice regarding the interpretation of the Food Standards Code;

(b) the terms of reference for the report it has commissioned from an ‘expert toxicologist’ on the safety of nano titanium dioxide and silica; and

(c) the contract for that report

The DEPUTY PRESIDENT: The question is that general business notice of motion No. 905 be agreed to.

The Senate divided. [12:28]

(The Deputy President—Senator Marshall)

Ayes .................. 32
Noes .................. 27
Majority .............. 5

AYES

Brown, CL  Carr, KJ
Dastyari, S  Di Natale, R
Gallacher, AM  Gallagher, KR
Hanson-Young, SC  Ketter, CR
Lambie, J  Lazarus, GP

CHAMBER
AYES
Leyonhjelm, DE
Ludlam, S
McAllister, J
McKim, NJ
Moore, CM
O’Neill, DM
Polley, H
Rice, J
Simms, RA
Urquhart, AE
Whish-Wilson, PS

NOES
Abetz, E
Bernardi, C
Bushby, DC (teller)
Colbeck, R
Edwards, S
Fierravanti-Wells, C
Heffernan, W
Lindgren, JM
McGrath, J
Nash, F
Ronaldson, M
Ryan, SM
Smith, D
Williams, JR

PAIRS
Bilyk, CL
Bullock, JW
Cameron, DN
Collins, JMA
Conroy, SM
Sterle, G
Wong, P

O’Sullivan, B
Payne, MA
Cormann, M
Brands, GII
Seselja, Z
Cash, MC

Sinodinos, A

Question agreed to.

MOTIONS
ReefBlitz

Senator LAZARUS (Queensland) (12:31): I move:
That the Senate:
(a) notes that ReefBlitz is an important initiative providing an opportunity to discover, identify and record the plants and animals living in and around the Great Barrier Reef that will take place in Townsville, Queensland, on 16 October and 17 October 2015;
(b) acknowledges the valuable contribution of ReefBlitz in educating the community and promoting the unique marine environment in the Great Barrier Reef, and also in generating tourism in north Queensland;

(c) commends the sponsors, organisers, participants, and the numerous volunteers who enable ReefBlitz to take place each year; and

(d) calls on the Government to recognise the importance of ecological sustainability in and around the Great Barrier Reef and other protected marine areas in and around Australia.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:31): Mr Deputy President, I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government supports this motion, welcomes community-driven initiatives such as ReefBlitz and is proud to be participating and working alongside this event through the Great Barrier Reef Marine Park Authority. The coalition is investing, along with the Queensland government, a projected $2 billion in the reef over the next 10 years to protect this magnificent World Heritage icon. The coalition's Reef Trust is providing $700,000 for marine debris clean-up all along the Great Barrier Reef coast. Further, through the National Environmental Science Program, the government is committing funding to applied research that will greatly improve our knowledge of species, water quality and reef resilience for the future. We are immensely pleased that the World Heritage Committee has praised Australia for its exemplary efforts to protect Australia's Great Barrier Reef, and we encourage people to participate in this great event, which will make a real and practical difference to protecting our reef.

Question agreed to.

Coal Seam Gas

Senator LAZARUS (Queensland) (12:32): I move:

That the Senate:

(a) notes that the people of Queensland have no legal right to stop mining companies from entering their land to mine coal seam gas (CSG);

(b) further notes that rural and regional communities across Queensland are being devastated by the impact of CSG mining, including loss of underground water, contamination of underground and surface water, health impacts, mental health issues, reduced quality of life, reduced land values and other forms of stress, trauma and suffering;

(c) acknowledges that the impact of CSG mining and the behaviour of resource companies in harassing, bullying and intimidating landholders is splintering families, dividing communities and creating personal and financial hardship;

(d) understands that the people affected by CSG mining have no fair and equitable legal recourse to address their concerns given the significant power imbalance between those affected and the mining companies;

(e) calls on the Government to urgently consider the establishment of a Resources Ombudsman and a CSG Mining Commissioner to address the issues being experienced by the people of Queensland and elsewhere across the country affected by CSG mining; and
(f) urges the Government to consider undertaking an urgent audit of the human impacts of CSG mining, and to establish support services and other forms of assistance, including medical assistance, for those affected by CSG mining.

I seek leave to make a short statement about the motion I have just moved.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator LAZARUS: Yesterday, Australia lost a great Queenslander and a great Australian in George Bender. My thoughts and deepest sympathies go out to George's family and the Chinchilla community at this difficult time. I promise to ensure George's death was not in vain and that everyone across the country understands the damage and destruction CSG mining is doing to the people of Queensland. George was a brave, courageous, big-hearted cotton farmer in Chinchilla who fought for 10 years to stop CSG miners from entering his land to mine. All his bores had dried up because CSG mining in nearby areas had depleted the underground water, and contaminated water was all that was left. If this was not enough, the mining companies then wanted to mine on George's land.

Queenslanders have no right to say no to miners coming onto their land to mine CSG. They are left to fend for themselves against the greed and the might of mining companies. Please help me stop the scourge of CSG mining in Queensland and restore the rights of our people to stop the needless loss of human life and the devastation caused by CSG mining.

The DEPUTY PRESIDENT: The question is that general business notice of motion No. 903 be agreed to.

The Senate divided. [12:38]

(The Deputy President—Senator Marshall)

Ayes ................... 13
Noes ................... 35
Majority ................ 22

AYES

Di Natale, R
Lambie, J
Ludlam, S
Muir, R
Rice, J
Simms, RA
Whish-Wilson, PS

Hanson-Young, SC
Lazarus, GP
McKim, NJ
Rhiannon, L
Siewert, R (teller)
Waters, LJ

NOES

Abetz, E
Brown, CL
Canavan, MJ
Collins, JMA
Fawcett, DJ
Gallacher, AM
Johnston, D
Leyonhjelm, DE
Lines, S
Macdonald, ID

Bernardi, C
Bushby, DC (teller)
Colbeck, R
Edwards, S
Fifield, MP
Gallagher, KR
Ketter, CR
Lindgren, JM
Ludwig, JW
McAllister, J
Question negatived.

Oil Exploration

Senator SIMMS (South Australia) (12:41): I, and also on behalf of Senator Xenophon, move:

That the Senate—
(a) notes:
(i) the intention of British Petroleum (BP) to perform high-risk exploratory drilling in the Great Australian Bight,
(ii) that the current environmental and safety evaluation being performed by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) for exploration lease approval requires BP to release sufficient information so stakeholders can make informed assessment of the project and its possible consequences,
(iii) that BP has not released critical information such as its:
(A) Environmental Plan,
(B) oil spill modelling, or
(C) oil spill emergency plan,
(iv) that given:
(A) the natural beauty of the Great Australian Bight,
(B) the ecological uniqueness of the Great Australian Bight and its critical importance for marine life, including blue, southern right, sperm, killer and humpback whales,
(C) that an oil spill of this nature could devastate the $442 million South Australian fishing industry, as well as the state’s $1 billion coastal tourism industries,
(D) that 90 per cent of oil spills take place during exploratory drilling,
(E) that the Great Australian Bight contains some of the roughest and most remote open waters on the planet, and
(F) that in the event of an oil spill, it may take up to 157 days to cap an oil well,
that this lack of environmental transparency does not meet the sufficient information criteria for NOPSEMA’s 28 day approval process; and
(b) calls on BP to release their Environmental Plan, and, failing that, NOPSEMA to reject BP’s exploration lease application.

The DEPUTY PRESIDENT: The question is that general business notice of motion No. 901 be agreed to.
The Senate divided. [12:42]
(The Deputy President—Senator Marshall)

<table>
<thead>
<tr>
<th>Ayes</th>
<th>Noes</th>
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AYES

Di Natale, R    Hanson-Young, SC
Ludlam, S      McKim, NJ
Muir, R        Rhiannon, L
Rice, J        Stewert, R (teller)
Simms, RA      Waters, LJ
Whish-Wilson, PS

NOES

Abetz, E        Back, CJ
Bernardi, C    Bushby, DC
Canavan, MJ    Collins, JMA
Edwards, S     Fawcett, DJ
Fifield, MP    Gallacher, AM
Gallagher, KR  Heffernan, W
Johnston, D    Ketter, CR
Leyonhjelm, DE Lindgren, JM
Lines, S       Ludwig, JW
Macdonald, ID  McAllister, J
McGrath, J     McKenzie, B
McLucas, J     Moore, CM
Nash, F        O’Neill, DM
Peris, N       Ruston, A
Ryan, SM       Scullion, NG
Seselja, Z     Smith, D
Urquhart, AE (teller) Wang, Z
Williams, JR

Question negatived.

BILLS

Customs Depot Licensing Charges Amendment Bill 2015
Customs Amendment (Fees and Charges) Bill 2015
Import Processing Charges Amendment Bill 2015

Debate resumed on the motion:
That these bills be now read a second time.

Senator MOORE (Queensland) (12:45): I rise to speak on the Customs Depot Licensing Charges Amendment Bill 2015, the Customs Amendment (Fees and Charges) Bill 2015 and the Import Processing Charges Amendment Bill 2015. Labor supports this package of bills which implement measures in the 2015-16 budget responding to recommendations by the Joint Review of Border Fees, Charges and Taxes. The fees review covered major charges
imposed at Australia's border entry points, including import-processing and passenger movement charges levied by the Department of Immigration and Border Protection; import-related fees and charges recovered by the Department of Agriculture; visa application charges; and cost recovery for services, especially those resulting from industry requirements. The measures implemented by these bills, which are projected to generate $107.6 million in revenue across the forward estimates, are consistent with Labor's commitment to maintaining a robust and efficient customs authority.

The Department of Immigration and Border Protection assesses and processes applications, issues licences and oversees compliance by warehouse and depot licence holders and by customs brokers. Cost-recovery charges are imposed on individuals and businesses holding or applying for licences. Licensing fees have mostly remained unchanged since they were introduced in 1997, resulting in declining revenue. The fees were originally imposed to recover the full cost of licensing, but the fees review uncovered a shortfall in the recovery of costs within some programs, amounting to about 30 per cent of customs broker charges.

The Customs Amendment (Fees and Charges) Bill and the Customs Depot Licensing Charges Amendment Bill will consolidate all licensing charges under a single act to simplify the legislation and introduce new charges that are better aligned with costs to be recovered. The new charges include a warehouse licence application charge, from $3000 to $4,500; a warehouse licence variation charge, from $300 to $450; and a customs broker licence application charge of $130 to $195 for individuals and $1,300 to $1,950 for businesses. It is hoped that these charges will reduce the cost of administering the licensing program by encouraging applicants to be better prepared. The Customs Amendment (Fees and Charges) Amendment Bill imposes a small fee for a declaration on imported goods, and the Customs Depot Licensing Charges Amendment Bill will increase warehouse, custom broker and licensing charges to allow cost recovery.

Existing import-processing charges have also resulted in a revenue gap. In 2013-14, for example, the department spent $252.7 million administering these charges but received only $242.4 million in revenue. The Import Processing Charges Amendment Bill makes three main changes. The same charge will be imposed regardless of the method of importation—that is, whether it is sea cargo, air cargo, or by postal import and warehouse declarations. A standard higher fee will be imposed for documentary import and warehouse declarations, because of the extra work in processing these declarations. The cost base for import and warehouse declaration charges will be broadened, by recovering the cost of the department's cargo and trade-related reforms. The charges increased or introduced by these bills are necessary and appropriate revenue measures, and Labor is pleased to support them.

Senator RYAN (Victoria—Assistant Cabinet Secretary) (12:49): I thank Senator Moore for her contribution on these bills, the Customs Depot Licensing Charges Amendment Bill 2015, the Customs Amendment (Fees and Charges) Bill 2015 and the Import Processing Charges Amendment Bill 2015. These bills will give effect to the changes proposed as part of the Joint Review of Border Fees, Charges and Taxes. The review focused on identifying whether the government's border charges could be consolidated and improved to better support Australia's future border operations.

The bills increase and restructure import processing charges and introduce new charges in the warehouse and customs broker licensing regimes. The increase in new charges will
provide critical funding for improvements in trade and travel facilitation and will support improved security at Australia’s border. The changes strike the right balance between supporting Australia’s international competitiveness and ensuring the costs of maintaining the integrity of our border are appropriately shared with those who use it. I commend the bills to the Senate.

Question agreed to.

Bills read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Seselja): As no amendments to the bills have been circulated, I shall call the minister to move the third reading unless any senator requires that the bills be considered in Committee of the Whole.

Senator RYAN (Victoria—Assistant Cabinet Secretary) (12:50): I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

Australian Immunisation Register Bill 2015

Australian Immunisation Register (Consequential and Transitional Provisions) Bill 2015

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator McLUCAS (Queensland) (12:51): I rise to speak on the Australian Immunisation Register Bill 2015 and the Australian Immunisation Register (Consequential and Transitional Provisions) Bill 2015. In doing so, I want to indicate at the outset that Labor strongly supports these bills and in particular their purpose, which is to give us for the first time a truly comprehensive national vaccination register. We are pleased at the opportunity to be able to vote in this place for all-too-rare moves to actually improve health outcomes in Australia from a government that has spent the last two years attacking health.

The existing Australian Childhood Immunisation Register, which was established in 1996, provides accurate data on the immunisation status of all registered children under the age of seven. This, of course, matches the period when children are receiving the intensive schedule of vaccinations so essential for children in their early years. But, clearly, the need for vaccinations does not end at the age of seven.

Medical experts, for example, recommend that whooping cough, tetanus and diphtheria be updated every 10 years. Then there are the ever-increasing numbers of vaccines now recommended for adolescents and adults in Australia, such as influenza, pneumococcal, whooping cough for pregnant mothers, shingles for older Australians and HPV for adolescents and young adults.

Against this background, clinicians and public health workers have long advocated the need for much better information on the vaccination status of all Australians, and this bill, therefore, makes two very big changes. The legislation proposes that from 1 January 2016, the
Australian Childhood Immunisation Register will expand to collect and record vaccinations given to young adults under the age of 20. Then from September 2016 it will be expanded further to become the national immunisation register, covering all vaccinations given from birth to death through general practice and community clinics.

This will accommodate the addition of Zostavax shingles vaccine to the national immunisation program for persons aged 70. And if unexpected disease outbreaks occur, as there have been recently for whooping cough, with tragic consequences for newborns, or in the event of measles returning to Australia, as has occurred in the US, immunisation registers will be able to help us determine whether they are due to low vaccination coverage and enable better targeted responses.

The bill also replaces the HPV register with the Australian School Vaccination Register. Whereas the HPV register, as its name suggests, only captures administration of the HPV vaccine, the school vaccination register will record other adolescent vaccinations administered through the school. Programs include chickenpox and the diphtheria, tetanus and pertussis— whooping cough—booster.

A comprehensive immunisation register is a vital component of any efficient vaccination scheme. Registers are a key tool in improving the performance of immunisation programs. They do this by collecting data on the vaccinations that have been given; generating notices and prompting people to have their next vaccination, booster shots and the like; providing certificates of vaccination; and, importantly, monitoring vaccine coverage, including hotspots across the entire population. Registers allow us to identify deficiencies and to adapt and respond to new and emerging threats.

So, how will this help health experts stay on top of the diseases that threaten the health and welfare of all Australians? The answer is that unexpected disease outbreaks still occur. There is the prospect of measles returning to Australia, as has occurred recently in the United States. Comprehensive immunisation registers will help determine whether it is due to low vaccine coverage and will enable a better and more targeted response.

We know that parents lead busy and complicated lives these days, and in many cases missed vaccinations are due to oversight rather than to a specific objection. The establishment of a national immunisation register of school-based vaccinations will assist all parents to keep their children's immunisations up to date.

This national register will also enable adults to have the information they need to ensure the protection they received as children continues long after their schooling ceases. Diseases like tetanus, diphtheria and, of course, whooping cough are not confined to children. Adults who travel or come into contact with others who do not keep their immunisations up-to-date are just as much at risk as those who have refused to be vaccinated.

Importantly, this bill enables the transfer of data to Centrelink that is necessary to enable the government to effect the No Jab, No Pay measure that encourages parents to have their children immunised. Labor believes that parents should have the final say in making health decisions about their child. But when it comes to immunisation there is a strong public interest in ensuring that children are immunised.

Like many in this place I have been lobbied strongly by opponents of this measure who argue that it is an attack on their rights, and that this amounts to compulsory vaccination. I
have no sympathy with that argument. Firstly, parents still have the right not to vaccinate their children; it is just that now if they choose this path, this nation is also now choosing to make its position clear on that decision by no longer paying these parents family tax benefits. So there is no compulsion to vaccinate, just a clear signal that parents should vaccinate. And those who do not will face a financial penalty for choosing not to protect their children, and the people they come into contact with, from the consequences of that decision.

It is not going to be popular with everyone, but it is a necessary initiative. In fact, it is an initiative that Labor took to the last election. We did that for the very simple reason that we believe it is unreasonable for those people to expect the collective benefits of family support payments if they are not themselves contributing to the collective wellbeing of the population as a whole by having themselves and their children vaccinated against preventable diseases. It is for this reason that Labor wholeheartedly supports these changes.

It is important that we continue to improve vaccination rates across the country. We know that passage of the legislation we are debating here today will not end the campaign of misinformation, or suddenly lead to parents who have refused to vaccinate their children racing down to the clinic to get them up to date. But the early figures are promising.

In September last year just over 40,000 Australian children were listed as claiming exemption on the grounds of conscientious objection. That figure has fallen for three consecutive quarters, and at the end of June stood at 34,000—a drop of 15 per cent in just nine months. And this is even before No Jab, No Pay comes into effect. Clearly, even talk of this measure has been enough to persuade some parents, perhaps undecided about immunisation, to end their claim to be conscientious objectors and do the right thing by their children and their community. As a result, the proportion of eligible children claiming exemption has fallen from 1.8 per cent to 1.5 per cent and, once the new regulations come into effect, we expect this trend to continue.

Vaccination rates in Australia have been amongst the best in the world, but we cannot rest on our laurels. Vaccinations are vital to the welfare of all citizens. It is not just about protecting yourself or your child; herd immunity relies on everyone doing the right thing. Labor will work to ensure these changes are implemented in a way that not only increases immunisation rates across the entire community but also targets vulnerable children and does not lead to these children being excluded from early education and care as a result of their parents' decisions. We must also ensure that this is not the be-all and end-all of the work we do to educate and inform the public about the benefits of immunisation. Before they were abolished, Medicare Locals were doing good work to increase immunisation rates in local communities, and I urge the government to ensure that this continues through the Primary Health Networks.

So Labor is pleased to support this all-too-rare move by the government to strengthen our health system and promote, rather than cut, preventative health care. For two years, Labor has stood firm against this government's repeated attempts to place a barrier between patients and primary care through its now four attempts to introduce a GP tax. We have repeatedly called on the government to abandon its disastrous attacks on public hospitals, its cuts to preventative health programs, its cuts to dental programs and its cuts to drug and alcohol services. There are so many other areas of health policy that are now in drastic need of repair, but on this measure, which is clearly a measure that will advance the cause of public health in
Australia, Labor is proud to stand and declare our support for improving vaccination in our country.

Senator POLLEY (Tasmania) (13:01): I rise to speak on the Australian Immunisation Register Bill 2015 and the Australian Immunisation Register (Consequential and Transitional Provisions) Bill 2015. Labor strongly supports these bills and, in particular, their purpose, which is to give us a truly comprehensive national vaccination register. These bills achieve this by establishing a new consolidated legislative framework to manage and expand the two existing immunisation registers. These bills also broaden their scope to capture all vaccinations given, from birth to death, through general practices and community clinics.

Labor is committed to strengthening immunisation rates so that all Australian children have the best chance at growing up strong and healthy. The establishment of a national immunisation register of school-based vaccinations will assist all parents to do the right thing by their own children and, very importantly, their community's children. It will also send a very strong message to those who are refusing to vaccinate their children that we, as a society, reject that approach. Whilst Australia does have good immunisation rates, with about 92 per cent of all five-year-olds fully vaccinated, immunisation rates must continue to improve, because all too often we hear of outbreaks amongst the most vulnerable people and, tragically, totally avoidable deaths due to a small number of Australians who are not vaccinated. We have seen this most recently with the outbreak of measles in the USA and, tragically, here in Australia with the outbreaks of whooping cough.

I have a personal interest in this as my sister fell victim to the polio outbreak when she was a very young child. I have seen the consequences of the medical procedures that she had to go through. She is now a woman in her late 60s, and the consequences of that polio are still borne by her every single day. That is why my family have always been strong supporters of immunisation. As parents, my husband and I never questioned it when our children were immunised. And, when our third grandchild was being born, before we flew to WA, because of the concerns over there with whooping cough we made sure that our vaccinations were updated. So I am a very strong supporter of vaccination, as are my colleagues here. As Senator McLucas said, it is unusual, unfortunately, when it comes to health that we are able to support the legislative frameworks that the government have implemented since they have been in government. They do not normally have a good track record when it comes to health, but on this occasion we stand with them because this will be a great benefit to the entire community.

Labor believes that parents, of course, should have the final say in making health decisions about their child. But, when it comes to immunisation, there is strong public interest to ensure that children are immunised, and that cannot and should not be ignored. There are strong arguments against this measure from those claiming that it is an attack on their rights. I do not have any sympathy for those arguments, because parents still have the right to not vaccinate their children. But to me this is a no-brainer. This is something that will be beneficial to all children and, most importantly, to the wider community.

There is no compulsion to vaccinate and no attack on parental rights here—just a clear signal that parents should vaccinate, and, if they do not, there is a financial penalty. The science on immunisation is clear and there is strong evidence that this legislation will lead to greater outcomes for the entire community. The changes being made by this legislation are
not just about ensuring that children are up to date with their shots and that we have an accurate register. They are also about making sure that adults have the information they need to ensure that their protection continues after they leave school, because parents, as we all know, come into contact with others who do not keep their immunisation up to date and are at just as much of a risk as our children are when it comes to vaccination.

So this bill actually makes more than one change. From 1 January 2016 the existing Australian Childhood Immunisation Register will expand to collect and record vaccinations given to young individuals under the age of 20 years, and then, from September 2016, it will be expanded to cover all vaccinations from birth to death. The bill also replaces the HPV register with the Australian School Vaccination Register, which will record other adolescent vaccinations administered through the school programs. Finally, the Health Insurance Act 1973 and the National Health Act 1953 will be combined to provide the ongoing data management for both registers.

Labor definitely welcomes these bills and supports the opportunity to act and improve the outcomes for all Australians. But because this government has not had the best record for improving health outcomes in Australia over the last two years, which has been spoken about in this chamber very often, we will work to ensure these changes are implemented in a way that will increase immunisation rates among vulnerable children and for the greater good of the community. We know that Prime Minister Abbott, when he was minister for health in the Howard government, had a terrible record. In fact, we know that he gutted health by a billion dollars, and unfortunately when he became Prime Minister of this country he continued with that very poor record in providing world-class health for this country. That has continued, along with all the other bad policies of the Abbott government, although they have a new captain of their ship. It is a good step in the right direction to be able to join with the government and say, 'Congratulations,' but we will be working to ensure this legislation brings the best outcomes for the Australian community.

**Senator RYAN** (Victoria—Assistant Cabinet Secretary) (13:09): I probably should declare at this point, in a personal sense, that I used to work for a company that makes vaccines. I agree with some of the things said by those opposite on the Australian Immunisation Register Bill 2015 and the Australian Immunisation Register (Consequential and Transitional Provisions) Bill 2015. Mass immunisation has been one of the great public health measures of the 20th century, although it started earlier. In particular, it has removed the scourge of preventable disease, which my generation, luckily, in many ways was the first to avoid. Subsequent to that, there has also been a substantial expansion of the immunisation register to cover conditions which even for me, as a 42-year-old, were not prevented.

I must say that there have in fact been few more damaging campaigns in public health than that of the anti-vaxxers and the completely and utterly discredited allegations regarding the MMR vaccine that came out of a now-withdrawn alleged study in the UK, which has seen the person responsible for that struck off the medical register. Tragically, there are probably deaths attributable to that particular campaign, which has scared the uninformed and provided alleged evidence to those who wish to mislead.

In Australia today we have one of the world's most effective mass immunisation campaigns, and as a parent of a young child I can attest to how effective that is. In my own home city of Melbourne, it is run primarily by local councils, and it very effectively reaches...
into those communities that have varying levels of socioeconomic access and information, and we have achieved very high rates of penetration, as we have right around the country, albeit with constant challenges in some areas—in particular, access to these services for Indigenous groups. I might say, though, that one of the more disturbing things about the declines in some immunisation rates in Australia is that they tend to come in highly educated and high-income-earning areas—people who, quite frankly, should know better. Some of the most misleading things about immunisation are no longer done by people who do not have access to information and who we seek to educate; they are done by people who seem to wilfully misuse information.

One of the aspects of this register that was commented upon before by Senator McLucas is that it will allow us to study outbreaks, look at immunisation rates and understand why outbreaks happen. I have family experience of this too. Without going into great detail, one of the challenges is that we now have adults getting whooping cough, particularly some of those who work with children, because of lack of immunisation and the falling herd immunity amongst young Australians. In fact, I know of a situation where grandparents were not allowed to see grandchildren because of their exposure to whooping cough, which is a sad moment for any family. It also poses health risks to older Australians, because whooping cough is not something nice to get when you are in your 60s. But, again, this is not happening in areas that do not have access to services. I think most of us will be very interested to see where some of the immunisation rates are falling, because tragically that is happening in areas where it should not be and where, quite frankly, we have not had to have extra efforts at health service delivery because of the education and income level of those involved. Disturbingly, I think that will become more apparent over time.

I must say, however, that I am a bit disappointed in the efforts of a couple of speakers among those opposite to politicise this debate, and I am going to rehash here Labor's record on mass immunisation. It needs to be said that, when the Howard government came to office, it was only through the passion and the dedication of Dr Michael Wooldridge as health minister that our immunisation rates were picked up from levels that were the lowest in the developed world and in some cases approached Third World levels. The Liberal government, from 1996 to 2001 under Dr Wooldridge, made it a significant national health priority to increase immunisation rates to levels above 90 per cent, where herd immunity was rebuilt, because in some parts of metropolitan cities in this country they were collapsing into the 50 per cent range, where herd immunity had completely collapsed. The record of the Labor government under Hawke and Keating on immunisation stood condemned by statistics. So, if those opposite want to talk politics, we will point to the history.

I will also point out that the most substantial expansion in the immunisation register for young Australians—particularly children but also with reference to vaccines for older children, particularly the HPV vaccine, which of course Dr Ian Frazer had such a role in discovering—was undertaken under the Howard government. The most substantial expansion in the vaccines register and the free vaccines register in this country's history were undertaken under the Howard government, and this is a record which the Liberal-National coalition proudly stand by. With those comments, I commend the bills to the Senate.

Question agreed to.

Bills read a second time.
Third Reading

**Senator RYAN** (Victoria—Assistant Cabinet Secretary) (13:14): There being no committee stage, I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

**Social Services Legislation Amendment (Cost of Living Concession) Bill 2015**

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

**Senator CAMERON** (New South Wales) (13:15): The new cost-of-living concession being provided by the South Australian Labor government is welcome support for pensioners, concession cardholders and other low-income Australians. It consists of a $200-per-year payment to help pensioners and concession cardholders with cost-of-living pressures. This bill introduces a measure to exclude the cost-of-living concession payment made by the South Australian government from being assessed as income under the Social Security and Veterans' Affairs income tests. Labor supports this bill. Federal Labor supports the South Australian Labor government's efforts to support pensioners and vulnerable Australians.

The reason why this new payment is being made to pensioners by the state government is, in the first place, that the Abbott-Turnbull government cut its support for pension concessions. In the 2014 budget, the Liberal government cut $1.3 billion from pensioner concessions. Without any warning or discussion with the states, the Abbott-Turnbull government walked away from the national partnership agreement on certain concessions for pensioner and seniors cardholders—$1.3 billion cut from pensioner concession across the country. These are the concessions that helped pensioners with the cost of essential services like electricity, water and gas. Importantly, it also provided concessions for council rates. It is one of the most important ways that government helped pensioners with the cost of living.

I know these cuts have been a huge issue in South Australia, and South Australian pensioners will not forget the Abbott-Turnbull government's record on pensioner concessions. Nor will they forget this Liberal government's attempt to cut pension indexation. That cut to the pensioner concession would have seen an $80-a-week cut to the pension within 10 years. Nor will they forget this Liberal government's policy to increase the pension eligibility age to 70. That is an increase that would see Australia have the oldest pension age in the developed world. Nor will they forget the changes to the pension assets test that will see 330,000 age pensioners worse off. This Liberal government's track record on pensions is terrible.

What we are seeing here today is the South Australian government coming in and fixing up the mess left by the Abbott-Turnbull government—as many other state governments have done since the federal government cut $1.3 billion from pensioner concessions. The South Australian government has decided that the best way of fixing up this Liberal government's mess is to provide a $200 payment to pensioners. Labor welcomes this measure, which excludes the income from that payment from the means test of Social Security payments and Veterans' Affairs payments. This means that pensioners' and seniors' Centrelink payments will
not be affected by receipt of the new payment. Therefore, they will receive the full benefit of the cost-of-living concession payment. I would like to add my personal congratulations to the South Australian government for this important contribution to help pensioners deal with the cost of living. On that basis, Labor supports this bill.

Senator RYAN (Victoria—Assistant Cabinet Secretary) (13:18): I thank Senator Cameron for his contribution. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Senator RYAN (Victoria—Assistant Cabinet Secretary) (13:19): I move:

That this bill be now read a third time.

Senator XENOPHON (South Australia) (13:20): I support this bill and I commend the government for moving this bill, because the cost-of-living concessions were quite contentious in my home state of South Australia when the federal government announced its decision to terminate the national partnership agreement on certain concessions for pensioners and seniors cardholders in last year's budget. Hundreds of thousands of pensioners were left worse off. Under the national partnership agreement, states and territories used to receive payments from the Commonwealth. In South Australia, the state government used this funding to provide concessions on local council rates to pensioners and low-income earners. When the NPA was terminated, the South Australian government stopped funding these concessions and this left low-income earners and pensioners $190 a year worse off as they were forced to cover the entire amount of council rates themselves.

I want to acknowledge my state colleague in the South Australian Legislative Council the Hon. John Darley MLC, who has been a very strong advocate in relation to the issue of pensioner concessions. The South Australian government realised that the policy measures they put in place could not go on. In May this year, the South Australian government announced it would introduce a cost-of-living concession payment. From September, those who are eligible for this new payment will receive between $100 and $200 a year to help cover essential living costs. It is a much more flexible payment than the previous concession provided. This payment is not only more flexible but also available to more people.

I welcome the South Australian government introducing this new payment. It shows the government has been listening to feedback and responding to the needs of constituents, and I congratulate South Australian Treasurer Tom Koutsantonis. This bill excludes the South Australian cost-of-living concession payment from being assessed as income under the social security and veterans' affairs income tests. It is a sensible measure and I indicate my full support for this bill.

Question agreed to.

Bill read a third time.
Statute Law Revision Bill (No. 2) 2015

Second Reading

Debate resumed on the motion:
That these bills be now read a second time.

Senator CAMERON (New South Wales) (13:23): Labor support the Amending Acts 1980 to 1989 Repeal Bill 2015 and related bill, but we really do not see that this legislation has any substance to it at all. The Liberal Party have changed their leader, but we have moved from this talk of medieval doom and gloom under former Prime Minister Tony Abbott to the current Prime Minister Malcolm Turnbull speaking loftily about the future. But it is increasingly clear that this is simply a change of style. The new Prime Minister talks a big game on economic reform, but he is yet to deliver any substance.

The two cognate bills before the Senate today, the Amending Acts 1980 to 1989 Repeal Bill 2015 and the Statute Law Revision Bill (No. 2) 2015, are relics held over from the Abbott government's last repeal day stunt. They show just how threadbare this new government's economic agenda is. Malcolm Turnbull has personal ambition in spades, but his persistence with these Abbott government bills show just how little policy ambition he has for this country, a country he is now responsible for leading.

These two bills are part of the government's much-vaunted repeal day stunt. According to the government, these bills are part of an important deregulation project. With great rhetorical flair, we see government speakers, each time bills of this kind come through this place, describe what a great blow for liberty they are and describe how they are freeing Australian businesses, families and individuals from unnecessary legislation. But this is a complete charade. It is worth looking closely at what these bills actually achieve.

The first of these two bills, the Amending Acts 1980 to 1989 Repeal Bill 2015, repeals 870 Commonwealth acts spanning from 1980 to 1989 which amended or repealed other pieces of legislation. As these amendments or repeals have already occurred, the operation of these acts is spent. In repealing those acts, this bill will have no actual effect on the operation of any law, none whatsoever. I repeat: not one iota of legal effect. Yet, three times in this parliament, the government has introduced a bill like this. They did not deal with all the amending acts on the statute book in one go. So we are forced to trapeze back here each time, time after time, to deal with these bills—bills which have no legal effect.

In early 2014, as part of their first repeal day stunt, they passed a bill dealing with amending acts passed between 1901 and 1969. But, now, they have slowed down the pace. Now they are asking the parliament to go through this charade decade by decade. Earlier this year, we passed a bill dealing with amending acts between 1970 and 1979. Now, under this government, we have finally reached the 1980s. Unfortunately, some of their other legislation has taken us way further back than that! But, no doubt, when the government holds its next day stunt in October, they will move onto the 1990s. That will certainly be a sight to see: government members railing heroically against the dead hand of Howard government regulation.

The second bill, the Statute Law Revision Bill (No. 2) 2015 is the third such bill introduced by the government in this parliament. The parliament has passed such bills with regularity
since 1934. They are a matter of housekeeping. These bills correct drafting errors, update cross-references and remove spent or obsolete provisions. These bills serve a worthy purpose. They maintain the tidiness of the statute book. This is an ongoing task for this and other parliaments. This is no bold deregulatory reform; it is routine work undertaken by all modern governments.

Amongst other things, this bill corrects the spelling of the word 'division' in the Sex Discrimination Act, which presently lacks its third 'i'; reletters a section of the Personal Property Security Act, which currently contains two paragraphs (b); removes a misplaced quotation mark in the Federal Circuit Court of Australia Act; and corrects the spelling of 'of' in the Surveillance Devices Act, evidently a particularly typo-ridden statute that was also amended by the government in both of its previous statute law revision bills.

The bill inserts gender neutral language in two acts. It makes clear in relevant legislation predating ACT and Northern Territory self-government that the legislation binds the territories. This does not change the law. The ACT and the NT self-government acts already provide that acts which are expressed to bind each of these states also bind the territories. All of this is worthy; none of it is groundbreaking. This bill, as with the amending acts bill, is not in any sense deregulation. It is certainly not any evidence of the economic leadership Prime Minister Turnbull promised us before he toppled former Prime Minister Tony Abbott in a parlous coup in the Liberal Party room in September. Neither bill will reduce in any measurable way the regulatory burden on any Australian business. It beggars belief that the government would again try to do dress these bills up into a grand political gesture. And it is even more staggering that they would do so now that, so they say, we have descended into the sunlit uplands of Prime Minister Turnbull's prime ministership. Is this really the economic leadership the Liberals are offering the Australian people—the repeal of long dead statutes, the correction of typos, the renumbering of regulations?

It has been a month now since the leadership change but for all the talk of change, of renewal, of excitement, here we are, once again, working through the tired old Abbott government trick bag. Once again, those opposite are going through the motions, pretending that correcting titles is economic reform. If this is the sort of economic leadership you can expect from the new Prime Minister, I cannot see much for the Australian public to be excited about.

Senator RYAN (Victoria—Assistant Cabinet Secretary) (13:30): I cannot let some of what Senator Cameron said go without some sort of response. I appreciate Senator Cameron does not like the 1980s much, that brief period of Labor economic rationalism that I remember reading when he was secretary of the AMWU in the metalworker newspaper that he rejected. I am sure he likes the 1940s much more, with their period of nationalisation if not the period of Labor sending the trips into the coal mines.

I cannot help but think that occasionally Senator Cameron has not seen a deregulation bill or a trade liberalisation bill that he does not like or find an excuse to criticise. Removing redundant legislation is important. The government's deregulation agenda has actually substantially achieved a reduction in unnecessary regulatory burden on many businesses. I can say from my former portfolio of education, the amount of duplication of record collecting that was being done multiple times within, for example, university and vocational education
providers was truly extraordinary and removal of that has been a priority. So with those comments, I commend the bill to the Senate.

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson): The question is that the bills be now read a second time.

Question agreed to.

Bills read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson) (13:31): As no amendments to the bills have been circulated, I shall call the minister to move the third reading unless any senator requires that the bills be considered in Committee of the Whole.

Senator Ryan (Victoria—Assistant Cabinet Secretary) (13:32): I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator McAllister (New South Wales) (13:33): I rise in continuation of the remarks I made earlier about the tax transparency issues. What I was saying was that it is important that in this nation we commence a conversation about what it is that we seek from government and what we might be better prepared to pay in taxation to secure those outcomes. What is critical in a debate of this kind is a belief that the way we are currently proceeding is fair. There is nothing more corrosive to a conversation of this kind than a perception that things are not fair.

Unfortunately there is a lack of confidence at the moment in many aspects of our political system. In 2013, just 22 per cent of people were able to agree that politicians understand what ordinary people think. In that same survey in 2013 conducted by ANU, 66 per cent of people agreed that people in government look after themselves. That is a very sad reflection on the situation in Australian politics and it is a reflection that is derived from a survey conducted by the ANU that is quite reputable and has been running for many years.

There is a sense in this place that we are not interested in the lives of ordinary people. There is a sense in this place that our priorities are determined by the elite rather than by a real appreciation of what goes on day-to-day in most Australian households. And when we are talking in this bill about making arrangements to limit the transparency around the tax affairs of companies that earn more than $100 million a year, I think we ought reflect on the fact that the median income, the income earned by most Australians, the people at the 50 per cent mark is $57,000 or in that order. It is not very much money when we think about that in comparison to the very wealthy individuals and businesses that we are talking about in this bill. And it is why it concerns me that special provisions are being contemplated here.
We have very high levels of compliance with the tax code, particularly by individuals. That compliance is reliant on individuals having confidence that the tax system is fair and effective. There are some companies whose actions erode the faith that Australians have in our tax system. And the answer to this is not to hide that fact, to hide that information. I think we can have confidence in the Australian people. We can take them into our confidence because we know that the Australian people are, in fact, mature enough to understand this conversation. The answer to this, about securing support for the tax system and securing support more generally for the legitimacy of our actions in this area, is to bring the information into the open and those were the measures that Labor brought in in government and which the coalition government now seeks to repeal.

Companies are welcome to take whatever legal approach they wish to their tax affairs. But if they are out of step with community values, they should have to explain themselves.

Question agreed to.

Bill read a second time.

**Third Reading**

The **ACTING DEPUTY PRESIDENT (Senator Whish-Wilson)** (13:37): As no amendments to the bill have been circulated, I shall call the minister to move the third reading unless any senator requires that the bill be considered in Committee of the Whole.

**Senator RYAN** (Victoria—Assistant Cabinet Secretary) (13:38): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**Social Services Legislation Amendment (Low Income Supplement) Bill 2015**

**Second Reading**

Debate resumed on the motion:

That this bill be now read a second time.

*(Quorum formed)*

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (13:41): This is national Anti-Poverty Week, and I am sure people are aware that it is in fact also National Carers Week. This is a week where we strengthen our understanding of the causes and consequences of poverty and hardship and, hopefully, take action to address it. We encourage research, discussion and action to combat poverty. Unfortunately, what we see here in Anti-Poverty Week is the government attempting to cut a measure that is in fact designed to help the very people that we want to help during national Anti-Poverty Week.

A 2014 report by the Australian Council of Social Services shows that poverty is still a real and very significant challenge in Australia. In fact, there has been another report that they have just put out on poverty in Australia. The CEO, Dr Cassandra Goldie, says that it is unacceptable that after 20 years of economic growth our wealthy nation is going backwards in the numbers of people falling into poverty. There are 2.5 million people living below the poverty line of 50 per cent of median income. Single parents are at a very high risk of poverty, more so because they have been dumped onto Newstart and are struggling to survive.
In the latest figures a third of single parents are trying to survive in poverty. People with a disability face a significantly higher risk of poverty than other people. Forty-four per cent of people with a disability live below the 60 per cent poverty line.

Just yesterday St Vincent de Paul released the report “Sick with worry...”: stories from the front-line of inequality, 2015. They summarise the challenges of people living in poverty: a shortage of stable, affordable housing; low incomes that are not sufficient for a decent standard of living; that it is very difficult to find stable work, particularly for people struggling with poverty; and that those struggling with poverty who have a disability are even further behind the eight ball.

There are fundamental challenges for people living with a disability. I just mentioned the shortage of affordable housing. If you are a person living with a disability, it is even harder to find stable, affordable housing. In fact, that was highlighted in the recent community affairs report about young people with disability living in residential institutions and the fact that one of the barriers of them being able to move out was finding affordable housing. One of the barriers to the rollout of the NDIS is affordable housing for people with disability. People may get a package and not be able to find housing. These are real and significant challenges, and St Vincent de Paul have made some clear, simple recommendations: a national jobs plan; proper funding for government services, rather than cutting social services; and adequate income support. These are all issues that the government needs to take action on.

The low-income supplement is a $300 annual payment originally introduced to offset the impacts of the carbon price package. This is a small amount of money, but for people who are struggling below the poverty line, and struggling on income support, it is very important. Before the election, the former Prime Minister said that the government would keep the compensation package associated with the carbon price. This is another broken promise. It is, unfortunately, typical of a government that seems to be permanently on the hunt for savings from the most vulnerable in this country. Analysis of the 2014-15 and the 2015-16 budgets show that they hit hardest those on low incomes and those on income support. The measures the government still has on the books somewhere—raising the retirement age, having job seekers wait five weeks for payment, cutting funding to Aboriginal and Torres Strait Islander peoples and cutting $270 million from social services—all have an impact on the most vulnerable in our community. And that is not to mention the planned cuts to family benefits.

The Turnbull government, just like the Abbott government, is looking at and making cuts that impact on the most vulnerable. We have a minister who, hand on heart, said that he thought the five-week waiting period was a fair measure. I can tell him that most Australians, most of the people I talk to and most of the people the majority of senators talk to—because the Senate has rejected this measure—do not think it is a fair measure. It is a fundamentally unfair measure. This Senate rejected this measure, and within days the Turnbull government had brought it back; it is bringing back the old policies of the Abbott government.

These cuts to the most vulnerable in our community are unfair. We do not think that the most vulnerable members of our community—those on the lowest incomes—can afford to lose any money. We do not support the cutting of the low-income supplement, because we know from repeated recommendations that Newstart, youth allowance and payments to single parents who are struggling on Newstart need to be increased by at least $50 a week. The recommendations that have come out in the reports this week, in Anti-Poverty Week,
highlight that. We need an increase in these working-age payments so that people are not living below the poverty line, because if you live below the poverty line you face yet another barrier to work. It is really clear. It is pointed out in these reports as well. The Greens will be opposing this measure because we will not support cuts to the most vulnerable members of our community.

Senator MOORE (Queensland) (13:48): Labor is supporting the abolition of the low-income supplement today. The supplement was a payment introduced at the time of the former Labor government's clean energy future package, designed at that time to move Australia to a low-carbon future. The Abbott-Turnbull government promised before the election to keep these payments associated with the clean energy future package, and that was the expectation of the community. Therefore, this is a broken promise from the Abbott-Turnbull government, and it is just one on a list on which I am sure people are keeping a tally. The low-income supplement was paid to around 7,000 low-income households that did not receive the same level of assistance as other families through tax cuts or social security payments introduced to offset the average cost of carbon pricing. You will remember the debates that went on in this place about the range of measures that were going to be offsetting that process. This was one of them, and it was part of the entire package.

Some welfare organisations have also formed the view that this supplement should be ended, and there has been community debate. ACOSS, the Australian Council of Social Service, has stated that it is appropriate that this supplement be abolished. That is within the overall debate. We all know that, over the past year and a half, there have been various debates about where we can find savings within the budget that are appropriate to ensure strong policy is maintained. From the start, the low-income supplement was identified as a saving, as originally it was part of a bigger package. Amidst a range of propositions, some were ones that we could not support, and we made that argument in this place and we made that argument in the community. Whilst we always worry about the impact of cuts, from the start, amidst all the other arguments, we considered that the low-income supplement had served its purpose. As the clean energy process was no longer in place, this seemed to be obsolete, and we looked at how it should operate. ACOSS has argued that the supplement has not been widely taken up since its introduction. Again, we looked at the wider picture of how we could balance things and ensure that we clearly identified the needs of people in the community and provided support.

Labor will not oppose the bill in the Senate. We understand the importance of fiscal repair, and we welcome this as a reasonable savings measure. We will only ever support savings in this area when they are fair and reasonable and when the community are engaged in discussion around the process. Again, it is very important, as always when we are talking about the social welfare system, to remember what the intent of the system was, how we identify need and how we ensure that the people who would be in receipt of payment understand exactly their position and the impact on them. That is the background to our support for the low-income supplement process today.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (13:52): I thank colleagues for their contributions. The 2015 budget measure previously introduced in the Social Services Legislation Amendment (Youth
Employment and Other Measures) Bill 2015 is reintroduced in this bill. The Social Services Legislation Amendment (Youth Employment and Other Measures) Bill 2015 was negatived in the Senate on 9 September 2015. The low-income supplement will cease from 1 July 2017. Very few claims for low-income supplement have been received and it is administratively highly complex. Service delivery costs based on estimated take-up for administering this payment far exceed the financial benefit gained by eligible individuals. With the abolition of the carbon tax, this assistance is no longer required. Ceasing the low-income supplement is part of an important range of measures to support the sustainability of the social security system and the nation's budget. I commend the bill to the Senate.

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson): The question is that the bill be now read a second time.

The Senate divided. [13:57]

The President—Senator Parry

Ayes ................. 41
Noes ................. 12
Majority ............ 29

AYES

Abetz, E
Brown, CL
Cameron, DN
Carr, KJ
Collins, JMA
Day, RJ
Fawcett, DJ
Gallacher, AM
Ketter, CR
Lindgren, JM
Ludwig, JW
Marshall, GM
McKenzie, B
Moore, CM
O'Neil, DM
Peris, N
Reynolds, L
Ruston, A
Singh, LM
Smith, D
Williams, JR

Back, CJ
Bushby, DC
Canavan, MJ (teller)
Cash, MC
Cormann, M
Edwards, S
Fifield, MP
Gallagher, KR
Leyonhjelm, DE
Lines, S
Macdonald, ID
McGrath, J
McLucas, J
Nash, F
Parry, S
Polley, H
Ronaldson, M
Ryan, SM
Sinodinos, A
Urquhart, AE

NOES

Di Natale, R
Ludlam, S
McKim, NJ
Rhiannon, L
Siewert, R (teller)
Waters, LJ

Hanson-Young, SC
Madigan, JJ
Muir, R
Rice, J
Simms, RA
Whish-Wilson, PS
Question agreed to.
Bill read a second time.

Third Reading

The PRESIDENT (14:01): As no amendments to the bill have been circulated, I shall call the minister to move the third reading unless any senator requires that the bill be considered in Committee of the Whole.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:01): I move:

That this bill be now read a third time.
Question agreed to.
Bill read a third time.

QUESTIONS WITHOUT NOTICE

Broadband

Senator McALLISTER (New South Wales) (14:02): My question is to the Minister for Communications, Senator Fifield. Can the minister confirm that on 28 April 2015 the former Minister for Communications and the Minister the Finance wrote to nbn co and requested it include in its corporate plan a distorted version of Labor's NBN plan as a so-called counterfactual to the government's policy? On what basis was this request made?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:02): No, the shareholder ministers did not write to nbn co seeking anything that was distorted. The government asked nbn co to analyse a switch to an all fibre-to-the-premises rollout. The government expects that nbn co should periodically consider the best mix of technologies to roll out fast broadband as quickly as possible and at least cost. Nbn co agreed to the request and included the results of its independent analysis in its 2016 corporate plan. Nbn co has confirmed that the technology mix in its 2016 corporate plan is the most cost- and time-efficient means of completing the network. The company found that switching to an all fibre-to-the-premises rollout would mean that the network would not be completed until 2026, but possibly as late 2028, with a peak funding requirement of between $74 billion and $84 billion. This contrasts with the multitechnology mixed model, which will see the network completed by 2020, with the base case estimate for peak funding at $49 billion. Nbn co's consideration of an all fibre-to-the-premises scenario provides a point of comparison against which to evaluate the mixed technology approach. It is important for all policy decisions regarding the NBN to be informed by the rollout experience, technology developments and market knowledge which the company can draw upon, having now rolled out the network, under the coalition's watch, to more than one million premises, which is, indeed, good news.

Senator McALLISTER (New South Wales) (14:04): Mr President, I ask a supplementary question. Minister, can you also confirm that the ministers specified in their letter that nbn co should cost the policy based on the government's own distorted version of Labor's plan,
known as scenario 1.5, and include other additional, inflated assumptions? On what basis was this request made?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:04): As I have already explained, the government, as expressed through the shareholder ministers—

Honourable senators interjecting—

The PRESIDENT: Order!

Senator FIFIELD: As I was saying, the then shareholder ministers—one of whom is here with me and who is doing a fantastic job as Minister for Finance and as a shareholder minister for the NBN—thought it was very good and very prudent for nbn co to make sure that they always do a comparison as to what is the most cost-effective way of rolling out the NBN, comparing different technological approaches. I would have thought that that was good practice and good governance, and it is something with which I completely agree.

Senator McALLISTER (New South Wales) (14:06): Mr President, I ask a final supplementary question. Minister, isn't it the case that the former Minister for Communications requested this counterfactual was to provide a political fig leaf, given the NBN has blown out by as much as $26.5 billion under his watch?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:07): I cannot see how asking nbn co to periodically compare their approach, their technological mix, with an alternative scenario to ensure that they are delivering the scheme in the best and most cost-effective way is anything other than good practice and good process on a project of this magnitude. I know a little bit about projects of significant magnitude, having previously had carriage of the NDIS—which is a very important project, as is the NBN.

On this side of the chamber we just want to make sure that taxpayers get good value for money. We want to make sure that taxpayers get that which they want as soon as is possible in the best possible fashion. I think that is unremarkable. (Time expired)

Trans-Pacific Partnership Agreement

Senator McKENZIE (Victoria) (14:08): My question is to the Cabinet Secretary, representing the Minister for Trade. Will the minister inform the Senate about the benefits to regional Australia of the recent Trans-Pacific Partnership secured by the coalition government?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:08): I thank Senator McKenzie for her question. She is a tireless advocate for Bendigo, Victoria and rural and regional Australia, a great Australian and a great coalitionist. The TPP, as I never tire of saying, is the biggest trade deal in the world for 20 years. The TPP involves 12 countries who collectively represent 40 per cent of global output, or about $28 trillion, as well as 800,000,000 people. In 2013 Australia exported around $15 billion worth of agricultural goods to 12 TPP countries. This is close to one-third of Australia's total exports of these products. TPP will eliminate tariffs on more than $4.3 billion of Australia's dutiable exports of
agricultural goods, and a further $2.1 billion of such exports will receive significant preferential access through new quotas and tariff reductions.

The US Department of Agriculture has done modelling that shows Australia would be the biggest beneficiary of all of the 12 countries under the TPP, so by 2025 the TPP could add US$2.6 billion to the annual value of our agricultural exports—an increase of more than 19 per cent. This would include $1.6 billion extra for our meat exports, $357 million for dairy exports, $161 million for cereal exports and $485 million extra across a range of other areas of agriculture and horticulture. We have an enviable reputation for premium clean, green and safe produce, and the TPP will help ensure our farmers have the market access they need to drive home the advantage we have over many of our competitors in terms of quality and efficiency.

Senator McKENZIE (Victoria) (14:10): Mr President, I ask a supplementary question. Will the minister further update the Senate on how the Trans-Pacific Partnership will create more jobs for regional Australians, including in my home state of Victoria?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:11): The TPP, like other recent trade agreements, is a step towards fairer trade rules. Thanks to the TPP there will be significant tariff cuts on dairy exports to Japan, one of our largest dairy customers. This includes a 9,000-tonne increase in the volume of Australian cheese exports allowed into the US tariff free. Trade agreements such as the TPP are crucial for our dairy industry, which exports about 40 per cent of its production. The United Dairyfarmers of Victoria Vice-President, John Versteden, has said:

Our future is on the export market, because domestic growth is fairly minimal. We are a growing industry and we're cost-competitive. We've got a good low-cost base and I think we've got a fairly strong strategic future on international markets.

The TPP not only reduces tariffs but also involves greater cooperation to combat fraud in textile and apparel, along with—

The PRESIDENT: Pause the clock.

Senator Cameron: Mr President, I rise on a point of order on relevance. The minister was asked about jobs. He has not mentioned jobs once in his answer, and we are up to about 90 million jobs that this lot reckon we are going to get.

The DEPUTY PRESIDENT: The Cabinet Secretary is in order. I call the Cabinet Secretary; you have six seconds left. Order, on my right!

Senator SINODINOS: The agreement will see greater protection for local brands. That is something you might understand over on that side when we talk about protection, which will benefit local manufacturers. (Time expired)

Senator McKENZIE (Victoria) (14:13): Mr President, I ask a further supplementary question. Is the minister aware of any comments from Victorian rural and regional industry leaders regarding the Trans-Pacific Partnership?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:13): The NFF president, Brent Finlay, has said:

Reduced tariffs and greater certainty on rules means more market opportunities more investment and this means more jobs and growth in regional centres.
And:
The nature of agreement means that exclusion from a completed TPP would have delivered significant negative outcomes for Australian agriculture;
And:
On the whole, there is no doubt this agreement will improve trading conditions for Australian farmers...
The President of the Australian Dairy Farmers group, Noel Campbell, has said:
... the new agreement was a good result for Australian dairy farmers.
And:
Along with the China Free Trade Agreement it gives people an understanding that if they're going to grow their business, they've got a market to grow into.
The TPP will be good for rural and regional Australia and will ensure that agriculture, amongst other sectors, continues to deliver strong export revenue and creates jobs for decades to come.

**Broadband**

Senator SINGH (Tasmania) (14:14): My question is to the Minister for Finance, Senator Cormann. I refer to paragraph 2.5 of the Commonwealth Government Business Enterprise Governance and Oversight Guidelines, which requires GBEs to 'avoid activities that could give rise to questions about their political impartiality'. Can the minister advise the Senate how the request by this minister and the former Minister for Communications for nbn co to include a distorted counterfactual of Labor's NBN plan in their latest corporate plan is consistent with this requirement?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:15): I thank Senator Singh for that question. I completely reject the premise of the question. We did not ask nbn co to assess a distorted version of Labor policy. As part of prudent, good and effective government we asked them to assess various alternative ways of delivering the NBN project at the best possible price in the fastest possible way. That is just good government at work. You might try it sometime. Instead of having Senator Conroy on a VIP aircraft writing down some notes on the back of a beer coaster on how to waste a lot of taxpayers' money, we are asking our government business enterprises to properly assess all of the various options and to ensure that taxpayers' money is treated with respect.

Senator SINGH (Tasmania) (14:16): Mr President, I ask a supplementary question. Can the minister advise the Senate how requesting the inclusion of a political counterfactual, which ministers knew would not replicate the rigour of nbn co's business plan, is consistent with paragraph 1.7 of the Commonwealth GBE guidelines requiring GBEs to 'maintain the highest standards of integrity, accountability and responsibility'?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:17): I have essentially dealt with the substantive part of that question in my answer to the first question. Of course, Senator Fifield very eloquently answered the substantive part of that question in his answers. I might again say to Senator Singh—
The PRESIDENT: Pause the clock. Senator Wong on a point of order.

Senator Wong: Mr President, the question dealt with the consistency with the GBE guidelines, for which this minister is responsible, and the letter he chose to write asking a GBE to cost a policy which the government had ruled out.

The PRESIDENT: There is no point of order, Senator Wong. The question was: could the minister advise the Senate in relation to a request made. In a previous answer he has refuted that that request was made, and he again rejected the premise of the question.

Senator CORMANN: Unlike the Labor Party when they were in government, unlike the Labor Party when they initiated this NBN fiasco when they were in government, we are actually going through proper, orderly processes. We are encouraging our government business enterprises to prudently and properly assess all of the various options that might be available. I would just remind you of The Australian Financial Review editorial which I believe was published today. Labor has no credibility—

The PRESIDENT: Pause the clock. Senator Wong, on a point of order?

Senator Wong: Mr President, I raise a point of order on direct relevance. He has been asked how his actions were consistent with the GBE guidelines.

The PRESIDENT: That was the second part of the question. I wrote the question down as it was asked, and it commenced by asking, could he advise the Senate about requesting nbn co. That was the commencement.

Senator Wong interjecting—

The PRESIDENT: Senator Wong, I do not need you to repeat—

Senator Wong interjecting—

The PRESIDENT: The minister rejected the premise of the question up front. That is also the basis of my ruling.

Senator CORMANN: Let me say it again very slowly: all of our actions were entirely consistent with the guidelines. Labor's criticism is pretty extraordinary—(Time expired)

Senator SINGH (Tasmania) (14:19): Mr President, I ask a further supplementary question. Doesn't this joint conspiracy to breach Commonwealth guidelines confirm that these ministers have cooked the books to cover up for their incompetence, instead of addressing their multibillion dollar NBN cost blow-out?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:20): Firstly, there is no conspiracy. Secondly, Senator Singh talks about NBN cost blow-outs. When Labor first announced their NBN policy it was going to cost $4.7 billion. That was in 2007. That went up to $42 billion in 2009, and we were heading for $100 billion under Labor's discredited approach. You were wasting taxpayers' money because you did not know what you were doing. In the time of the previous Labor government Senator Conroy travelled to Darwin five times, essentially to switch on five connections. He did one trip to Darwin for every connection of the new NBN. This was the sort of disrespect that Labor showed for taxpayers' money. We are doing it in a different way. We are making sure that this project is delivered on time, on budget and according to our priorities, and we are delivering it faster and more cheaply and more affordably for consumers than Labor ever would have. (Time expired)
Pensions and Benefits

Senator SIEWERT (Western Australia—Australian Greens Whip) (14:21): My question is to the Minister representing the Minister for Social Services, Senator Fifield. I refer to reports that the Minister for Social Services, Mr Porter, is looking for more savings from his portfolio. Mr Porter is reportedly on the hunt for savings in his new portfolio, hinting spending cuts to carers' and disability payments may be needed. This week is Carers Week and Anti-Poverty Week. Carers and people with disability are at a higher risk of poverty than the general population. What further cuts to carer and disability support payments is the minister planning in Anti-Poverty Week?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:21): I thank Senator Siewert for her question. One of the reasons why the government have been working extremely hard on budget repair is to make sure that we as a government are in a position to fund and support that which is the core business of government. I know from my previous portfolio that an important part of the core business of government is providing support to people who face extra challenges, often for reasons beyond their control. What that means is we want to make sure that we are in a position to fully fund the National Disability Insurance Scheme. What that means is we want make sure we are a position to continue, as we all want to continue, to have a good and generous social safety net in terms of age pensions, disability support pensions and Newstart benefits.

Government has to make sure that it has a sustainable budget and that it is repairing its budget so that, in the long term, it can continue to be in a position to support those important things, which, as I say—

Senator Siewert: Mr President, on a point of order: the minister is well into his second minute. I asked a specific question about what cuts to carer and DSP payments the government is considering. Could he please address that issue of cuts.

The PRESIDENT: I remind the minister of the question and I inform the minister he has 47 seconds in which to answer.

Senator FIFIELD: Obviously, we have a budget every single year, and in the context of a budget all ministers have a duty and an obligation to make sure that the taxpayer dollar is being spent to its best benefit and that taxpayers are getting the best possible value from government programs. The Minister for Social Services, like every minister, makes sure and looks to make sure that spending is appropriate and is targeted in his portfolio. I think you only need to look at the commitment that this government has made to budget repair to be certain that— (Time expired)

Senator SIEWERT (Western Australia—Australian Greens Whip) (14:24): Mr President, I ask a supplementary question. I note that the minister did not rule out that the government might be considering cuts to carer payments and disability payments. ACOSs has found that there are 2.5 million Australians living in poverty. Is the government planning to develop a national anti-poverty plan?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:24): Everything that this government does in terms of policy and in
terms of framing each of its budgets is about improving the standard of living of Australians. At the heart of that is seeking to pursue policies that will increase growth, introducing policies that will increase growth, because we know that a growing economy means more jobs and the best poverty buster known is a job. Everything we do is about helping to create an economic environment that is conducive to business growing, prospering and employing people. That was our approach in our first two budgets; it will be the approach that we take in the coming budget.

Senator SIEWERT (Western Australia—Australian Greens Whip) (14:25): Mr President, I ask a further supplementary question. Carers contribute $60.3 billion a year worth of care. In the government's decision making on cuts to carer payments, are they considering how they will pay for that care if they are not supporting carers to provide that care?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:26): I know from my previous role, as well as anyone on this side of the chamber, the important role that carers play in our community. The work that unpaid family carers do could never be replaced by government. It is very important that government recognises and supports carers, and this government does so through carer payment and through carer allowance. This government will always make sure that there is appropriate support for unpaid family carers.

Senator Siewert is referring to media speculation. There is always media speculation the closer you get to a budget. But this government's commitment to carers is clear, has been clear and will continue.

Water

Senator McEWEN (South Australia—Opposition Whip in the Senate) (14:27): My question is to Senator Colbeck, the Minister representing the Minister for Agriculture and Water Resources. Which minister is responsible for water buybacks—Mr Joyce, Senator Ruston or, a latecomer to the table, Mr Briggs?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:27): I thank the senator for the question. As the minister with the Agriculture and Water Resources portfolio, Senator Joyce is responsible—Mr Joyce, I am sorry; I enjoyed his company in this chamber for a long time. Minister Joyce is responsible for water. He is assisted in that portfolio by Assistant Minister Ruston. That is exactly what we have been saying all week: Minister Joyce as the minister with the portfolio of Agriculture and Water Resources is responsible for water. And, as I said earlier in the week, as a member of a very happy coalition with our friends in the National Party—

The PRESIDENT: Order! Pause the clock.

Senator Moore: Mr President, I raise a point of order as to direct relevance. It is not about general responsibilities between the ministers or who does what. It is specifically about water buybacks. So if you could draw the attention of the minister to the single question: who is responsible for water buybacks?
The PRESIDENT: I think that the minister did indicate that Minister Joyce and Assistant Minister Ruston were responsible jointly. That was my interpretation, but the minister can elaborate on that if he wishes to.

Senator COLBECK: As I was saying, we sit in a very happy coalition with our friends in the National Party.

Opposition senators interjecting—

Senator COLBECK: Thank you for the affirmation to my friends in the Nationals. So, as the cabinet minister in the portfolio, Mr Joyce is ultimately responsible for all elements of water except for those that are with the environment portfolio, as set out in the administrative orders, and that is quite clear. It is quite clear, and I hope that you have taken the opportunity to read the administrative orders since we talked about them earlier in the week. So, ultimately, as Minister Joyce is responsible for infrastructure in the water portfolio, he is responsible for water buybacks. So, ultimately, as the portfolio minister responsible for agriculture and water resources, and, of course, we know as Minister Joyce has himself said— (Time expired)

Senator McEWEN (South Australia—Opposition Whip in the Senate) (14:30): Mr President, I ask a supplementary question. Will Mr Joyce have the discretion to shift expenditure currently allocated to environmental flows to other projects?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:31): Mr President, as I have said a number of times already this week, the government are committed to the Murray-Darling Basin Plan. Our intention is to deliver the plan in full and on time. That is our intention. So, if you understand the plan, you understand what our intention is. There is no confusion here. There is no reason for concern. Quite frankly, I am quite mystified by the reason that the opposition seem to be so fascinated by this particular matter. It is quite clear.

Opposition senators interjecting—

Senator COLBECK: As I said a moment ago, Minister Joyce has responsibility for infrastructure under the Murray-Darling Basin Plan, as he has for water buybacks.

Senator McEWEN (South Australia—Opposition Whip in the Senate) (14:32): Mr President, I ask a further supplementary question. Does Mr Joyce have any plans to suspend the Murray-Darling Basin Plan in whole or in part? When will Mr Turnbull sort out this water policy mess of his own making?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:32): There appears to be somewhat of a comprehension problem on the other side, because I quite clearly said that we are committed to the plan. Now, if we were not committed to the plan, then your question may have had some substance. And you might have adjusted your question based on my previous answer, because I said quite clearly that we are committed to the delivery of the plan. That does not imply to me in any way that the minister has any plans to suspend the plan—if we are committed to its delivery. So I repeat for the benefit of the opposition, who appear to be quite slow learners, that we are committed to the plan and the delivery of the plan in full and on time.
Indo-Pacific Region

Senator XENOPHON (South Australia) (14:33): My question is to Senator Brandis, the acting Minister for Defence. I refer the acting minister to the strategic situation to our north. Since 2009, we have seen a North Korean submarine sink a South Korean navy ship, Japan and China have faced off over disputed islands, China has declared an air defence identification zone over the East China Sea and China has had a naval stand-off with Vietnam over oil-drilling rights; there is an ongoing impending tension between China and the United States over land reclamation in the South China Sea. It appears from AUSMIN talks this week in the United States that we may need to increase our naval patrols in the region. Does the minister agree that the strategic situation to our north is worsening or, at the very least, tense?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:34): Thank you very much indeed, Senator Xenophon, the issues you raise are very important issues indeed. Our region, the Indo-Pacific has, as you know, Senator, enjoyed a long period of peace and security—over 70 years in fact—underpinned by the strong stabilising presence of the United States, which has enabled an unprecedented pace of economic growth and opportunity.

Looking out over the period to 2035, it is fair to acknowledge that we will face a more uncertain regional and global security environment. That is why Australia strongly supports the United States' continued presence in the Indo-Pacific and its rebalancing of forces to our region. Senator Xenophon, you referred to the AUSMIN talks, which Senator Payne and Ms Bishop have attended this week in Washington with their American counterparts. Those issues were underlined in the communique of the AUSMIN talks, which I have with me and to which I would invite your attention.

We are also seeing power relationships in the Indo-Pacific become more complex as global strategic weight continues to shift to the region. By 2050, almost half of the world's economic output is expected to come from the Indo-Pacific. We also recognise that there is growing complexity in the region. The roles of the United States and China, as well as the relationship between them, will continue to be particularly important factors in the dynamics of the region. Australia is committed to working with our American ally and other regional nations to ensure stability. Australia's development of a new defence white paper demonstrates our own commitment to transparency in strategic and capability planning. The white paper will set out the government's vision for Australia's security over the next 20 years, taking into account our strategic circumstances, including considerations of the kind to which you have referred in your question.

Senator XENOPHON (South Australia) (14:36): Mr President, I ask a supplementary question. At a Senate Economics References Committee hearing in Adelaide on 22 July this year, French submarine maker DCNS provided testimony that there is a certain number of submarines sought in the competitive evaluation process documentation to be used for providing pricing to government. Can the minister advise what that planning number is?

The PRESIDENT: Senator Xenophon, that strictly was not necessarily a supplementary question to the primary question, but I will allow the minister to answer what part he wishes.

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:37): Senator Xenophon, the
number of future submarines is to be determined through the defence white paper process. I am unable to predetermine the outcome of that process. I should point out, however, that the primary reason for the competitive evaluation process is to identify an international partner for the next stage of the process.

Senator XENOPHON (South Australia) (14:37): Mr President, I ask a further supplementary question, and I hope this is strictly supplementary. Noting both the 2009 and 2011 defence white papers, documents borne out of defence department and other agencies' strategic analysis, if they determine that Australia needs to have 12 submarines, can the government confirm that, given the situation in this region, future submarine numbers will be at least 12?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:38): Senator Xenophon, I am afraid I cannot really take the matter beyond my answer to your first supplementary question. The number of future submarines is to be determined through the defence white paper process. As I said before, I am not in a position to predetermine the outcome of that process.

Industrial Relations

Senator JOHNSTON (Western Australia) (14:38): My question is to the Minister for Employment, Senator Cash. Will the minister inform the Senate about the need for greater transparency in dealings between registered industrial organisations and employers?

Senator CASH (Western Australia—Minister Assisting the Prime Minister for the Public Service, Minister for Employment and Minister for Women) (14:38): I thank Senator Johnston for what is an extremely important question. Senators will be aware that this government has previously introduced legislation to ensure greater accountability and transparency in the operation of registered organisations. It is also a fact that Labor and the Greens have consistently opposed this legislation. In short, we on this side of the chamber are seeking to provide transparency in the decision-making process and the disbursement of union members’ funds. We believe that, if money is secretly changing hands between an employer and a union, surely common sense dictates that the union members have a right to know.

What we do know based on the evidence from the Heydon royal commission this week is that approximately $300,000 secretly changed hands between the builders of the East West Tollway in Melbourne and the Australian Workers Union. This happened when the current Labor leader, Bill Shorten, was the top Victorian union boss in the AWU, and the AWU’s members had no idea at all that a secret deal was in place. The royal commission has also heard very strong evidence to suggest that Mr Shorten was present at the negotiations where it was decided that the large sum of money should change hands. Any union official worthy of the responsibility that is entrusted to them by the membership would not be taking part in these kinds of shady backroom deals. There is clearly an urgency to introduce greater transparency for these sorts of deals when workers are kept in the dark and an employer pays a union mysterious payments. (Time expired)

Senator JOHNSTON (Western Australia) (14:40): Mr President, I ask a supplementary question. Will the minister update the Senate on any recent allegations of secret deals between unions and employers.
Senator CASH (Western Australia—Minister Assisting the Prime Minister for the Public Service, Minister for Employment and Minister for Women) (14:41): Unfortunately, yes I can. I can update the Senate on recent allegations of secret payments made to the AWU by employers. What we do know from the evidence that has been provided is that these payments were made. Unfortunately, I cannot update the Senate on the reasons for which those payments were made. What we do not know is why these payments were made and exactly what the AWU gave to the employer in return. But I can advise the Senate that there is one person who can clean this up and, quite frankly, can clean it up this afternoon—and that is, of course, the Leader of the Opposition. He could answer the following questions: why he kept this deal secret from his members if he was confident that it was above board? What was his role in the negotiations for these payments? What was the company buying when it made these payments? And what was the AWU giving in return? Simple questions that require answers. (Time expired)

Senator JOHNSTON (Western Australia) (14:42): Mr President, I ask a further supplementary question. Will the minister advise the Senate of the importance of union members knowing when their union is receiving secret payments from their employer.

Senator CASH (Western Australia—Minister Assisting the Prime Minister for the Public Service, Minister for Employment and Minister for Women) (14:42): I think I speak for senators on this side of the chamber when I say that union members do have a right to know what their union officials are doing. Unfortunately, however, there have been many occasions where backroom deals have been done by union officials to receive money from employers. Take, for instance, the current Leader of the Opposition's time at the AWU. It is a matter of fact that, under his leadership at the AWU, he oversaw the 2006 enterprise agreement with Clean event. This was the agreement that those on the other side refuse to acknowledge stripped away all penalty rates for 5,000 low-paid cleaners, with no compensation given to them in return. This is, of course, the same Bill Shorten who relies on the CFMEU for his support. This is, of course, the same Bill Shorten who takes his orders from the CFMEU.

Trade

Senator WHISH-WILSON (Tasmania) (14:43): My question is to the Minister representing the Minister For Trade and Investment, Senator Sinodinos. Senator, when you were chief of staff to the Prime Minister back in 2004, John Howard famously held out against US pressure and refused to include investor state dispute settlement clauses in the Australia-US Free Trade Agreement. This was a smart move. Unfortunately for Canada, since signing up to the North American Free Trade Agreement, which included an ISDS, the Canadian people have been sued by US firms at least 35 times. Why have you and your government now rolled over to US pressure to give special rights to corporations through the Trans-Pacific Partnership Agreement to sue our government and undermine our parliament and sovereignty?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:44): I thank the honourable senator for his question and his ongoing interest in trade matters. He is one of the most literate members of this chamber. So I respect the spirit in which he has asked this particular question. It is true to say that there were circumstances under which, in the past—

Senator Cameron: Just because you have a new partnership with the Greens. This is a new Greens partnership.
Senator SINODINOS: What is wrong with complimenting a member of the Greens when they are asking an intelligent question?

Senator Kim Carr: Well, what do you have to say about that?

Senator SINODINOS: What do you have to say about it?

The PRESIDENT: On my left! Pause the clock. Order!

Senator Cameron: Seven of your backbenchers just fainted!

The PRESIDENT: On my left! Senator Cameron! It was a lot quieter earlier this week. Cabinet Secretary, you have the call.

Senator SINODINOS: It is true that, in the past under some circumstances, the Howard government did set its face against what are called ISDS clauses. But, in more recent times, in the context of negotiating very broad-ranging free trade deals, the view has been taken that the ISDS provisions can also provide protection for Australian investors abroad. This is an important consideration when you consider the broad range of countries which are now becoming involved in some of these free trade arrangements. I understand where Senator Whish-Wilson is going with this question, because there have been some actions taken in recent times. He refers, no doubt, to tobacco. There is an explicit recognition in the TPP that Australia's tobacco control measures cannot be challenged. That is for a start. There is also recognition of an inherent right to regulate, as a country, to protect public welfare, including in the areas of health and the environment. Specific Australian policy areas are carved out from certain ISDS claims, including social services established or maintained for a public purpose, such as social welfare, public education, health and public utilities, measures with respect to the creative arts, Indigenous traditional cultural expressions— (Time expired)

Senator WHISH-WILSON (Tasmania) (14:47): I think it is the first time I have got an answer to a question. Mr President, I ask a supplementary question. As the minister has highlighted, Minister Robb has also indicated that the TPP ISDS chapter includes carve-outs for tobacco and supposed protections for public health and the environment. Can the minister please list for the Senate, or give examples of, the range of circumstances where a corporation will be able to sue our government under ISDS provisions in the TPP?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:48): I will take that particular question on notice. In the context of the TPP, for example, there would be circumstances where an overseas investor would claim in Australia that they have not received most favoured nation treatment, for example, because of a pre-existing trade agreement. But I will not answer that off the top of my head. I will get a proper answer.

Senator WHISH-WILSON (Tasmania) (14:48): Mr President, I ask a further supplementary question. The TPP has been labelled a 'dud' by Hillary Clinton—one of its original architects—and the supposed benefits of the deal have been queried by a number of respected economists and commentators. As recommended by the Harper review and by the Senate inquiry into our flawed treaty process, will you refer the TPP to the Productivity Commission for independent review, and when will you finally release the text of this most secret agreement?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:49): On the second question, I believe it will be released shortly but it is being—to use the vernacular—legally scrubbed. The document is being checked—the i's dotted, the t's crossed, and all of the rest of
it. On the first part of the question regarding the Productivity Commission, the issue here is: what is the counterfactual? Is the counterfactual that for 20 years we have not been able to get a multilateral trade deal? The question is, do you take what is on the table and the access that goes with it, and do you build on that, as we are doing with Japan, Korea, China, the Trans-Pacific Partnership and, potentially, with a fusion of the TPP with some of the arrangements that China wants to see in the region? But there is no counterfactual because there has not been a multilateral trade deal since the Uruguay Round. The Doha Round collapsed. So there is no perfect model that you can put up as the benchmark against which to judge this model. For us, it cements our access into all of these major markets and gives us most favoured nation status. (Time expired)

**Australian Public Service: Workplace Relations**

**Senator GALLAGHER** (Australian Capital Territory) (14:50): My question is to the Minister for Employment, Senator Cash. Can the minister confirm that there has been more industrial action in the Australian Public Service during 2015 than for almost 30 years, including strikes and stop-work action in Australian Border Force, DHS, ABS, CSIRO, the Bureau of Meteorology and the Australian Tax Office? Can the minister confirm that 96 per cent of the public service do not have current enterprise bargaining agreements to replace ones that expired on 1 July 2014—almost 18 months ago.

**Senator CASH** (Western Australia—Minister Assisting the Prime Minister for the Public Service, Minister for Employment and Minister for Women) (14:51): I think it is a very well-known fact that protected industrial action has been taking place in relation to the Australian Public Service. It is also a fact, though, that the government values public servants and is mindful that they should be well paid—in line, however, with reasonable community expectations.

**Senator Lines:** Give them a pay rise!

**Senator CASH:** Unfortunately, Senator Lines does not seem to be able to accept the fact that, since we have been in government, because of the mess left to us by those on the other side we have had to undertake significant budget repair. And what has that meant? The government has been very up-front about the fact that it has required some wage moderation in this bargaining round. The government's offer has been on the table. It is a 1.5 per cent pay increase each year over three years. In return for the 1.5 per cent pay rise, we have asked for productivity gains.

Mr President, I do not know about you, but in the real world where Australians live, in the real world where people open businesses and risk their own money, you do not actually get a pay rise if you do not give a productivity gain. In voter land, when you are out having a coffee at a cafe, when you are having a beer at a pub, when you are having a sandwich at the local sandwich shop, the idea that you would get a pay rise and not have to offset that pay rise with a productivity gain, quite frankly, is unacceptable. So, yes, you are right, Senator Gallagher, there has been protected industrial action. (Time expired)

**Senator GALLAGHER** (Australian Capital Territory) (14:53): Mr President, I ask a supplementary question. How will the minister clean up the mess of dumped minister, Senator Abetz, to ensure public services continue without disruption and industrial peace is reinstated
for the 152,000 hard-working public servants who have been denied a fair offer under this government?

Senator CASH (Western Australia—Minister Assisting the Prime Minister for the Public Service, Minister for Employment and Minister for Women) (14:53): There is no mess to clean up. There is a position that has been placed on the table by this government. As I have already stated, it is a position that is a result of the fiscal irresponsibility by those on the other side, in particular, of course, by the Leader of the Opposition in this place, Senator Wong, in her role as the former finance minister. The deal that is on the table is a 1.5 per cent increase each year over three years and in return we expect productivity gains. Let me tell you—

The PRESIDENT: Pause the clock. A point of order, Senator Cameron?

Senator Cameron: Yes, I rise on a point of order. The minister is continually misleading the Senate. There are no productivity gains; it is cost cutting.

The PRESIDENT: That is not a point of order. Resume your seat, Senator Cameron. Minister, you have the call.

Senator CASH: Mr President, can I say that it is a bit of a shame that we are not being broadcast today, because what Senator Cameron just said, 'It's not productivity gains, it is cost cutting', is one of the reasons that the economy is in the shape that is was when we took over. What you just said shows a blatant disregard for how business runs and how a government should run an economy. (Time expired)

Senator Lines interjecting—

The PRESIDENT: Order! Senator Lines, you have interjected on every question today. There will be silence. Senator Gallagher, you have the call.

Senator GALLAGHER (Australian Capital Territory) (14:55): Mr President, I ask a further supplementary question. By what date will the current APS bargaining round be completed?

Senator CASH (Western Australia—Minister Assisting the Prime Minister for the Public Service, Minister for Employment and Minister for Women) (14:55): Senator, I think you would understand that it would be completely presumptuous of me to provide an answer to that question because that is obviously up to the individual agencies and the employees.

National Broadband Network

Senator WILLIAMS (New South Wales) (14:55): My question is to the Minister for Communications, Senator Fifield. Will the minister inform the Senate of the progress on the rollout of the National Broadband Network?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:56): The coalition, as you well know, Mr President, is committed to delivering fast broadband to all Australians sooner and at less cost to taxpayers. At the last election there were only 260,000 premises in fixed-line areas passed by the NBN. Today the figure is more than one million. A measly 51,000 users were on the network two years ago under Labor. Today there are more than 570,000 subscribers. The NBN corporate plan shows that by the end of June 2016 around one in four premises will have access to the NBN while at the end of June 2018 around three-quarters of homes and businesses will have access.
Under the coalition the NBN is moving its financial and deployment target, which is very different to Labor when it met only 17 per cent of its deployment forecasts. Labor's announcement yesterday that it would be reverting to its fibre-only policy, was quoted in The Australian Financial Review editorial today is 'an expensive joke'. The published NBN 2016 corporate plan forecasts that an all-fibre fixed-line build would require peak funding of between $74 billion and $84 billion, and the extra civil works required for fibre into the home not only cost tens of billions of dollars more but takes vastly more time to finish. Some Australians would have to wait until 2026 to get a connection. Mr Clare only has to answer three simple questions. They are: when is he going to do it; how is he going to do it; and how is he going to fund it? Other than those three questions, it is entirely clear that the AFR is right, Labor's plan is a joke.

Senator WILLIAMS (New South Wales) (14:58): Mr President, I ask a supplementary question. Minister, why is a multitechnology mix the most practical way of delivering superfast broadband to Australians more quickly and at a cheaper cost to taxpayers?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:58): Unlike Labor's unfunded and unrealistic option, the coalition is embracing a multitechnology mix. The NBN is one of many companies in the world rolling out the multitechnology mix. In Germany, Deutsche Telekom has recently announced an expansion of its fibre-to-the-node network to cover 80 per cent of its fixed-line footprint by 2018. There have also been mass deployments by BT Openreach in the UK, AT&T in the US and many others covering millions of homes. Because the NBN is now technology-agnostic it means that under the coalition the NBN will be completed in five years time by finding the most practical technology to connect the NBN with Australians sooner and at less cost. We cannot afford to leave large numbers of Australians behind as we seek to accelerate the nation's productivity and global competitiveness in an age of digital disruption.

Senator WILLIAMS (New South Wales) (14:59): Mr President, I ask a further supplementary question. Will the minister advise the Senate on any threats to delivering fast affordable broadband to all Australians?

Senator Cameron: The copper network, you dope.

The PRESIDENT: Order! Senator Cameron, you should withdraw that remark.

Senator Cameron: I withdraw.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:59): Threats? Senator Conroy, Mr Clare and the collective of the Australian Labor Party are the threats. We know Labor's track record is appalling. We as a nation can not risk allowing this vital infrastructure project to go back into the hands of those opposite. The Australian Financial Review again today in its editorial says:

Here we go again. Labor's announcement it will reinvigorate the National Broadband fibre-optic-cable-to-every-home Network, but not share any details, or even admit that it will cost a lot more money than the current mix of technologies, should come as no surprise. To quote the AFR again:
Labor has no credibility in this area. All Mr Clare has to do is say when he is going to do it, how he is going to do it and how he is going to fund it, and we eagerly await that news.

**Prime Minister**

**Senator JACINTA COLLINS** (Victoria) (15:00): My question is to the Cabinet Secretary, Senator Sinodinos. Yesterday the Cabinet Secretary undertook to check his recollection in relation to the declaration of interests by Mr Turnbull during cabinet discussions on tax transparency matters. Can the Cabinet Secretary now advise whether such declarations have been made?

**Senator SINODINOS** (New South Wales—Cabinet Secretary) (15:01): I am not going to make a habit of commenting on cabinet deliberations, but I can assure the honourable senator that the Prime Minister, since he has been Prime Minister, has done the right thing.

**Senator JACINTA COLLINS** (Victoria) (15:01): Mr President, I ask a supplementary question. On how many occasions has Mr Turnbull been required to absent himself from cabinet discussions due to a conflict or potential conflict of interest?

**Senator SINODINOS** (New South Wales—Cabinet Secretary) (15:01): I have nothing to add to my first answer, and I cannot comment on the period during the Abbott government as I was not cabinet secretary at that time.

**Senator JACINTA COLLINS** (Victoria) (15:02): Mr President, I ask a further supplementary question. I was not asking with respect to the Abbott government period. Minister, I refer to Mr Turnbull's statement: When I became a minister, all of my investments were approved under the ministerial code of conduct by the secretary of Prime Minister and cabinet.

Can the Cabinet Secretary outline this approval process? Were all Mr Turnbull's investments approved by the Secretary of the Department of the Prime Minister and Cabinet declared in related cabinet discussions, as required by the published cabinet handbook? *(Time expired)*

**Senator SINODINOS** (New South Wales—Cabinet Secretary) (15:02): I cannot add to my first answer. All I will say in relation to this general topic is that I am aware as a member of AustralianSuper that funds are invested overseas in the sorts of funds we are talking about here and full tax is paid—

**Senator Wong:** Mr President, I rise on a point of order. The point of order is direct relevance. The question simply asked whether or not Mr Turnbull's investments were approved by the secretary of PM&C as required by the cabinet handbook.

**The PRESIDENT:** The Cabinet Secretary did say that he cannot expand upon his first answer. Do you have anything else to add, Cabinet Secretary.

**Senator SINODINOS:** No.

**The PRESIDENT:** He has concluded his answer.

**Senator Brandis:** I ask that further questions be placed on the Notice Paper.
ANSWERS TO QUESTIONS ON NOTICE
Question Nos 2467, 2475 to 2477, 2483, 2484, 2487, 2492, 2549 to 2551 and 2564 to 2569

Senator XENOPHON (South Australia) (15:03): Pursuant to standing order 74(5), I ask the Acting Minister for Defence for an explanation as to why answers have not been provided to questions on notice Nos 2467, 2475 to 2477, 2483, 2484, 2487, 2492, 2549 to 2551 and 2564 to 2569.

The PRESIDENT: I call the Leader of the Government in the Senate and Acting Minister for Defence.

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (15:04): I am not in a position to answer your question, Senator Xenophon, but I will get to it.

Senator XENOPHON (South Australia) (15:04): I move:
That the Senate take note of the explanation.

It is a critical principle in a responsible system of government that the parliament on behalf of the people can ask questions of the executive and that such questions be answered in a reasonable time frame, and, in accordance with standing order 74, I have moved this motion.

A number of questions have been asked since July of this year about the competitive evaluation process for the SEA 1000 system in relation to combat systems and technical commands and control systems. Questions have been asked about competitive evaluation process for the submarine project, the defence white paper and the way the CEP—the competitive evaluation process—is operating. Questions have been asked of the Defence Science and Technology Organisation, DSTO, in relation to the Advanced Processor Build Program. Questions have also been asked in relation to the SEA 1000 program for the Future Submarines; visits of officers to France, Germany and Japan in the past 24 months; the Rizzo review; shipbuilding budgets here in Australia; the competitive evaluation process; and replacement combat systems. These are matters that ought to be answered under standing order 74.

I know it was short notice, but I did give advance notice to the acting minister's office in respect of this. The issue is that we have Senate estimates coming up. As a courtesy, I did write to the Minister for Defence's office and the Prime Minister office yesterday to give notice of this situation so that this motion could be obviated. If there is some undertaking from the government to give an answer or answers prior to Senate estimates commencing, that would be very helpful in the context of what this standing order is meant to enforce.

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (15:06): Senator Xenophon, if you say you have given advance notice of this question to my office, I accept your word, of course, although that has not come to my attention.

You would be aware, of course, Senator Xenophon, that about four weeks ago there was a reconstruction of the government, with the election of Mr Turnbull as the leader of the parliamentary Liberal Party. And a new defence minister, Senator Payne, was sworn in on 21 September. Now, Senator Xenophon, you did not indicate in your question, or in the short
speech that you just gave, the date on which those questions were placed on notice—nor
would I expect you to. But it may very well be—

Senator Xenophon: It was 20 July.

Senator BRANDIS: It was 20 July—sorry, Senator Xenophon. If the questions were
placed on notice on 20 July then, plainly, they were placed on notice during the incumbency
of the previous defence minister, Mr Andrews. As I said, some four weeks and three days ago
there was a transfer of responsibilities for that portfolio. But in any event I will examine the
matter, as I ought to do under standing order 74, and get back to you.

The defence department does endeavour to respond to these questions promptly, and I am
told that it will be responding to outstanding questions as soon as practicable. Of course,
Senator Payne has been away all week at AUSMIN, as you know. These answers have to be
cleared by the minister, and Senator Payne has not been available this week to do so.

Given the level of detail and complexity involved in your questions, Senator Xenophon, I
note finally that Senate estimates is an appropriate forum—probably the more appropriate
forum—to raise these matters, and that you will have the chance to do that next week. I would
also like to point out that all portfolio responses to Senate estimates questions taken on notice
have been lodged.

Senator XENOPHON (South Australia) (15:09): Mr Deputy President, I seek leave to
make a very short statement—just for one minute.

The DEPUTY PRESIDENT: Leave is granted.

Senator XENOPHON: Thank you. I will be very brief. I thank the Attorney-General for
that. If there has been some miscommunication in respect of that, I understand that he is in the
position of acting minister. Just for the record, so there is no misunderstanding: the number of
questions that I asked started from 20 July of this year up until 2 September—all questions
before the current Minister for Defence was sworn in. I just want to put that on the record for
the sake of completeness.

Question agreed to.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS
Answers to Questions

Senator SINGH (Tasmania) (15:10): I move:
That the Senate take note of the answers given by ministers to questions without notice asked by
Opposition senators today.

What a complete disaster the mismanagement of the nbn by this government has been. It is
not just limited to the multibillion dollar cost blow-out. So desperate has Mr Turnbull's
position been to distract from his mismanagement of nbn that in April this year he asked nbn
c to cook up this fictitious cost for Labor's nbn, to give him something else to hide behind.
This is not just cowardly; this is incredibly appalling governance and completely at odds with
the government's oversight guidelines for Commonwealth companies. That is exactly what I
asked Senator Cormann to address—the fact that the Commonwealth Government Business
Enterprise Governance and Oversight Guidelines requires GBEs to avoid activities that could
give rise to questions about their political impartiality.
Clearly, the minister did not answer this question and, clearly, Mr Turnbull's promise that his so-called 'multitechnology mix' version of the nbn would be rolled out faster and cheaper has not happened. In fact, what we have had is an incredible doubling of the cost, an incredible blow-out from some $29.5 billion to the cost now of some $56 billion.

What I am particularly concerned about are the good governance issues surrounding this. Those are particularly what I asked about. Particularly what I am concerned about is how the Senate requested today that the government come clean about whether the inclusion of a political counterfactual, which ministers knew would not replicate the rigour of nbn co's business plan, is consistent with section 1.7 of the Commonwealth GBE guidelines. The guidelines do require GBEs to maintain the highest standards of integrity, accountability and responsibility.

I cannot see how they have done that. In fact, I think they have done the opposite of that, wherein lie the credibility of this government, the integrity of this government and the good governance arrangements of this government and of this Prime Minister. It was under this Prime Minister's watch as Minister for Communications—as he was in April—that this has occurred. After two years as Minister for Communications all that Mr Turnbull has left behind is a version of the nbn best described as 'Malcolm Turnbull's mess'. He has no-one else to blame for this failure but himself.

Of course, he has been obsessed with connecting Australians to the nbn by using 20th century copper. Then he went ahead with his second-rate nbn on the basis of a dodgy policy and some very bad advice. The financial return to taxpayers from the coalition's second-rate nbn has completely crashed. In December 2013 we were assured that the rate of return would be up to 5.3 per cent. Now, it will be 3.5 per cent at best. This has been a complete shemozzle and a complete embarrassment for this Prime Minister, who was the Minister the Communications. It has been a complete mismanagement of nbn and, as I said, not just limited to the multibillion dollar cost blow-out that we have seen and listened to today through Minister Cormann's answer.

Distracting people from that mismanagement has been the key for this government. 'Let's distract them from the mismanagement by cooking up a fictitious cost for Labor's nbn.' This was to give them something to hide behind. That really is what has happened here, and it beggars belief how they would cook the books to cover up their own incompetence instead of actually addressing the multibillion dollar nbn blow-out that they have now put forward.

The irony with all of this is that it is not just a multibillion-dollar blow-out so that we have a better NBN—we still end up with the same second-rate NBN, the same second-rate version, rolling out slower than he promised and costing up to a whopping $26.5 billion more than he promised. That is Mr Turnbull's legacy as Minister for Communications. It has been an absolute disaster and I do not see it getting better under his Prime Ministership. (Time expired)

Senator RUSTON (South Australia—Deputy Government Whip in the Senate and Assistant Minister for Agriculture and Water Resources) (15:15): Can I just say that I think that the NBN is a fantastic infrastructure project and I think that the majority of Australians think that it is a great project. What I find extraordinarily disappointing in the questions that were asked today and in the contribution that we just heard from Senator Singh is that, for some strange and wondrous reason, despite the fact that the Labor Party when they were in
government were the architects of the original idea of the NBN, they are now in the process of trying to tear it down. I would have thought that two years on from the change of government, with the rollout of the NBN starting to accelerate—we are starting to see some real results out there, with over a million people able to get access to the NBN, with the first satellite going up last week, which covers an area that is very close to my heart: the rural and regional areas of Australia—they would actually be starting to look at some of the more positive aspects of it and they would be starting to prosecute the best and most cost-effective way of delivering the NBN into the future. But, no, no, no; they are still sitting here two years after this government was elected and they are still trying to defend a legacy of the previous Minister for Communications; they are still here trying to defend the indefensible. It is very disappointing because, as I said, I am a great supporter of the NBN. I know that many people who live in South Australia are looking forward to being able to get access to the NBN—and yet it seems that all the opposition want to do here is to drag down what I think is a fabulous infrastructure project.

The issue on which those opposite were questioning today was in relation to a letter sent by the shareholder ministers to the nbn co asking them if they would undertake a comparison of the different technologies that are proposed for the NBN. As we know, when the coalition came into government, it was realised that there was a shortfall in the budget and something needed to be done about making sure that the NBN was affordable and could be delivered on time. For those opposite to stand here today and to make comments like 'cooked up', 'fictitious costs', 'politically motivated', 'counterfactual', 'distorted'—where are the facts? Where is the evidence to substantiate these comments? It is absolutely outrageous.

Senator Kim Carr: That is what the letter says. Read the letter.

Senator RUSTON: I would suggest that Senator Carr, who is happily interjecting, because he does not seem to be able to make any other contribution apart from interjections, would have been standing here and criticising the government if they had not undertaken a comparison. I am sure he would have been asking, 'How on earth does the government actually know that the most cost-effective method of delivering the NBN isn't fibre-to-the-premise?' if we had not undertaken an investigation or an analysis of that particular model.

So we need to stop being hypocritical and we need to stop carrying on prosecuting something that is dead and buried now. Let's get on with looking at what is going to be positive for Australians into the future. As I said, I can see this is a great project. I congratulate Senator Conroy for coming up with the idea of the NBN. Just because we do not necessarily agree about how some of the delivery has taken place, and we may still disagree on the methods and the mix of technologies that are about to be rolled out, that does not mean that we do not all think this is a fabulous project. I would ask those opposite to step back from their political carry-on and let all of us work together to deliver this fantastic project for Australia.

I want to briefly make a comment in relation to another question that was asked, in relation to water buybacks. I am really disappointed at the level of scaremongering that is going on in the context of water about where the Commonwealth Environmental Water Holder sits, who has primary carriage of the water, what is my delegated responsibility in the water space et cetera. All we are doing by carrying on like this is causing great concern, upset and uncertainty for the irrigators and the communities that live in the Murray-Darling Basin.
So I would ask those opposite to please consider, before you start carrying on with this kind of behaviour, the people who are most likely to be affected by it. I draw to your attention a press release by the National Irrigators' Council, who made the comment that they are 'sick and tired of being used as political pawns as politicians try to whip up fear to wedge each other for electoral gain in marginal Adelaide seats'. Both Minister Joyce and I live in the Murray-Darling Basin. This is a first. This should be a good thing. I think we are in a better position than before to know what is possibly in the best interests of not just the basin but the basin communities. I am very much looking forward to working with Minister Joyce to deliver good environmental, economic and social outcomes for the entire Murray-Darling Basin.

Senator GALLAGHER (Australian Capital Territory) (15:20): I rise to make some comments in relation to the question I asked around the Public Service enterprise bargaining that is going on at the moment and the answers provided by Senator Cash, particularly her comments where she said she valued the role of public servants and believes that they should be well paid but that this should be within reasonable community standards. She then went on to make a whole range of statements about 'in the real world where real Australians live'—I think again trying to perpetuate the myth that public servants are not real Australians and do not live in the real world. I am sure it will come as no surprise to the Minister for Employment that the vast majority of public servants are living on average wages. The vast majority of the Commonwealth's employees earn average wage incomes. These people, these public servants, people who turn up and provide services to the community as part of their work, have been denied a fair pay offer and denied any pay increase for more than two years now. So I do not think it is fair for those statements to be made about real Australians living in the real world only getting a real pay rise if they show real productivity. The Public Service show productivity improvements all the time. It is a constant in the work they do, because they are always asked to do more to implement government policy and agenda, often without any additional resourcing. The fact that under this government the Public Service are now probably being asked to produce a higher amount of work, with 17,700 fewer staff than a couple of years ago, is a testament to the productivity gains that are being made across the service simply as a result of the job cuts that have been viciously pursued by this government.

With the pay offer as it stands, and the bargaining framework that the government has put in place, we all understand the conservative drive to reduce wages, conditions and working standards for ordinary workers. We can see that with the attacks on penalty rates and in other areas, and we are seeing it enforced in the Australian Government Public Sector Workplace Bargaining Policy. It is exactly this policy that is stopping the resolution of bargaining across the APS. We know that the executives within agencies have no ability to resolve these EBAs, the enterprise agreements, with their staff, because of the constraints that have been put on them by this framework. The constraints around the 1½ per cent, the productivity savings and the reduction of conditions being sought by the government are stopping the agencies having any capacity to bargain or to fix any problems that relate to the individual agencies. That is why, after 18 months of bargaining and some two years without a wage increase, we see that 96 per cent of public servants still do not have a new agreement in place.

When you look at those agreements that have gone to a vote, you see that 91 per cent in Immigration and Border Protection, 83 per cent in Human Services and 81 per cent in the
Productivity Commission have voted no to the offer. These staff are making a decision that it is actually better to have a wage freeze—or, essentially, a real wage cut—than it is to settle for what the Commonwealth government is offering its employees. I note that in DHS, a big employer where the majority of the staff are at the APS 3 or APS 4 level—primarily because they work in Centrelink or Medicare—the main reasons that people have voted no are (1) the pay offer; (2) that the streamlining of their enterprise agreements, as mandated by the bargaining policy, will cost them some of their entitlements; (3) that they do not think that they will get salary advancement; and (4) that the family-friendly conditions were threatened. These are the reasons that your staff are saying they cannot settle for 1½ per cent, because of all the strings attached.

There are 152,000 public servants who need a pay rise and deserve a pay rise, and this government should prioritise the settling of these agreements now.

Senator LINDGREN (Queensland) (15:25): I rise to take note of answers to questions and give a response. Labor has had no plan, cost analysis, business analysis or risk analysis around the NBN. Unlike the Labor Party, the government stakeholders have a plan that includes good governance and transparency. The coalition's plan is a rigorous one, and it delivers a scheme that is the best value for money. We want to make sure all Australians get the best in a timely manner.

The coalition has asked the GBEs to properly assess all options. This is because we have high standards of accountability and transparency, and there are definitely no conspiracies as suggested by the other side. We know that under Labor there were cost blow-outs. The Financial Review states:

Labor has no credibility in this area … It went from $4.7 billion in 2007, to $42 billion in 2009 and is to cost at least $56 billion today.

Labor's announcement says that 'it will reinvigorate the National Broadband fibre-optic-cable-to-every-home Network', but it does not—let me repeat: it does not—share any details. As we know on this side of the chamber, having no plan means cost blow-outs.

As usual, Labor like to fling mud, but the fact is that Labor's announcements always lack the important details. Their policies are often expensive jokes, and under Labor the NBN rollout was a slow-moving train wreck. Under the coalition, the NBN will be fully complete by 2020. Labor need to explain how they will pay for it and how long they will keep Australians waiting for superfast broadband.

All Australians should have access to high-speed broadband. Under the coalition, every household and business in Australia—a total of about 12 million premises by the time the rollout finishes—will be connected and directly affected. The coalition is committed to delivering fast broadband to all Australians sooner and at least cost to taxpayers. Under Labor, a miserable 51,000 users were on the network two years ago. Today there are more than 570,000 subscribers. The NBN Corporate Plan shows that by the end of June 2016 around one in four premises will have access to the NBN, and by the end of June 2018 around three-quarters of homes and businesses will have access.

Under the coalition, the NBN is now meeting its financial and deployment targets, a far cry from under Labor, when it only met 17 per cent of its deployment forecasts. Labor has a history of mismanagement. The history includes some of the most mismanaged projects in the
history of the government. Under the previous government, around $6.5 billion was spent to deliver broadband to two per cent of premises. A government cost-benefit analysis of the NBN found that the coalition government's project would deliver $18 billion of economic benefits to Australia, compared to $2 billion of benefits that were being facilitated through Labor. An analysis of Labor's model shows that it would not be finished until 2026 at the earliest, and as late as 2028. This is disastrous for Australia's competitiveness in the digital economy and would leave millions stranded with very poor or no broadband for more than a decade. This is an unacceptable trade-off.

The coalition government's project remains on track and is to be completed by 2020. The Burdekin cost-benefit analysis found that our approach will deliver $6 billion of extra benefits and around $10 billion lower cost due to its earlier deployment. Under our watch, the company is now acting in a reliable and businesslike manner, delivering fibre to premises on time and on cost.

Labor has announced today that a future Labor government would scrap the multitechnology approach. The NBN rollout under Labor was slow and costly compared to that of the coalition, where the NBN will be fully complete by 2020. The NBN now has end-users to prove it. For the vast majority of households across Australia, the coalition's NBN will provide the same high-speed and high-quality service no matter what underlying broadband technology is used. The Labor Party is also ignoring incredibly valuable HFC networks that currently pass four million homes. A technology infrastructure mix is the best way forward.

**Senator KETTER** (Queensland) (15:30): The evidence is now in that Mr Turnbull was a failure as a communications minister. What is more, it is clear that he is aware of the fact that he was a failure as a communications minister and that his tenure in that role has been a disaster for our country. We know that Mr Turnbull promised that his second-rate NBN would be built for $29.5 billion. That cost has doubled. It has gone up to $56 billion. Why else would Mr Turnbull seek to get information about costing on the fibre-to-the-premises model from nbn co?

We know that Mr Turnbull previously ruled out fibre to the premises as an option. In fact, in August 2013, Mr Turnbull went so far—and it was seen as quite controversial at the time—as to say that fibre to the premises was 'largely superseded' by the coalition's preferred model. Why would the communications minister and the finance minister write to nbn co to ask them to spend precious taxpayer resources on examining a technology which Mr Turnbull previously said has been largely superseded? We know that his second-rate version of the NBN is rolling out slower than what was promised. As I indicated, it will cost up to a whopping $26.5 billion more than what was promised.

I am interested in a recent article published by the *Business Insider* on 9 September 2015 which talks about the fact that:

… with the release in August of the 2016 NBN corporate plan and in the light of overseas developments, it is clear that the Coalition’s broadband network will not provide adequate bandwidth, will be no more affordable than Labor’s FTTP network and will take almost as long to roll out.

This is quite a damning assessment. This is not a Labor Party assessment of the government's approach to the NBN. This is from the *Business Insider* website. The *Business Insider* looked
at affordability and identified that Labor's funding estimates ended up being about $44.9 billion. The article went on to say:

By comparison, the Coalition’s funding estimates … have fluctuated wildly.

Before the 2013 election, the coalition claimed that its technology mix network would cost less than one-third, or 30 per cent, of Labor's FTTP based NBN. It is quite clear that they have not taken into account the cost of repairing and maintaining Telstra's ageing copper network. This was underestimated, as was the cost of retraining and maintaining a workforce with the wider range of skills needed to install and maintain the so-called multitechnology mix network. These costs are unique to the MTN. In the space of two years, the lower-cost deal the coalition spruiked to Australian voters has turned out to be not so affordable after all.

The financial return to taxpayers from the coalition's second-rate NBN has also crashed. We were assured that it would be up to 5.3 per cent; now, it will be 3.5 per cent at best. Mr Turnbull's mismanagement of the NBN is not just limited to the multibillion dollar tax blow-outs. As I said, he is so determined to distract from his mismanagement of the NBN that in April he asked the nbn co to cook up a fictitious cost for Labor's NBN to give them something to hide behind. This is not just cowardly; it is appalling governance, completely at odds with the governance and oversight guidelines for Commonwealth companies.

Malcolm Turnbull promised that his so-called multitechnology mix version of the NBN would be rolled out faster and cheaper. Mr Turnbull has no-one to blame for this failure but himself. Obsessed with connecting Australians to the NBN using 20th century copper, he went ahead with a second-rate NBN on the basis of a dodgy policy and some very bad advice.

Question agreed to.

Pensions and Benefits

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

That the Senate take note of the answer given by the Minister for Communications (Senator Fifield) to a question without notice asked by Senator Siewert today relating to carer and disability support payments.

I asked him about cuts to payments for carers and people with disability. This is national Anti-Poverty Week and also National Carers Week. In the very week where we would expect a little bit more attention, support and commitment to the carers of this nation and to those living in poverty, what we have seen is the new Minister for Social Services start talking about further cuts in his portfolio. Not only has he talked about further cuts in his portfolio—as if that is not bad enough because that is the department that provides services to some of the most vulnerable in our community—but also he has specifically hinted at cuts to carer payments and payments to people with a disability. This is in the very week that we are talking about poverty. This is the very week that we should paying more attention to those who are living in poverty—the 2.5 million people who are living in poverty. The ACOSS report released last Sunday articulates that we should putting in place a national poverty plan to lift those people out of poverty. Instead, what we hear from the government is: 'No, we're not going to have a national poverty plan. We need jobs. Jobs are the answer and that is what we're working on.' Well, guess what, Minister? The evidence shows that poverty is a major barrier to finding a job. Shouldn't we be addressing issues around property and the causes of poverty, and provide services that support people living in poverty?
We have a government that believe in this so-called trickle-down effect. That worked last time—not! When we were going through the boom, we did not have the trickle-down effect from those who made a heap of money out of the boom. We saw poverty grow. We saw inequality grow, both wealth inequality and income inequality.

The government obviously do not appreciate that carers also are more likely to be living in poverty and people with disability are more likely to be living in poverty—the two areas where the government is hinting they are going to cut. The minister would not answer the question as to whether they intend cutting payments to carers and people with disability. The government have not ruled that out. They went on about how they need to repair the budget. It is the same old, worn-out record that the previous government articulated.

For all those people who thought Mr Turnbull was going to be a more sympathetic, more compassionate Prime Minister, well, I have news for them. This Prime Minister is pursuing the same sorts of approaches as the previous Prime Minister did to providing supports for the most vulnerable in our community. Almost straight after the Senate kicked out the five-week waiting period for income support for young people, that legislation was back in the House of Representatives. Now, his new Minister for Social Services is talking about cuts for some of the most vulnerable in our community—for carers and people living with disability. Carers, as I informed the Senate during question time, contribute $60.3 billion worth of care to our community. Who do the government think are going to provide that care to the community if they start undermining carers and cutting payments for carers or taking away some of those supports for carers? Who do they think are going to be providing that service? Carers will not be able to provide it because they will not be adequately supported. That will be another cost on government.

Again, we are seeing short-term measures from the government rather than looking at the big picture and how we can better support carers and those with disabilities. The government need to say they will not make any more cuts to carers and those living with disability. We know that one of the key things that the government need to do to address poverty and to help carers is to increase payments by at least $50 a week. The peak social services organisations have put out reports this week about issues to do with poverty, it being Anti-Poverty Week, and, across the board, they have called for increases to income support payments because they are inadequate. The government should be condemned for hinting that they are going to cut these payments. (Time expired)

Question agreed to.

DOCUMENTS

Nous Group

Order for the Production of Documents

Senator KIM CARR (Victoria) (15:41): I seek leave to ask the Leader of the Government a question concerning the return to order motion that was carried this morning.

Leave granted.

Senator KIM CARR: This morning, the Senate carried motion No. 907, which required the government to respond to a return to order by 3.30 pm today. It now being past that time, I
would ask the Leader of the Government whether it is the intention of the government to respond to that return to order and, if so, when?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (15:42): I will make an inquiry, Senator Carr.

Senator KIM CARR (Victoria) (15:42): I wonder what 'make an inquiry' means in this context? How long do you think you will take to establish what is happening?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (15:42): I do not know. I have nothing to add to my answer.

STATEMENTS

Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015


Leave granted.

Senator WHISH-WILSON: In the last parliament, laws were passed to come into effect on 1 July 2015 for companies with revenue over $100 million to publish five things: their company name, ABN, total revenue, total taxable income and tax paid. The ATO has not yet published this information despite the legal requirement to do so. Now, through this amendment bill, the government wants to exempt private Australian companies from disclosing these details on the basis that private company owners will be at heightened risk of kidnap and the disclosure of their commercially sensitive information.

The Greens would like to put on record, and we would have spoken strongly against this at length had we had the opportunity to do so, that we would have voted against this amendment and we certainly would have called a division. The reason for our opposition is there is no evidence to back up this amendment. This was looked at extensively and these private companies that the government want to exempt through this bill possess the key hallmarks of tax avoidance structures. They do not have to publicly disclose information, many are part of global groups of companies with varying levels of ownership and they do not have to turn a huge profit in Australia compared to their overseas operations.

The key weapon we have in our arsenal, the key weapon we have to prevent or at least disincentivise or discourage tax avoidance, is reputational risk. It would have been simple to at least have a register of companies, where they put up how much tax they are paying, and it is a significant matter of public interest that this has now been withdrawn.

Lastly, I would like to state a thankyou to the Tax Justice Network, who were tireless in coming into this building to meet with most of us and push for this exact kind of legislation to try to make this available. We regret, once again, that we were not able to speak at length about this bill and register our strong protest at this amendment being passed.
Senator XENOPHON (South Australia) (15:44): I seek leave to make a short statement in relation to the Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015, which passed earlier today in the chamber.

Leave granted.

Senator XENOPHON: I did not get an opportunity to speak at that time during the debate on this bill. I regret that and I am grateful to be given leave to make a short statement of two or three minutes. Can I indicate that my position was to support the government's bill with some reservations and some concerns. I felt it was reasonable to exempt private family companies in this country, notwithstanding that they could have a significant turnover, to be exempt from the reporting requirements of this bill.

The principal concern I had was not of kidnapping, which I think was one of the arguments put—conjures up images of Robert Louis Stevenson and the like. I thought that was perhaps fanciful or at the very least overstated. The principal concern I had was that the publication of sensitive tax and income information to the market would put those firms that deal with, say, Coles and Woolworths that are food processors. They may have the requisite threshold of $100 million. I do not think it is fair for those companies to be put at that competitive disadvantage in dealing with companies like Coles and Woolworths, who are many times bigger, and put them in a more difficult position.

The Commissioner of Taxation furthermore made clear in comments at a conference in March this year that this law should be 'focused on multinationals as opposed to Australian private companies'. I think that no-one could accuse Chris Jordan, the tax commissioner, of being a soft touch when it comes to pursuing tax avoidance and taking a very active approach in relation to this.

I look forward to examining the details of the government's upcoming multinational tax avoidance bill. I also want to flag that I will raise with the Assistant Treasurer and the Treasurer, issues of transparency. I still believe we need to have amendments that target those companies, those subsidiaries of multinational corporations which provide very little information at the moment. I am concerned that many multinationals that operate in Australia with multibillion dollar turnovers do not abide by what many considered to be the Australian legal requirement to produce general-purpose financial statements each year, which is a standard that larger Australian listed companies follow and is information that can be readily available.

As reported by Michael West of Fairfax Media this year, ASIC appears unwilling or unable to compel the likes of Google, Microsoft and Apple as well as big pharmaceutical companies to produce anything like transparent financial statements on their Australian operations so that is an issue that is a live one. That is an issue that when the government's very welcome bill of multinational tax avoidance comes up, I believe there ought to be some amendments at that stage and I look forward to working constructively with all of my colleagues to remedy what many consider to be in an anomaly in relation to these multinational subsidiaries and general-purpose accounts.
DOCUMENTS
Tabling

Ordered that the document be printed.

DELEGATION REPORTS
Official Visit to Canada and United States of America

The DEPUTY PRESIDENT (15:48): I present the report on the official visit by the President of the Senate to Canada and the United States of America, 30 May to 6 June 2015.

BUDGET
Consideration by Estimates Committees

Senator SMITH (Western Australia) (15:49): I present additional information received by committees relating to estimates:
Budget estimates 2015-16—
Finance and Public Administration Legislation Committee—Additional information received between 19 August and 13 October 2015—
Finance portfolio.
Parliamentary departments.
Prime Minister and Cabinet portfolio.
Foreign Affairs, Defence and Trade Legislation Committee—
Additional information received between 13 August and 15 October 2015—Foreign Affairs and Trade portfolio.
Additional information received between 16 September and 15 October 2015—Defence portfolio.

COMMITTEES
Publications Committee
Report

Senator SMITH (Western Australia) (15:49): On behalf of the chair of the Publications Committee, I present the 18th report of the Publications Committee.
Ordered that the report be adopted.

Joint Select Committee on Trade and Investment Growth
Report

Senator SMITH (Western Australia) (15:49): I present the report of the Joint Select Committee on Trade and Investment Growth inquiry into business utilisation of Australia’s free-trade agreements together with the minutes of proceedings and move:
That the Senate take note of the report.
Australia has been an active participant in the international trend to use free-trade agreements to advance trade liberalisation. This inquiry investigated the experience of Australian businesses using FTAs. While the business community strongly supports the policy of
pursuing FTAs, this inquiry has also identified potential reforms that could increase the ability of business to realise the full benefits of free-trade agreements.

Current government processes have clearly been very successful in conducting and finalising FTA negotiations with partner countries. There is potential, however, to make these processes more transparent by having potential free-trade agreements evaluated by an agency such as the Productivity Commission. This would increase public confidence, facilitate business planning and assist government decision making during the negotiation process. Australia could also benefit from allowing greater involvement of peak industry groups in the negotiation processes. This would help ensure that negotiators are able to target the most beneficial outcomes for Australian businesses.

While free-trade agreements create a framework for trade, they do not necessarily guarantee immediate market access. Essential standards such as those covering product safety or professional qualifications can unintentionally become barriers to trade. A clear example of this is the impediments that sanitary or phytosanitary or SPS regulations place on horticultural exporters. SPS regulations are used by countries to protect their populations, industries and environments from the risks of pests and disease. New products are not granted access to market until they have been assessed for the SPS risk. Australian horticultural producers raised the issue that access to a number of markets has been denied or only granted with conditions that would make trade unviable. In other cases, they have simply not been able to have their products assessed.

The committee has identified a number of measures that could accelerate progress on these issues. A high priority for negotiators should be achieving recognition of Australia's fruit fly-free regions, additionally providing capacity building assistance to FTA partners in developing countries can assist them to develop science based SPS protocols and faster assessment processes.

The Department of Foreign Affairs and Trade has Australia's most experienced trade negotiators, who have established relationships with negotiators in partner countries. The committee believes Australia's position would be strengthened by the formal involvement of DFAT negotiators in market access negotiations. Australian negotiators aim for consistency in the rules and conditions used in free trade agreements but, unfortunately, this is not always possible. The proliferation of rules can lead to a complex and confusing regulatory environment for exporters.

Given this, it is imperative the government provides clear, accessible information that explains how business can benefit from the opportunities provided by free trade agreements. A high priority is to provide exporters with a means of easily accessing the import regulations used by Australia's FTA partners. The online FTA dashboard being developed by DFAT is an important step in this direction. Ultimately, the aim should be to develop a tool which provides information on all FTA partner countries that is detailed and up to date yet also intuitive and easy to use.

The government's North Asia FTA seminar series has been well received by business. There is, however, some concern about the time that is being taken to deliver the series across the country. Greater involvement of peak industry groups could speed up the rollout of the seminars and also enable the information to be tailored for particular industries. The creation of a recognisable Brand Australia logo and marketing campaign would assist business,
capture the premium generated by Australia's reputation for producing high-quality, clean, green products. The government should also support businesses to develop anticounterfeit technologies that would protect them from the damage that counterfeit goods can cause to their brand and Australia's reputation.

In closing, I thank the businesses, peak organisations and government agencies that provided submissions and appeared at public hearings for this inquiry and thank my fellow committee members for their participation and contribution to this important and timely inquiry. I commend the report to the Senate and seek leave to continue my remarks.

Leave granted; debate adjourned.

**Education and Employment References Committee Report**

**Senator KIM CARR** (Victoria) (15:54): On behalf of Senator Lines, I present the report of the Education and Employment References Committee on private vocational education and training providers, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

**Senator KIM CARR:** I move:

That the Senate take note of the report.

This is a very timely and very important report. This is the second report that the committee has delivered on the issue of private vocational education providers. This is an area of the education and training system that has been subject to considerable media scrutiny of late, so not just in terms of the work of this chamber but also the general public would be aware of the evidence, which was deeply, deeply alarming.

If we just look this week, one of the largest providers in the vocational education system, Australian Careers Network, announced a suspension of trading. This is a college that has grown by 415 per cent in one year, has over 25,000 students and has secured very substantial levels of government support. ACN previously seemed likely to survive the upheavals that had affected other prominent private providers such as Vocation and Ashley Services. But what we do now know is that there is a pattern of behaviour. ACN said it would cease trading to respond to correspondence from the education department and others. In fact, the sector's regulator, ASQA, the Australian Skills Quality Authority, had given ACN subsidiary Phoenix Institute of Australia a 'notice of intention to cancel its registration as a provider of vocational education and training and education services including to overseas students.' So it is not just a question of domestic students; it is also a question of our international reputation that is at stake here.

An ASQA spokesman was quoted in The Australian newspaper as saying that the agency inquiries had 'uncovered significant non-compliance with the vocational education quality framework that all registered training providers are required to satisfy to maintain registration as a training organisation.' ACN, Vocation and Ashley Services are three major companies that have been recently faced with considerable scandal, and they have a pattern of behaviour which goes to the gross abuse of public subsidies, the gross abuse of students and, in my
judgement, a gross abuse of public trust which goes to the very heart of undermining the integrity of the vocational education system in this country.

But they have another pattern: that is, these companies, before listing or shortly after listing on the stock exchange, seek to attract board members of prominent personality: so, in the case of vocation, former federal education minister John Dawkins; Ashley Services, former education minister Simon Crean; and, for ACN, the former Victorian Minister for Higher Education and Skills, Peter Hall. And we have seen others—sporting identities and the like—filling a similar pattern with other companies.

I do not want to say or suggest for one moment that these men have not discharged their duties without the fullest and conscientious sense of propriety, but what I can see here is that each of those persons has been taking up the board positions on the basis that they thought they could actually contribute to the development of the education system in this country only to find that the companies were behaving in a totally improper manner. Now, what we have got is that the status of these individuals was designed, in my judgement of the evidence presented to the Senate committee, to actually enhance the operations of the company and lift the share price. What we do know, though, is that the business model of the company undermined not just the reputation of the company and not just the reputation of the individuals but the vocational education system itself through the exploitation of public funds in order to build up market capitalisation. We have seen an extraordinary transfer of wealth from the public purse to individuals. VET providers have thoroughly undermined the integrity of the education system itself. We see a similar pattern in the United States. I could not get stronger words than those from The New York Times recently, which identified a similar problem. The New York Times states:

The career training and for-profit college industry has been accused in recent years of preying on the poor, veterans and minorities by charging exorbitant fees for degrees that mostly fail to deliver promised skills and jobs …Without government funds, which account for the overwhelming bulk of revenue, few of these institutions could attract students or stay in business.

That is exactly the pattern that has occurred here.

To add insult to injury, it has been said that, because this program was established under the Labor government, it is not a matter of responsibility for the present government to face. Nothing can be further from the truth, because this government has been in office for two years, and systemic failure and systemic corruption within the system is a matter of responsibility for the government of the day. Furthermore, this assessment is underpinned by the evidence presented to this committee of the fact that our regulators were nothing more than toothless paper tigers and that they have worked on the simple assumption that you worry about the problem after it emerges—often as a result of media attention. That proposition is reinforced by the government's own regulation impact statement, which has been tabled in the House of Representative today. Let me quote directly from it:

Current and historical compliance activity is reactive rather than proactive, and is weighted heavily to the lower level of the enforcement pyramid, focusing on encouragement in the hierarchy of responses (that is, guidance, education and training in the main), with non-compliance taken to be due to lack of knowledge or misunderstanding of the Act and guidelines on the part of the provider. It is now apparent that this is not necessarily the case.

CHAMBER
This report finds systemic abuse of the vocational education system in this country, systemic abuse of the students of this country and systemic abuse of the loans system in this country to the point where, in one year, the loans system has blown out: VET FEE-HELP loans, 151 per cent; the number of students engaged, 103 per cent; and the number of places provided, 102 per cent. Yet, the number of providers has increased by only 44 per cent.

ASQA has thoroughly failed in its responsibilities. And you can see no sharper contrast than in the way this government has behaved compared with the way the Victorian Labor government has behaved while it has been in office. One government, in office for just a year, has taken stern action, with 8,000 certificates withdrawn, substantial numbers of training contracts removed and a number of bodgie operators closed down. What do we have from this government? We have a government that has a fetish for deregulation and for allowing these bodgie operators to get away with shocking, shocking abuses of the vocational education system. We have a government that has taken too long and produced too little, too late. The consequences have been a fundamental undermining of the confidence in the vocational education system, and the abuse of the weakest and most vulnerable people in this country to the point where substantial numbers of people have been signed up on massive debts with no chance of ever repaying. (Time expired)

Senator RHIANNON (New South Wales) (16:05): The report on private vocational education and training providers is a very important report that is also very disturbing. It is disappointing that the recommendations do not go far enough. We are dealing here not just with the education of individuals; we are dealing with the very fabric of our society. If we do not get it right in regard to education—the standards and how it is delivered—then we really are in for big problems. We are seeing those problems play out in a very unfortunate and damaging way. We are seeing scandals in regard to education standards and abuse of public money. Students and their families are losing confidence in the public education system, the overall education system and the way it is delivered by this government. The damage to reputations is considerable across the board. This inquiry was timely, and I think it is excellent that the Senate agreed that it go ahead. It is the second inquiry into different aspects of our vocational education and training system.

I put on record yet again that the Greens are deeply committed to a strong, well-funded public vocational education and training sector, and that needs to be a public TAFE system. We really need to turn around how the current system works. While Senator Carr is in the chamber, I would like to pick up on one of his comments, because he made the very important point that the government of the day needs to take responsibility. That is absolutely the case. But we also need to change some aspects of what Labor introduced when they were in government, because it is under this umbrella of contestability that so many of these problems arise.

Back in 2012 the then education minister, Julia Gillard, came forward with what is often known today as the contestability model. It was officially called the National Partnership Agreement on Skills Reform. We often hear Senator McKenzie interject on these issues and put the load back onto Labor. But who signed up to this agreement that came from the former education minister and subsequent Prime Minister, Julia Gillard, but the then Liberal-National opposition. That was a very, very damaging document; it remains damaging to this day and it must be reformed and changed. It created a set of training entitlements that students could...
cash in at TAFE or private providers and it resulted in low-cost, low-quality education. This is what the inquiry looked at, and it heard many disturbing examples.

I want to make some comment on the earlier inquiry, because in many ways you need to see these two inquiries together. The 2013-14 inquiry into technical and further education in Australia looked at the major and continuing cuts in government funding to the TAFE sector. We took some amazing evidence in this inquiry. I learned so much, and I believe my colleagues did too, about the difference that the public TAFE system makes to people's lives—the second chances. People who had fallen out of the education system had the opportunity to get back into education and to gain qualifications so that they could go on to other degrees through TAFE or university. We heard from people with disabilities, particularly from the deaf community, who gave outstanding evidence. They said that in the early stages some of their education may seem expensive, because they need a note taker and they need somebody to translate for them into Auslan. But they set out the difference that it made to their lives. It allowed them to get full training in a range of different levels of skills and then they could go on and get jobs in the workforce. We heard from people who were profoundly deaf. One young refugee came from Africa, heard about the courses, gained the training, was able to be taught Auslan and then became apprentice of the year and manager at a factory, and his wife was able to join him. There were wonderful stories. He explained, as did TAFE teachers from Wollongong, that if he had come to Australia a year later there would not have been the funding to allow him to get that training and to take full part in our society. This is what is being lost under this very damaging policy that absolutely needs to change. Labor needs to go on the record and say that that contestability model will no longer be allowed to continue when they form government.

The Greens have long suspected that the contestability model of funding for VET provision is the cause of so many of these problems. The evidence that has been presented certainly does demonstrate that. The committee's majority report does correctly note that the VET provision should be designed in the name of social justice, and we certainly agree with that. However, the committee's report also notes that the current VET FEE-HELP funding arrangements are probably not achieving the objectives of the VET sector. Again we agree with these assessments but we argue that the recommendations do not address the root causes of the problem. That is what I have just been running through and we need to come back to it time and time again.

There was some excellent evidence given to the inquiry, as I mentioned. The National Tertiary Education Union made reference to the Victorian experiment. Their submission stated:

While the deregulated system has led to very impressive growth in student enrolments, it also has had negative consequences, particularly in terms of meeting skills shortages and in workforce training and productivity.

There was an interesting submission from the University of Sydney Workplace Research Centre. They pointed to tensions between the incentives of the VET FEE-HELP scheme and sound educational choices. They said in their submission:
The profit maximisation principles of these providers (and the primacy of shareholder and owner interests) provide strong incentives to offer training which attracts the highest subsidy, at the lowest cost.
I draw attention to that because this was a theme that you started to pick up when you looked into how vocational education and training was playing out. The job of these private, for-profit providers is to make a profit. They cut corners, they look at how they can cut their margins and make a profit. That is their job. That job should not intersect with education. This is a great tragedy that this parliament needs to deal with for the very future of our country. There is a massive contradiction. It is an antagonistic contradiction and it cannot be resolved. There is no place for for-profit private providers in delivering education, and that is what the contestability model allows.

I certainly agree with the previous speaker, Senator Carr, that ASQA is just not doing its job. And it cannot do its job; there are so many RTOs out there. There are just not enough people or enough resources to do it, because there is such a flood of RTOs. We have heard from Senator Birmingham, who says that he has got tough on the sector, and free iPads can no longer be delivered, and they are not going to knock on the doors of people living in public housing and take advantage of people who may not be equipped to make decisions about whether they should sign on for these courses.

We now know that those RTOs do not take any notice of those standards. How can that be policed in areas where there is no ASQA looking over their shoulder? This is the reality of what is going on. The education standards in this country are being so deeply damaged. The contestability model must go. I strongly congratulate the TAFE sector of the Australian Education Union and the National Tertiary Education Union. The work that they are doing in terms of the submissions and evidence that they have provided and the organising that they are undertaking to throw this damaging model out is outstanding. I am sure it will be successful; we have just got to win sooner rather than later.

**Senator McKenzie** (Victoria) (16:14): I rise today as Deputy Chair of the Education and Employment References Committee to speak on its report *Getting our money's worth: the operation, regulation and funding of private vocational education and training (VET) providers in Australia*. If only the students of Australia could get their money's worth. This report draws on work the committee has done previously in this area. I would like to underpin coalition senators' absolute support for a vocational education and training system that delivers for our industries, that delivers a workforce that is capable, primed and ready to do the work that needs to be done locally and that delivers for students so that those students who choose to seek a vocational pathway can be guaranteed a high-quality education that is available at a place that they need to go and that is affordable for them.

If we have a student focus when we are talking about vocational education and training, we can clearly see that there are a range of providers in this space. Obviously, the state-run TAFEs are some of those providers and, indeed, RTOs out in the community are also providers of high quality. We heard evidence about the many providers of high-quality vocational education and training who are private providers and who industry say give them the skills in the workforce and the people—predominantly young people—who are ready to work and ready to get ahead in the industries that we need going forward in the 21st century.

It is so important to get this right. As Senator Carr said, it is not only important for our domestic students; it is also important because the vocational education and training system is going to be one of our key export areas. Prime Minister Modi in India made it very clear he wants half a million Indians educated in vocational education in the next three or four years.
We have a fantastic system and some wonderful providers who can take advantage of that opportunity and then reinvest in their businesses, whether they are public or private, Senator Rhiannon, and actually employ more Australians as a result.

Coalition senators and, indeed, ministers have been very clear that we want an accessible system that works for industry and in which industry and students can have confidence. Coalition senators were appalled by some of the stories we heard about providers ripping off the most vulnerable in our community. No senator in this place should be backing those providers. Absolutely not. I think we need to actually get real about the issue we are dealing with and not play politics, and I look forward to the Labor Party supporting the bill that has just been put through the lower house and is on its way through to us, which actually addresses some of these issues.

I look forward to Labor and Green senators getting behind Senator Birmingham's very swift and effective action in this space because the coalition has been active in the last two years in actually dealing with this issue. Absolutely. We should not choose to make political points out of the most vulnerable. I cannot get those people from the Redfern housing district out of my head. That evidence we heard, Senator Carr—I think it was in Sydney—was actually chilling. The most vulnerable people in our society are being landed with tens of thousands of dollars of debt because they have been 'sold a pup'.

But this government has been very quick to deal with the issue. The government has acted to improve the quality of training by introducing tough new standards for all RTOs from April 2015. We have committed a further $68 million to the national regulator, ASQA, to maintain our strong reputation, both at home and overseas, for delivering high-quality training. We have introduced the National Training Complaints Hotline, and I will get to complaints later, because the complaints did not just start rolling in when we came into government. This a system and there has been a systemic failure. We have heard from both Senator Rhiannon and Senator Carr about issues with the system. It was a system that was set up by the previous Labor government. As Senator Carr has said in public commentary, that system was set up with the best intentions. But, as with so many of the former Labor government's best intentions, the tough policy thinking, the tough work, behind those press releases that used to come out quite regularly from the then Prime Minister's office and various ministers' offices was not done. They did not do the thinking behind it, they did not do the stakeholder engagement and they did not get the policy setting right. Given the unintended consequences of the Labor Party policy, which we are dealing with, we look forward to the Labor Party supporting our efforts so that all of us can have confidence in a system that is delivering not only for students and for industry but, indeed, for the nation.

One example of swift action that our government has introduced is that we have banned inducements to students. We heard stories during this inquiry about iPad inducements and students being told their degree or qualification was free, which was not true.

Senator Rhiannon: Nothing has changed!

Senator McKENZIE: I am sorry, Senator Rhiannon. I notice that at the time of the system changing under the previous government you were silent.

Senator Rhiannon: No, we were not!
Senator McKENZIE: You were silent. So was Senator Carr at the time. However, I appreciate that he recognises that the system—and I go to a Matt Knott article—was a mistake. Our government is working swiftly to deal with that so no longer can you offer inducements to sign students up. Our government is also strengthening the debt waiver and revocation process, strengthening the assessment criteria of all training providers and ensuring that, where student debt is incurred, it is in line with course delivery. Under the previous system, there were students who were racking up debt, yet they were not able to log onto their online course.

So we brought in a tranche of reforms, and we are bringing in another tranche of reforms this week. I am confident in this government's vigilance on this issue of the importance of a sustainable and high-quality vocational education and training system to our goals as a government in having a flexible workforce, fit for our economy, going forward. Also, young people and those who choose to change career midlife can be assured that the qualification they are doing is actually going to lead to a job—a job that will be fulfilling and actually assist them to provide for themselves and their families over a long period of time.

I know Senator Carr was looking forward to my getting to the part where I talk about the previous government's system and decisions. I will just briefly touch on that. The complaints did not just start when this government took office two years ago. There were over 30 complaints to the department between 2011 and 2013 when Senator Chris Evans and the current shadow minister, Sharon Bird, were in charge of the system—30 complaints and not one piece of legislation through this place to deal with them! There was nothing stopping the iPad inducements, nothing stopping brokers from heading out to tenements, knocking on doors and offering free education if you just sign on the bottom line and nothing stopping people from heading off to shopping centres to look for vulnerable people to sign up to courses. There was nothing that actually changed the incentives inherent in the system where providers got all the money at the start of a course. We have sought to spread that cost out over the period of the course so that students are working through the course before incurring the debt, and so the provider is incentivised to educate through the course for the qualification.

I will go to some details: in 2012 a student who wanted to change providers had already been charged the full debt up-front. Another student was enrolled in an online course but had no online access and got $20,000 worth of debt. These were actual complaints to the department whilst Senator Carr's colleagues were in control. Another student withdrew from a course before the census date but was still charged the full debt.

Labor was told about the problem over and over again but did nothing, so I commend the minister for dealing with this. I commend the ongoing work in this space. I would also like to commend the secretariat for their very, very hard work in this area and for the production of a comprehensive report and all those submitters who took the time out of their busy days to give us their evidence and to assist us all to get a fulsome understanding of the issue. I look forward to the support of the Labor Party and the Greens for the effort that our government is making to not only maximise participation in this space but also ensure a quality product is delivered to our students and that we are delivering high-quality graduates to our industries. I seek leave to continue my remarks later.

Leave granted; debate adjourned.
Rural and Regional Affairs and Transport Legislation Committee
Report


Ordered that the report be printed.

COMMITTEES
Membership

The ACTING DEPUTY PRESIDENT (Senator Gallacher) (16:25): The President has received letters requesting changes in the membership of various committees.

Senator McGrath (Queensland—Assistant Minister to the Prime Minister) (16:25): by leave—I move:

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

Education and Employment Legislation Committee—
Appointed—
Substitute member: Senator Waters to replace Senator Simms for the committee's inquiry into the Fair Work Amendment (Gender Pay Gap) Bill 2015
Participating member: Senator Simms

Environment and Communications Legislation Committee—
Appointed—
Substitute member:
Senator Rhiannon to replace Senator Waters for the committee's inquiry into the Environment Protection and Biodiversity Conservation Amendment (Prohibition of Live Imports of Primates for Research) Bill 2015
Participating member: Senator Waters

Legal and Constitutional Affairs Legislation Committee—
Appointed—
Substitute members:
Senator Canavan to replace Senator Smith on 19 and 20 October 2015
Senator Hanson-Young to replace Senator McKim for the committee's inquiry into the provisions of the Migration Amendment (Complementary Protection and Other Measures) Bill 2015
Participating member: Senator McKim.
Question agreed to.

BILLS
Health Legislation Amendment (eHealth) Bill 2015
First Reading
Bill received from the House of Representatives.
Senator McGrath (Queensland—Assistant Minister to the Prime Minister) (16:26): I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator McGrath (Queensland—Assistant Minister to the Prime Minister) (16:26): I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

I am pleased to introduce the Health Legislation Amendment (eHealth) Bill 2015, which implements the Government’s recent $485m Budget announcement on eHealth. These changes are just one small aspect of the Government’s broader Digital health agenda.

This Bill takes the first important steps to reboot our national electronic health records system to deliver an effective system that will help improve the health of all Australians, as well as realising the benefits that instant access to and sharing of electronic health records can provide.

A review of the personally controlled electronic health record in 2013 found that there was overwhelming support to continue implementing a national and consistent shared electronic health record system for all Australians, but that a change in approach was needed to correct a number of early implementation issues, and a lack of confidence in the system from clinicians and consumers due to these issues.

The Healthcare Identifiers Service, a key foundation of the electronic health record system, was also the subject of a review in 2013. This review found that some adjustments are required to improve its operation to better support access to and sharing of information in the electronic health record system.

This Bill implements the recommendations from both of these reviews which are aimed at facilitating increased participation in the system and improvements in the usability and clinical content available in the system for individuals and their healthcare providers.

Firstly, the Personally Controlled Electronic Health Record will be renamed My Health Record – which is a simpler, more meaningful and clearer name for individuals to relate to.

The system is currently an opt-in system – where you have to actively apply to have your electronic health record created, and as it stands only around one-in-ten Australians have an electronic health record set up. The review concluded that this is not a large enough population to make it an effective national system, nor is it worth the time for doctors to use it.

Healthcare providers have overwhelmingly indicated through the review process that, if the majority of their patients have a My Health Record, they would be much more willing to use it. This means more doctors would add their patients’ health information to it, and this will improve the overall value of the system for both patients and the healthcare providers who care for them.

To increase uptake by individuals, the Government will be conducting trials of different participation arrangements in 2016 to identify the optimal approaches for maximising participation in the system. This will include trials of opt-out participation arrangements.

Individuals in opt-out trials will automatically have a My Health Record created for them unless they opt-out, which they will be able to do in a number of ways. Extensive communication will be
undertaken in the trials before trials begin to allow individuals to make an informed decision about whether or not to opt-out. The process and criteria for selecting locations to conduct the trials will be made publicly available before the trial sites are selected, and this Bill provides that I, as the responsible Minister, in consultation with the states and territories, will be able to make Rules under the Act to apply opt-out participation arrangements to a particular geographic area allowing these trials to occur.

Importantly, Individuals will continue to be able to control access to their My Health Record through a range of existing access control settings in the system. This includes the ability to instruct healthcare providers not to upload certain information into their health record.

Outside the opt-out trials, the My Health Record system will continue to operate on an opt-in basis.

If the trials provide evidence that an opt-out system is a better approach for improving participation in the My Health Record system, the Bill provides the ability for the Government to extend opt-out arrangements nationally, in consultation with states and territories.

Given the nature of information that may be contained in a My Health Record, the Bill will increase the range of enforcement and penalty options available if someone intentionally or deliberately misuses the information or commits an act that may compromise the security or integrity of the system. This is an important protection for consumers who have their health information contained within their health record. Criminal penalties will now be available, in addition to the existing civil penalties and other sanctions, such as enforceable undertakings and injunctions. However, neither civil nor criminal penalties are triggered if someone simply makes a mistake.

Additionally, the enforcement and penalty options available for the Healthcare Identifiers Service will be aligned with those for the My Health Record system.

The bill also provides for a number of consequential amendments and additional clarifications. The scope of what is considered to be a health service and health information has long been subject to some ambiguity, and in 2008 the Australian Law Reform Commission recommended changes to the Commonwealth Privacy Act to remove uncertainty.

This Bill implements those recommendations, amending the Privacy Act to make it clear that a health-related disability, palliative care or aged care service is considered to be a health service, and information about an illness or injury, and medical information about a genetic relative, is considered to be health information.

These clarifications reflect current practice in the health sector and will facilitate integration of health information and health-related services to support improved continuity of care for patients.

The Bill will make way for forthcoming changes to the governance of digital health in Australia.

The Australian Commission for eHealth will be established in coming months to oversee the operation and evolution of national ehealth systems. Among other things this Commission will become the system operator of the My Health Record. This Commission is intended to remove the complexities associated with the current governance arrangements, strengthen accountability, and improve transparency and stakeholder involvement, and was another key recommendation of the PCEHR review.

An implementation taskforce is currently being established to design, establish and transition to the new governance arrangements. The taskforce will oversee the transition of functions from the Department of Health and the National E-Health Transition Authority to the new organisation. The National E-Health Transition Authority will be disbanded.

The Department of Health will continue to be responsible for the policy underlying national digital health programs, and for the supporting legislation.

In line with Government's Cutting Red Tape strategy, the Bill will reduce burden by making amendments that will mean healthcare organisations will no longer need to enter into a participation
agreement with the System Operator. Entering into these agreements can be complex, and time consuming for organisations, and it is simply another barrier, and more paperwork that needs to be completed before organisations can participate in the My Health Record system.

We just don't know what kinds of new and innovative digital health services are just around the corner. The way in which services are provided, and who provides them may become important to the efficient delivery of healthcare. If we don't anticipate innovation, our current processes and protections may prohibit new services and the providers of these services from becoming part of the My Health Record system.

Having said that – it's equally important that we continue to protect the integrity of the My Health Record system and the Healthcare Identifiers Service and exercising effective controls over who is able to become a service provider in the digital health system.

For these reasons, the Bill will establish a mechanism that will allow the Government to make regulations to authorise new entities to handle healthcare identifiers and other protected information. This power will be limited to circumstances that relate directly to providing or facilitating healthcare or assisting individuals who require support for health reasons.

As part of measures to simplify and streamline the My Health Record system, the Bill will establish new copyright arrangements. At present, healthcare organisations participating in the My Health Record system, and the System Operator, rely on copyright licenses to use information in the system without infringing anyone's copyright.

In place of licenses, the Bill will establish new copyright exceptions in the Copyright Act. These will ensure that upload, download and use of works in the My Health Record system does not infringe copyright.

The Bill will make a range of other amendments intended to clarify and improve the My Health Record system and Healthcare Identifiers Service.

The My Health Record system has the potential to change the nature of healthcare in Australia and become a widely accepted everyday part of good healthcare management. This improvements we are making gets us closer to reaching that goal.

Debate adjourned.

**Food Standards Australia New Zealand Amendment (Forum on Food Regulation and Other Measures) Bill 2015**

**First Reading**

Bill received from the House of Representatives.

**Senator McGrath** (Queensland—Assistant Minister to the Prime Minister) (16:27): I move:

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

Question agreed to.

Bill read a first time.

**Second Reading**

**Senator McGrath** (Queensland—Assistant Minister to the Prime Minister) (16:27): I move:

That this bill be now read a second time.

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

Leave granted.
The speech read as follows—

The Council of Australian Governments (COAG) agreed at its meeting on 13 December 2013 to streamline its Council system from 22 Councils to eight.

The five legislative and governance fora – including the Legislative and Governance Forum on Food Regulation – will continue as per legislative requirements, albeit outside the auspices of COAG.

At the meeting of the Legislative and Governance Forum on Food Regulation on 27 June 2014, Ministers agreed to change the name of the Legislative and Governance Forum on Food Regulation to the Australia and New Zealand Ministerial Forum on Food Regulation (the Forum).

The Food Standards Australia New Zealand Act 1991 (the FSANZ Act) requires amendment to reflect the name change.

Amending the FSANZ Act to reflect the name change presents an opportunity to make other amendments in the same Bill to improve the clarity and operation of the legislation.

The amendments proposed in the Food Standards Australia New Zealand Amendment Bill 2015, scheduled for introduction and debate during Parliament’s Autumn sittings, were postponed and have been consolidated with other amendments proposed for this Spring. These amendments have been set out in a single Food Standards Australia New Zealand Amendment (Forum on Food Regulation and Other Measures) Bill 2015 (the Consolidated Amendments Bill).

In summary, the Consolidated Spring Bill:

- makes amendments to the Food Standards Australia New Zealand Act 1991 (the Act) to reflect the change of name of the former Australia and New Zealand Food Regulation Ministerial Council to the Forum;
- makes amendments to improve the clarity and operation of the legislation—these amendments are intended to improve regulatory efficiency and provide greater clarification for businesses and Food Standards Australia New Zealand (FSANZ), by removing ambiguity and improving consistency in the way in which the Act outlines procedures for consideration of food regulatory measures; and
- in relation to consumer rights, science, public health and food industry Board members positions, amends the FSANZ Board’s compositional requirements and appointment process, in accordance with recommendations endorsed by the Forum, to:
  - address the need for flexibility to accommodate FSANZ’s future work requirements, and
  - include a competitive selection process (such as external advertising), which the Bill allows to occur simultaneously with the existing nomination process when recruiting for each vacant FSANZ Board member position.

Proposed amendments to the FSANZ Act will require consequential amendments to the Food Standards Australia New Zealand Regulations 1994.

Debate adjourned.

**Education Legislation Amendment (Overseas Debt Recovery) Bill 2015**

**Student Loans (Overseas Debtors Repayment Levy) Bill 2015**

**First Reading**

Bills received from the House of Representatives.

**Senator McGrath** (Queensland—Assistant Minister to the Prime Minister) (16:28): 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 shall move 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 McGrath (Queensland—Assistant Minister to the Prime Minister) (16:28): I present the explanatory memoranda 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—

Today I introduce the Education Legislation Amendment (Overseas Debt Recovery) Bill 2015. I will also be introducing the Student Loans (Overseas Debtors Repayment Levy) Bill 2015.

Together, these Bills create an overseas repayment obligation for Australians who have taken advantage of the Government's generous income-contingent loans. This includes Higher Education Loan Programme (or HELP) loans and Trade Support Loans.

The new Bills are, at heart, about ensuring equity and fairness for all Australians with HELP or TSL debts, and about maintaining the stability and security of our education and training systems.

I first announced this new measure on 2 May 2015 in advance of its inclusion in the 2015–16 Budget.

Under the current system, Australians overseas are able to make voluntary repayments to the Australian Taxation Office but are not under any legal obligation to repay their debt to the Australian taxpayer.

Now, for the first time, Australians who live and work overseas will be required to pay back the same amount of their HELP or TSL debt as they would if they were living and working in Australia. This is a matter of equity. It is also a matter of sustainability, ensuring the quality of future education in Australia, and being one of the reasonable measures needed to maximise the repayment of debts to the taxpayers while preserving the income-contingent nature of our student and trade loans.

The measure will save more than $25 million from 2015–16 to 2018–19 and more than $150 million over 10 years in fiscal balance terms.

The repayment system will uphold the income-contingent nature of our student loans system—a system that is the envy of the world—by only requiring those who earn above the minimum repayment threshold to make the repayments they would have to make if they were in Australia.

This year, HELP and Trade Support Loan debtors in Australia only begin to repay their debt when they earn over $54,126 per annum, after which borrowers pay 4 per cent of their income towards their debt.

Under our proposed higher education reforms, there would be a new minimum repayment income threshold of $50,638 in 2016–17, and the new minimum repayment would be 2 per cent per year.

Australians living overseas would only begin to repay their debts when their income reaches the equivalent amount.

It is important to remember that this measure involves the repayment of a debt that a person has willingly undertaken in order to pay for their education and training. It will reduce a person's HELP or Trade Support Loan debt over time, and will in most cases eventually reduce that debt to nil.
This change is fair for the individual and the taxpayer and is expected to improve Australia’s balance sheet by more than $150 million over the next ten years. The repayment obligation for Australians living overseas will commence on 1 July 2017 based on income from the 2016–17 financial year.

For many young Australians, heading overseas in the years following graduation is an ambition, whether as a gap year, a working holiday, or as an upward step on the career ladder in their chosen field.

Some will remain overseas forever. Many others – the majority, in fact – come back to a stale debt that has been indexed at CPI rates every year they were away, when they could have been reducing it.

Let me be clear. If you are volunteering and earning only a small amount, if you are looking for work and struggling to make ends meet, if you are pulling beers or cutting hair in London for three months and earning only modestly while saving for the next European adventure, you will not be within the scope of these obligations.

But if you’re working in a well-paid job overseas – if you’re a banker on Wall Street, for example, or an engineer in Dubai or a lawyer in London – you ought to pay back the cost of the education that you got here in Australia.

This is the way it works in many other countries already. We are joining these countries in making this sensible change to improve the equity and sustainability of our loan schemes.

I am also pleased to say that this measure has strong support in the community, the higher education sector and, I believe, across both sides of politics.

The Senate Education and Employment Legislation Committee issued a report late last year on the Higher Education and Research Reform Amendment Bill 2014, including a formal recommendation that “the government explore avenues to recover HELP debts of Australians residing overseas.”

Professor Bruce Chapman, the architect of HECS when it was first introduced over 25 years ago, has argued for this measure to be implemented.

There are also many others who have called for this change, including a range of people in the higher education sector.

Belinda Robinson, Chief Executive of Universities Australia, has said that “[t]his is a welcome move by the Government in improving the fairness and sustainability of the student loans scheme … there is no obvious reason why obliging Australian graduates living overseas to repay their HELP debt shouldn’t be adopted in Australia.”

And in response to my announcement of this measure in May this year, the Opposition signalled that it is willing to "support[t] measures that work to protect fairness and integrity in universities, including the HECS system."

But while there is strong support for this change, no government has ever tackled this before – it’s been put in the too-hard basket.

This new legislation remedies this deficiency in our student loan and training loan schemes.

The Education Legislation Amendment (Overseas Debt Recovery) Bill 2015 comprises five schedules.

Schedule 1 amends the Higher Education Support Act 2003, and Schedule 2 amends the Trade Support Loans Act 2014, to create an obligation for HELP and Trade Support Loan debtors to repay their debt based on their total Australian and foreign-sourced income, known as their worldwide income. This is only if the debtor is earning more than the equivalent of the Australian minimum repayment threshold.

Schedule 3 of the Bill amends the Higher Education Support Act 2003 to allow the Department of Education and Training to access the Tax File Numbers of students in order to improve the efficiency of data exchange with the Australian Taxation Office, and to improve data quality. This merely extends
administrative processes already in place with the Trade Support Loans, providing consistency across the loan schemes. It will enable more effective administration of overseas debt recovery as well as HELP more broadly.

Schedule 4 amends the *Taxation Administration Act 1953* to allow the sharing of protected tax data with overseas jurisdictions for the purposes of student loan debt administration. This is necessary to support potential reciprocal cooperation on debt recovery in line with good international practice. The Government intends to explore such reciprocal arrangements with other countries, starting with New Zealand and the United Kingdom, countries with which we have already established a constructive dialogue on these issues.

Schedule 5 amends the *Income Tax Assessment Act 1936* and *Income Tax Assessment Act 1997* to ensure that, consistent with the treatment of repayments made in Australia, repayments made from overseas cannot be claimed as a tax deduction in relation to expenses for self-education.

In conclusion, let me say I am very proud that this Government has taken the initiative to once again level the playing field and treat people the same whether their pay comes in dollars, pounds, euros, yen, yuan, or some other currency.

Together, the two Bills will contribute to ensuring the equitable repayment of HELP and Trade Support Loan debts by all Australians who have them, and to securing the future of higher education and training in Australia.

Today I introduce the *Student Loans (Overseas Debtors Repayment Levy) Bill 2015.*

This Bill will require Australians living overseas who have a Higher Education Loan Programme or Trade Support Loan debt to repay their loans in line with the obligations that apply to Australian based debtors. Repayment obligations will only commence once the individual reaches the minimum repayment threshold. This Bill will strengthen both the legislative basis for the programme and the capacity of the Australian Taxation Office to collect this debt through the current tax administration arrangements.

Debate adjourned.

**Shipping Legislation Amendment Bill 2015**

First Reading

Bill received from the House of Representatives.

**Senator McGrath** (Queensland—Assistant Minister to the Prime Minister) (16:29): I move:

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

Question agreed to.

Bill read a first time.

Second Reading

**Senator McGrath** (Queensland—Assistant Minister to the Prime Minister) (16:30): I move:

That this bill be now read a second time.

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

Leave granted.

*The speech read as follows—*
Introduction

The purpose of the Shipping Legislation Amendment Bill 2015 is to amend the Coastal Trading (Revitalising Australian Shipping) Act 2012 and the Shipping Registration Act 1981.

The Bill I introduce today will implement major reforms to the regulatory framework for coastal shipping.

This Government is committed to a more competitive and efficient shipping industry. As an island nation it is no surprise that shipping is a vital part of our transport network. Through these reforms we will increase access to shipping services in a more open and competitive market.

This Government has declared that Australia is open for business and these reforms will help reduce the burden on business, open up new opportunities, and unlock the potential of our coastal trading routes.

For too long, companies wanting to move goods or passengers by sea have had to deal with a complex and burdensome licensing system.

The Bill I present today changes that. It recognises that shipping operates in a global context, and the framework it contains seeks to ensure that Australian businesses and industries can take maximum advantage of the opportunities created by global connectivity.

The Bill will address key challenges that the former Government's 2012 legislation created under the guise of reform.

The case for real reform is clear.

The fleet of major Australian registered ships (over 2,000 dead weight tonnes) with coastal licences is in sharp decline, plummeting from 30 vessels in 2006-07 to just 15 in 2013-14. Between 2000 and 2012, while the volume of freight across Australia actually grew by 57%, shipping's share of the Australian freight task fell from about 27% to just under 17%. Between 2010 and 2030, Australia's overall freight task is expected to grow by 80%, but coastal shipping is only forecast to increase by 15%.

Over the first two years of the former Government's Coastal Trading Act there was a 63% decline in the carrying capacity of the major Australian coastal trading fleet.

We need to act now to correct these failings. Without change, shipping will not be able to deliver the competitive and efficient services that Australian businesses desperately need.

The central feature of the Bill is a greatly simplified permit system that will reduce costs to business, and enhance access to competitive international shipping services.

Australia's rigorous maritime safety and environmental laws will continue to apply to all ships operating in Australian waters.

Simplifying rules for moving cargo will show Australian waters are once again open for business.

The Bill also has built-in protections for Australian workers and also for wages and conditions for all seafarers on foreign ships operating primarily in the Australian coastal trade.

The Bill will deliver more affordable freight costs for businesses and greater choice between shipping companies, which will provide better outcomes for Australian businesses reliant on coastal shipping services and open up new opportunities for growth in the industry. Domestic freight is growing exponentially and shipping must carry a much larger share of the load.

Evidence, supplied by shippers, shows that the current Act has increased the price of coastal shipping services, hitting Australian businesses hard and adding uncertainty and regulatory burdens, without improving the viability of Australian shipping or the quality or supply of shipping services.
Bell Bay Aluminium reported a 63% increase in shipping freight rates from Tasmania to Queensland in just the first year of the 2012 regime – from $18.20 a tonne in 2011 to $29.70 a tonne in 2012.

We know that the cost of shipping dry food powder from Melbourne to Brisbane is the same as shipping the same product from Melbourne to Singapore.

And it is cheaper to ship sugar from Thailand to Australia than it is to ship Australian sugar around our own coastline.

These are just a few of the many, many examples that have been provided to me by industry.

The current arrangements are self-defeating for the shipping industry, let alone our industries and manufacturers reliant on coastal shipping services. The extra cost for Australian businesses using an Australian vessel is unsustainable at some $5 million a year more than using a foreign vessel. More affordable freight means more freight, more efficient services and more competition, all of which will make Australian products more competitive internationally and domestically, helping local industries, which employ thousands of Australians, and providing the opportunity for economic growth and expansion.

We need to be working towards coastal shipping carrying a more significant share of the growth in long-distance cargo. Shipping should be seen as a viable and robust option for all forms of freight, with particular strengths in transporting high volume and long distance cargo around the coast.

This Bill is intended to facilitate that outcome. Shippers will have access to more affordable freight costs and a wider choice of ships; more ships will be available to carry spot cargoes better suited to transport around the coast.

Cruise ship passengers will have access to a greater range of cruise ship services around the coast, a boost to local tourism industries around the country. The tourism benefits are not limited to our major capitals, this Bill will provide greater opportunities for visitors to our coastal regional cities and towns right around the country.

Additionally, this legislation will facilitate more visits to Australia from the burgeoning superyacht sector.

The Government is determined to strike a sensible balance between reduced barriers to access and the long term availability of personnel with maritime backgrounds and skills to fill critical jobs in the industry.

Australia needs people with maritime skills and experience to be tug crews, harbourmasters, pilots and to fill other jobs in the industry where first-hand knowledge of how things are done on board is essential. That is why the Government has included measures to ensure ships trading predominantly in Australia have Australians undertaking the key skilled positions on board.

We are also committed to ensuring that where these ships engage primarily in domestic trade, in domestic waters, they are covered by domestic workplace relations arrangements.

The Provisions of the Bill

The Bill will rename the Coastal Trading (Revitalising Australian Shipping) Act 2012 the Coastal Shipping Act 2015. This name change will also require consequential amendments to a number of other pieces of legislation: the Australian Maritime Safety Authority Act 1990, the Occupational Health and Safety (Maritime Industry) Act 1993, the Seafarers Rehabilitation and Compensation Act 1992, and the Shipping Registration Act 1981. As the Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Act 2012 will no longer be needed the Bill will also repeal this Act.

The Bill redefines and streamlines the Object of the Act to reflect Australia's need for a regulatory framework for coastal shipping that fosters a competitive coastal shipping services industry that
supports the Australian economy; and maximises the use of available shipping capacity on the Australian coast.

To achieve this unambiguous objective, the Bill repeals the existing tiered licencing system comprising General Licences, Transitional General Licences, Temporary Licences, and Emergency Licences. These will be replaced with a single Coastal Shipping Permit that will be available to both Australian and foreign registered ships.

Ships operating under a Coastal Shipping permit will be permitted to engage in unlimited transport of passengers and goods on the Australian coast for a 12 month permit period.

This streamlined approach will be much simpler than the current system which is overly bureaucratic, deliberately cumbersome and inflexible to the point where it does not recognise the realities of how businesses want to move freight around the coast.

The Coastal Shipping Permit will also protect vessels from importation under the Customs Act 1901. Importantly, for the first time the Bill’s coverage will be extended to include ships engaged in the carriage of petroleum products from our offshore facilities to the mainland and ships engaged in dry docking.

This will mean more business for Australian dry-docks and repair facilities and it will mean that our growing fleet of cruise vessels can stay in Australia for repairs, rather than going to Singapore or elsewhere for routine maintenance.

It will also mean that petroleum products can be transported from our offshore facilities to the mainland for processing.

One of the counter-intuitive consequences of the existing framework is that currently processing of petroleum from Australian offshore facilities is happening overseas and then fuel is being shipped back to Australia because offshore facilities are outside the scope of the licencing system.

These changes are essential to ensure Australian shippers are able to move goods efficiently and effectively.

The Bill will require a permit be granted in respect of a vessel, rather than a voyage. This will reduce paperwork in the shipping industry, and will ensure ships wishing to provide services in Australia know their status and obligations under Australian law.

Consistent with the existing provisions, the Bill requires ships engaging in Coastal Shipping to hold a Coastal Shipping Permit. Contravening this requirement will attract a significant civil penalty of 300 penalty units for individuals and 1,500 penalty units for bodies corporate.

The owner of a vessel, or a person who has day to day responsibility for the management of a vessel with the permission of the owner, will be eligible to apply for a permit. Only one permit can be issued to a vessel at any point in time.

Applications for a Coastal Shipping Permit will be required to include evidence the applicant is a party eligible to apply for a permit, for example proof of ownership, or day to day management of the vessel, a copy of the registration certificate for the vessel (including a translation if the registration certificate is not in English) and a modest application fee.

The Bill contains provisions to allow the transfer of a permit if the ownership or management of the vessel changes during the permit period, however, permits cannot be surrendered.

While the Coastal Shipping Permit system introduced in this Bill will be significantly simpler than the current regime, it does place a number of conditions on operators.

Breaching any of these conditions exposes the holder of a Coastal Shipping Permit to a civil penalty for individuals of 50 penalty units and for bodies corporate of 250 penalty units.

In addition, if a Permit Holder breaches a condition of a Coastal Shipping Permit, a previous Coastal Shipping Permit, or of a licence granted under this Act, the current Permit may be cancelled by the
Minister following a show cause process. For example, failure to comply with any Australian crewing requirements for foreign vessels predominantly engaged in coastal shipping may result in the initiation of a show cause process that could ultimately result in the cancellation of the permit.

Ships holding a Coastal Shipping Permit must continue to be registered, a copy of the permit must be displayed in a prominent place on board, the holder of the licence must comply with reporting requirements, and in certain circumstances, requirements for crew composition and pay and conditions will apply.

Ships engaged in Coastal Shipping for more than 183 days in a normal permit period will be required to adhere to minimum Australian crewing requirements mirroring those for ships registered on the Australian International Shipping Register. That is, they will be required to employ a Master or Chief Mate and an Chief Engineer or First Engineer that is an Australian Citizen, Australian Resident, or holds an appropriate visa, prescribed in the rules, allowing the person to work in one of those occupations in Australia.

This crewing requirement is a cornerstone of the revised system along with key protections for seafarers on board ships engaged predominantly in Coastal Shipping.

The Bill ensures that if a foreign ship is predominantly operating in Australia – that is, for more than 183 days of Australian coastal trading in a 12 month permit period – it will be subject to domestic workplace relations arrangements. If a foreign ship engages predominantly in international trading – that is, for less than 183 days of Australian coastal trading in a 12 month permit period – their existing on-board workplace arrangements will apply.

The Fair Work system already provides special arrangements for foreign vessels. The relevant award – the Seagoing Industry Award 2010 – currently has two parts: Part A for Australian ships and Part B for foreign ships engaged in coastal trade. If a ship trades for more than 183 days, they will need to pay the Part B Australian wages from day 1 of the permit period.

In addition, if a foreign ship declares an intention not to trade predominantly on the coast but then trades predominantly on the coast will be subject to a condition requiring that they pay Australian wages for their entire permit period. Any future permits will not be issued to a foreign ship unless it has complied with past obligations to pay Australian wages.

As the Seagoing Industry Award makes explicit reference to the old licencing system, the Bill contains amendments to ensure that Part B continues to apply to foreign ships operating under a permit in the new system. This will give greater certainty to ship operators, but does not restrict the Fair Work Commission’s ability to set or change award conditions.

Any ships that choose to register on the Australian International Shipping Register are likely to have trading patterns similar to foreign ships. For this reason, Part B of the Seagoing Industry Award will also apply to ships operating on the Australian International Shipping Register while they operate in Australian waters.

There are protections and compliance mechanisms built into the permit system to deal with ships that fail to comply with these rules. These include the ability to cancel a permit, refuse any future permit applications and civil penalty provisions.

Importantly, if a ship has done the wrong thing and failed to pay Australian wages when they should have, they may be subject to a civil penalty and there is a mechanism to recover amounts owing to a seafarer. A key feature of the new permit is that a foreign vessel predominantly engaged in Australian shipping cannot be granted any future permits if they have not complied with the Australian pay requirements.

As the application of Australian workplace relations laws has implications for the Fair Work Act, some of the changes I have outlined will require changes to the Fair Work Regulations 2009 to ensure

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the appropriate workplace relations arrangements continue to apply. These amended regulations are
drafted and the Government will make them available once the Bill has passed.

To facilitate the efficient administration of the measures and provide opportunities for non-judicial
review, decisions to refuse to make a declaration the Act does not apply to a vessel, to refuse to grant an
application, grant an application to transfer, or cancel a Coastal Shipping Permit will be appealable to
the Administrative Appeals Tribunal.

Additionally, the Bill also permits the making of rules to impose additional conditions and for the
Minister to impose or vary other additional conditions not inconsistent with those set out in the Bill or the
rules if made.

This Bill significantly simplifies reporting requirements for permit holders. Under the new system,
the holder of a Permit will be required to report on voyages undertaken at six monthly intervals, or more
frequently if directed by the Minister. This replaces the existing system of pre voyage notification at
least two days before the actual loading date and post voyage reporting no more than 10 days after the
end of the voyage and will be a significant deregulatory measure for industry.

A summary of these reports, as well as information relating to Coastal Shipping Permits granted is
required to be published on the Department’s website.

Shipping Registration Act

The Bill amends the Shipping Registration Act 1981 to simplify and streamline the requirements for
ships wishing to join the Australian International Shipping Register (the AISR). In particular, a ship on
the AISR would no longer have to be predominantly engaged in international trade and instead would
be required to spend at least 90 days in a year engaged in international trading. This requirement will be
pro-rated for part years. Where a ship does not meet this requirement, the Registrar will have the power
to cancel the registration of the ship.

The Bill also amends the Shipping Registration Act 1981 to provide that a collective agreement may
be made with the Seafarers' Bargaining Unit but that the presence of such an agreement is not a
mandatory precondition for registration of the vessel.

In addition, the requirements around Australian work rights for the minimum contingent of
Australian crew working on board ships on the AISR is clarified to include people with an appropriate
Australian work right.

Transitional Provisions

The Bill includes a number of significant transitional provisions, designed to ensure a smooth
transition between the current licencing system and the Bill's permit framework. Specifically, the Bill
will remove the requirement for a person applying for a Temporary Licence to be an owner, charterer,
master or agent of a vessel or a shipper. This will alleviate the issues that have arisen in court cases
since the current Act has been in place.

Further, the existing challenge provisions and the associated consultation periods will be removed
during the transitional period, alleviating industry concerns about delays brought about by the licensing
framework.

The transitional provisions also ensure that a licence due to expire during the transitional period is
deemed to not expire until the end of the period. Further, Coastal Shipping permits can be granted
during the transition period but do not commence until the end of the period.

Conclusion

In short, the availability of high quality transport services at the right price, with a minimum of red
tape is critical to Australia's economic prosperity. Of course, Australia's transport needs into the future
will rely on a mix of air, road, rail and maritime transport. The amendments in this Bill will ensure our
future ability to choose the most appropriate mode of transport based on speed, price, availability and quality of service.

I commend the bill to the House.

Debate adjourned.

Aged Care Amendment (Independent Complaints Arrangements) Bill 2015
Civil Law and Justice (Omnibus Amendments) Bill 2015
Water Amendment Bill 2015
Asian Infrastructure Investment Bank Bill 2015
Tax and Superannuation Laws Amendment (2015 Measures No. 4) Bill 2015

Assent

Messages from the Governor-General reported informing the Senate of assent to the bills.

MOTIONS

Infrastructure

Senator CAROL BROWN (Tasmania) (16:30): At the request of Senator Moore, I move:

That the Senate notes the 20 per cent fall in public sector infrastructure spending under the Coalition Federal Government, and the Turnbull Government's need to catch-up on 2 lost years of support for public transport projects.

I rise to speak in support of this motion. The 20 per cent fall in public sector infrastructure spending that has occurred over the last two years and the complete absence of support for public transport projects will be the legacy of the former and self-appointed 'infrastructure Prime Minister', Mr Abbott.

It is now incumbent upon Mr Turnbull to take action to address his government's appalling track record on infrastructure investment. Instead of travelling across the country re-announcing and opening projects funded under the previous Labor government, it is time for Mr Truss and the coalition government to start to make a real investment in the public sector infrastructure that is critical to the future of our cities and regions. Instead of treating public transport as a selfie opportunity, it is time that Mr Turnbull and his government recognised public transport investment for the transformative opportunity it provides.

We on this side are determined to stop the old fights about roads versus public transport. Unlike those opposite, we are equally committed to both forms of transport. Critical infrastructure projects have been neglected for the last two years, with billions of dollars of government investment stripped away. These cuts to investment have come at a significant cost to our nation. Infrastructure investment is not simply about building roads, railways and ports; infrastructure investment is about building our nation, about boosting productivity and about generating economic activity. An important part of the economic activity generated by investment in infrastructure is, of course, the creation of jobs—not simply construction and engineering jobs for those involved in major projects but also jobs for generations to come in the industries and business that become more productive because of the existence of better roads, railways and ports.

Unlike those opposite, Labor understands that investment in critical infrastructure projects is at the cornerstone of the ambitious plans we must have for the cities and regions of our
nation. Labor has articulated a plan for infrastructure that would transform the way we fund investment, which would shape the liveable cities and communities of the future. This plan stems from Labor's understanding of the need for investment in all forms of infrastructure to deliver jobs and productivity across our country.

Labor's infrastructure plan is in stark contrast this Liberal government's record on infrastructure. The most recent quarterly figures, released by the Australian Bureau of Statistics on 30 September 2015, have confirmed exactly what Labor has been saying. They have confirmed that infrastructure investment under the coalition government is in freefall. These latest figures show that public sector infrastructure work—that is, works funded by federal, state and local governments—fell by 20.1 per cent in the June quarter 2015 compared with the last quarter of the Labor government in 2013. These figures expose as farcical Mr Abbott's claim that he was the 'infrastructure Prime Minister'. These figures should also send a clear message to Mr Turnbull that it is time to stop talking and tweeting about infrastructure and get on with the job of actually doing something. I am even happy to give Mr Turnbull a hand by pointing him in the right direction.

The first thing that Mr Turnbull should do is reverse the coalition government's cuts to critical infrastructure projects from around the country. He should start by immediately restoring the $4.5 billion cut from public transport projects—projects like the Melbourne Metro, Brisbane's Cross River Rail Link, Adelaide's Gawler line electrification and the $500 million that had been allocated by the former Labor government for heavy and light rail projects in Perth. All these projects were funded in Labor's 2013 federal budget.

When Labor left office, Infrastructure Australia had completed positive assessments of the Melbourne Metro and Cross River Rail projects and they were ready to get moving. I will just repeat that: when we left government, Infrastructure Australia had completed positive assessments of both those projects—the Melbourne Metro and the Cross River Rail projects—and they were ready. On being elected in September 2013, the Abbott government cancelled these projects.

We on this side know that the only reason these projects were cancelled was that Mr Abbott is ideologically opposed to federal funding for public transport projects. For two years federal funding of public transport ground to a halt. However, now Mr Turnbull has an opportunity to reverse these cuts and to show that there is actually some difference between him and Mr Abbott, the former Prime Minister. This is the opportunity for Mr Turnbull to show that there is a difference between him and Mr Abbott. It is an opportunity to show that changing the leader of the Liberal Party might actually change something.

We cannot help but know of Mr Turnbull's purported love of public transport, but it is time that Mr Turnbull put his money where his tweets are and invested in the public transport that is so critical to the future of our cities. We have long known that this type of public sector investment in infrastructure will be critical for our economy going forward, and yet those opposite have failed to take action—instead, moving us backwards.

Particularly in the last year, it has become blatantly clear that Australia needs to increase government investment in roads, railways and ports to drive economic activity, create jobs and lift economic productivity. This government investment is necessary as a result of the decline in construction activity in the resources sector as it moves from the construction to the production stage of its cycle. Good infrastructure will deliver tens of thousands of jobs. It will
make life safer and communities more livable. It will connect our regions to our cities. This infrastructure investment is critical both to driving the national economy and to easing the traffic congestion that acts as a handbrake on productivity growth and reduces quality of life for millions of Australians.

We know that carefully planned and targeted investment in public transport and better roads in our nation's cities will ease congestion and assist those Australians living in drive-in, drive-out suburbs in outer metropolitan areas. And we know that investment in our critical road and rail projects will connect our regions and get our regional economies moving.

Apparently, however, these facts are something that those opposite do not know. Despite the grand and outlandish claims made by the then Prime Minister, Mr Abbott, and by Mr Truss, those opposite have failed to break ground on any infrastructure projects, excepting those that were funded by the previous Labor government.

Labor understands that infrastructure funding is an investment, not a cost. That is why Labor has announced an innovative approach to funding more infrastructure. This approach will include funding public transport projects in our major cities. A Shorten Labor government will transform the way infrastructure is funded in Australia, strengthening Infrastructure Australia to unlock tens of billions of dollars in capital investment for key projects in every state and creating tens of thousands of jobs.

Labor will elevate Infrastructure Australia to an active participant in the infrastructure market. This plan will mobilise private sector finance, Australia's superannuation industry and international investors to bring a national pipeline of investment online. Labor established Infrastructure Australia as an independent adviser on nation-building infrastructure, and we now propose to empower it to create more jobs, boost our productivity and improve our competitiveness.

Infrastructure Australia will be backed by a $10 billion financing facility that will give Infrastructure Australia the ability, as required, to deploy a combination of guarantees, loans or equity to jumpstart new projects. Labor will establish this facility through the proven process that established the Clean Energy Finance Corporation. Labor's plan will leverage $10 billion of government-backed financing into tens of billions of dollars of private sector investment. Using a conservative analysis prepared by Public Infrastructure Partners Australia, which assumes no additional leverage, this $10 billion infrastructure investment will directly create approximately 26,000 jobs. In addition to this job creation of approximately 26,000 jobs, the analysis estimates that the infrastructure investment will add around $7.5 billion extra to our GDP every year.

Under Labor's infrastructure plan, an expert panel would also be appointed to determine a financing mandate and advise on the appropriate structure for the new facility. Labor has committed to establishing this expert panel within six months of coming to government. This will ensure that Infrastructure Australia operates to facilitate private sector investment with the strictest financial discipline, commercial rigour, credit-risk-assessment capacities and a commitment to nation building.

Unlike those opposite, who have attacked and ignored Infrastructure Australia—and I would have to say that this is contrary to the commitments that were given by the former
Prime Minister—Labor believes that this organisation can play a critical role in driving major infrastructure investment.

As part of the announcement of Labor's infrastructure plan, an initial short list of 10 projects that Labor supports was identified. The initial list of projects that Labor will support includes the airport rail to Badgerys Creek, connecting the western and south lines; the Melbourne Metro; the Cross River Rail project in Brisbane; the G:link light rail on the Gold Coast; planning work on the Ipswich Motorway, Darra to Rocklea; Tasmania's Midland Highway; Perth public transport; the Gawler line electrification in Adelaide; and the Pacific and Bruce Highway packages—projects that have been underway for several years but need to be fast-tracked to completion.

These are projects that Infrastructure Australia have either assessed or projects that Labor will work with state governments to fast-track assessments for. These are critical projects for our nation, projects which have faced cuts and delays under the coalition government. This list of projects is our priority list, and it is just the start. Beyond these immediate priorities announced by Labor, Labor have also committed to working with state governments to encourage the development of an ongoing infrastructure project pipeline. Labor will develop a long-term pipeline for projects and ensure the steady movement of projects through the assessment, development and financing phases. By establishing an independent, funded project broker, Labor will provide new and greater certainty to investors as well as creating a powerful incentive for state governments to propose and approve projects. Infrastructure Australia will be at the centre of capital investment, driving results that are in the national interest. Labor's plan proposes an exciting breakthrough in the way in which we fund infrastructure in Australia.

I am particularly elated that the Midland Highway in my home state of Tasmania is included in the list of priority projects, as I am sure you would be that the South Australian project is included, Mr Acting Deputy President Gallacher. The Midland Highway is a 176-kilometre road which connects Hobart and Launceston. Labor's commitment to restoring the full $500 million to the upgrade of the Midland Highway will have significant benefits to the many towns and communities along the highway and those who travel across the state. This is exactly the type of critical infrastructure our nation must be investing in. This infrastructure will improve the quality of life for Tasmanians and will improve the opportunity for businesses to conduct their activities more efficiently and generate much-needed jobs.

In government, Labor committed $500 million to the Midland Highway updates and signed a partnership agreement with every council in the Midlands to progressively upgrade the highway. The Tasmanian Liberal senators, and the three amigos—Mr Whiteley, Mr Nikolic and Mr Hutchinson—in the other place have made much of their investment in the upgrade of the Midland Highway; however, you will never hear them admit that they cut funding from the upgrade. The Liberals announced a $400 million funding commitment, promising to duplicate the entire 176-kilometre highway, which of course they then had to scale back, finally admitting that $400 million was nowhere near enough for a duplication of the highway. So they finally scaled back that commitment to a series of safety upgrades and, in doing so, with their commitment of $400 million, tried to slide away from the fact that there was a commitment there already for $500 million. So they cut $100 million from the project—$100 million that Labor will now restore. You do not hear Mr Whiteley, Mr Nikolic,
Mr Hutchinson or the Tasmanian Liberal senators here talk about the fact that they cut $100 million or that they walked away from their promise to duplicate the entire 176-kilometre highway. No, you will not hear that here and you will not hear it in the other house from the Tasmanian Liberal representatives.

This funding is for much-needed safety work for the Midlands. Those opposite, as I have said, cut it, with no-one from the Liberal Party in the House of Representatives or the Senate putting up any fight to keep that $100 million for the project. The fact that they cut $100 million from the project to improve safety for Tasmanian motorists and their families is something they seem to miss out when they grandstand about their investment on the Midland Highway. There is a lot of grandstanding but also a lot of very convenient memory lapses when it comes down to what they have done.

The Labor Party absolutely condemn what the federal government have done in their funding of public transport and the fact that 20 per cent of investment in public transport has— (Time expired)

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (16:51): I would like to canvass three things in my brief contribution to the debate on this motion about public sector infrastructure spending—and this is an important discussion about infrastructure in our nation. I would like to revisit the quote that Mark Twain attributed to Benjamin Disraeli about 'lies, damned lies and statistics', just to correct the record on a few things that the honourable senator opposite said in her contribution. I would like to talk about some of the facts about funding and particularly touch on a few projects in South Australia, my home state. She is correct: Mr Albanese did come out, draw on the June 2013 quarter figures and compare those to show a 20.1 per cent decrease. But that was very selective, because if you actually look at the overall funding—particularly if you compare the September quarter, the last quarter of the Labor government, with the latest quarter results for this government—there is actually a 4.7 per cent increase in transport infrastructure work done for the public sector and a 14½ per cent increase in roads, highways and bridges done for the public sector. Almost anyone with enough diligence can cherry-pick two specific periods, compare them and say, like Chicken Little, 'The sky's falling in; funding has decreased,' but you need to look at the overall allocation of funding and particularly at the trends of those last quarters, rather than specific quarters plucked to highlight that difference. Prime Minister Disraeli was correct indeed when he said that there are lies, damned lies and statistics. Statistics can be manipulated, and I think it is to the shame of members on that side of the chamber that they would resort to misleading the Australian public by that approach.

In fact, according to the Bureau of Infrastructure, Transport and Regional Economics, if you look at what the coalition government has done, it has had an 18.6 per cent increase, to $27.4 billion, in engineering construction work compared to the previous quarter; a 6.9 per cent increase, to $6.1 billion, in transport infrastructure work done; and a 12.4 per cent increase, to $6.6 billion, for engineering construction work done for the public sector. So, across a range of sectors over time, we see that there is actually an increase. That is why the coalition government can rightly say we are investing a record $50 billion to get vital infrastructure projects underway across the country.

You can look all around this country, and in different states, particularly where there are projects of national significance, you see the federal government not only contributing money
but looking to encourage the states to find innovative ways to raise the capital to invest in their own productive capacity so that the states and the states' economies can grow. In my own state of South Australia, some $2.9 billion has been allocated by this government to infrastructure projects. The North-South Corridor is one that is well known, and just recently the Northern Connector was announced in South Australia.

As well as those major projects, it is important to realise that there is additional funding on top of the normal allocation: some $200 million for the Black Spot Program. In South Australia that is a particularly important program because the state government is not providing the funding that is required for our country roads. Accidents on country roads account for 70 per cent of the fatalities in South Australia. If you look at fatalities per 100,000 for the east coast states, the figure is 4.2 in Victoria, 4.5 in New South Wales and 4.8 in Queensland. It is 6.4 in South Australia. So, if South Australia even just funded its roads to bring us back to the national average, that is 30 lives that we would save and 250-odd serious injuries that we would prevent every year. So that federal government money to top up and encourage the rectification of some of those black spots is really important. There is some $350 million for the Roads to Recovery program and $230 million for the National Highway Upgrade program for safety and productivity improvements.

In addition to that, in June this year the Australian government announced that councils across Australia will receive an extra $1.1 billion over the next two years under the Roads to Recovery program, and that follows the reintroduction of the consumer price index linkage for fuel excise. It is important there to realise that there is a funding source that the government has created specifically to address infrastructure, as opposed to just increasing borrowings, which ultimately the taxpayer has to pay for, plus the interest.

So this is a government that is serious about making contributions to infrastructure, but we are also serious about getting the funding right. We should never forget that much of what Labor promised when it was in government and what it called funding commitments actually lay outside the forward estimates. If it is outside the forward estimates then it is not real money. It is not actually included in any of the calculations for the budget, in terms of whether we are going to be in surplus or not or whether we are contributing to a future deficit. Much of the promise relied on a mining tax—a mining tax that did not raise revenue and in fact cost the nation money. So, when you see promises from the other side, the public must also look at whether they are actually funded, because we have seen a lot of promises and a lot of disappointment, compared to this side, which has actually funded projects and started projects and has put in place appropriate mechanisms to make sure that that funding is available.

There are things like the $5 billion financing facility for infrastructure projects in northern Australia; concessional loan arrangements for WestConnex; grants for projects that will not have a direct financial return for an investor; plans for trialling new road pricing arrangements on things like the Northern Connector in South Australia or the Perth Freight Link; and, importantly—and this is something we have been encouraging state governments to get on board with—the Asset Recycling Initiative, which provides grants to states and territories that make further investment in infrastructure with funding they receive from asset sales. So this is a government that is serious about finding the funding so that we can not just promise but actually start delivering.
There has also been a lot of comment by members opposite that this government is opposed to rail projects, which is clearly not correct. Just recently we saw the announcement of the commitment to capped funding of $95 million to stage 2 of the Gold Coast Light Rail. The reason for that is its significance to the success of the 2018 Commonwealth Games. As I look to rail projects in my home state of South Australia, the electrification of the Adelaide-Gawler railway line has been raised a number of times, the implication being that that project has stopped because of this government. History is really important. If we do not understand history and the sequence of time frames and decisions then we will be misled. I would like to remind members of the Senate and the public who may be listening to the debate about some of the time frames. The Gawler modernisation project was announced in 2009 with a federal Labor government commitment of $293 million, which included the full electrification and resleepering of the line. The overall project started to blow out and the South Australian government threw an extra $100.2 million into it in their 2011-2012 budget. But in June 2012 works were ceased by the South Australian government. Who was in government at the time? Not the coalition. Works were ceased due to a lack of funding by the South Australian government in June 2012.

Since this government has come to power, we have made massive investments in infrastructure projects—$2.9 billion in South Australia. We have invested in rail, as on the Gold Coast. If the South Australian government wants to come back to the federal government and make a case to show why that project is a priority for them and why it is of national significance and we should be supporting it, I will be very happy to work with them. But senators opposite should not be trying to mislead the Australian public into thinking that that project stopped because of this government. It stopped in June 2012.

Former Prime Minister Abbott declared that he wanted to be the infrastructure Prime Minister. When you look at the facts, history shows that record investment has been made, and not just record investment but sound management to make sure that the funding is available so that these projects are not just promised in the out years where there is no real commitment but are actually funded and work is starting. We have seen that in our home state of South Australia, where the North-South Corridor and the Northern Connector are either working, soon to commence or, for the Northern Connector, will start next year.

This motion touches on an important topic, but I think it is important that people listening understand the facts. The facts are that this government has made record contributions on infrastructure and the amount of contributions are increasing.

**Senator RICE (Victoria) (17:02):** I rise to speak on the 20 per cent fall in public sector infrastructure spending under this coalition government and the Turnbull government's need to catch up on two lost years of support for public transport projects. What a frustrating two years it has been for commuters in this country. It does not matter whether you are in our cities, our suburbs or our regions—if you have tried to catch public transport, the chances are that you have been let down by unreliable, slow and packed services. We need to make up for lost time by focusing on the transport projects that are able to efficiently shift large numbers of people. Let us get one thing straight: this does not mean more roads, which seems to be the fallback solution for the vast majority of transport challenges under this government. Relying on cars in big cities has two big problems. They take up lots of space and this space, both roads and parking spaces, costs a lot to provide. The roads that are able to shift the most
people are freeways and motorways. They are also the most expensive options, particularly if they involve tunnels. For retrofitting across our cities this is what they generally need to do to avoid having to compulsorily acquire and pay for people's houses or to avoid destroying precious natural spaces that are vital to keeping our cities liveable.

When you look at comparisons, the costs of a three-lane freeway and a new two-track rail line with stations are quite similar. It is about $1 billion per kilometre for underground tunnelling and between $50 million and $150 million per kilometre for above ground freeways and rail tracks. But the number of people they can carry is vastly different. The maximum number of cars that a three-lane freeway can carry in an hour, if it is operating super efficiently, is about 5½ thousand. Given that cars in Australia carry, on average, only 1.1 people per vehicle, that means that the maximum number of people that a super efficient freeway can carry is about 6,000 people per hour. Compare that to an efficient train line, which can carry over 1,000 people in a train running every two minutes. That is 30,000 people per hour—five times as many as a three-lane freeway, for around the same cost. That train line takes up less space and the people travelling by train do not require as many parking spaces in highly valuable real estate in the centre of cities, where it cost upwards of $20,000 to build a single parking space.

This is at the heart of why public transport projects have higher benefit-cost ratios than comparable motorway projects. They are a more efficient way of carrying people. It is not just high-capacity trains where these efficiencies exist. Allocating a road lane to fast, frequent and reliable bus services is a much more efficient and effective way of shifting people on a busy road than adding an extra lane for cars. Where you have too many people to be efficiently carried by bus but not enough to justify heavy rail, that is where light rail really comes into its own, particularly because of how light rail can integrate into and enhance city life. Then we have the most efficient transport of all, which costs the least to provide per kilometre and where each person takes up the least space, and that is pathways for walking and cycling—footpaths, bike lanes on roads, shared paths and separate bike paths. You get at least 1,000 kilometres of bike path for the same cost as a single kilometre of tollway tunnel.

If we prioritise public transport, walking and cycling, we can create a fairer Australia. Not every job seeker or pensioner can afford to run a car. A lack of viable options means that it is difficult to get to a job interview or to be able to regularly visit friends and family. Many families do not have the luxury of a second car. If you live in the outer suburbs, one parent can be left stranded at home all day with no buses or trains to connect them. Creating viable options for people without cars makes the life of these Australians easier and more fulfilling.

Transport planners know this stuff. They look at transport patterns objectively and know the benefits of investing in public transport. They know that transport is a system of systems; to make these systems work well together in our growing cities, the most effective thing to do is to shift people out of their cars wherever possible and onto public transport, walking and cycling; and, by doing this, you will free up space on our roads for the traffic that needs to be there: freight vehicles, emergency vehicles, cars needed by people because of a disability and cars for journeys that are difficult to do efficiently on public transport, whether it is a family visiting Aunty Jenny with the kids or a tradie travelling across town for a job. Roads do have their uses. They are essential. It is just that, if we can shift enough journeys onto public
transport, walking and cycling, we will find we already have plenty of roads. Other than in new suburbs and towns, we genuinely do not need any more.

Transport planners know that, if you provide public transport which is fast, frequent, reliable, affordable and safe, people will use it. They know that, if you provide safe cycling facilities, people will use them; the biggest thing that puts people off cycling is not feeling safe; and the majority of journeys undertaken in Australia are of under five kilometres—very easily ridden by bike, even in the outer suburbs and in regional areas.

Health experts know the benefits of encouraging people to walk and ride—the huge benefits and contributions that these make to tackling the obesity and diabetes epidemics we are in the midst of, to reducing heart disease and to people's mental health. Those of us concerned about pollution in our cities and the carbon pollution which causes climate change know the benefits of getting people out of their fossil fuel powered cars and onto bikes and public transport powered by renewable energy. These are the benefits that this government is currently refusing to acknowledge, but something's got to give.

Under this government, we have heard a lot of talk about infrastructure. First we had the self-declared 'infrastructure Prime Minister', Tony Abbott, but we quickly learnt that 'infrastructure' meant nothing but tollways that were massively polluting, pushing the imbalance further in the direction of roads and doing very little to improve the lives of commuters. Even though Mr Abbott was partial to a bit of lycra, again and again the government rejected calls to fund anything that would encourage people to get on their bikes. This blinkered approach has cost us dearly.

Now we have selfie-loving Prime Minister Turnbull, who uses every opportunity he can to try and prove that he is one of the people by taking pictures on trains, trams and buses. But then we see announcements like we saw from the Minister for the Environment earlier this week. Although it included the Melbourne Metro Rail Project, their pie-in-the-sky wish list fell back on the old 'roads, roads and more roads' agenda, including a renewed commitment to building the East West toll road, a project that would return just 45c for every dollar spent. The former Prime Minister, Tony Abbott, described last year's Victorian state election as a referendum on the East West Link, and the result was resounding. Victorians rejected the project and the ideology it stood for, sending a message to us in this place that we need the kind of congestion-busting infrastructure that you can only get by giving people viable alternatives to driving.

The government's insistence on the East West toll road deliberately ignores the will of Victorians, and it is shameful that the current Prime Minister has continued Tony Abbott's desires. In a recent poll by Essential Research, 64 per cent of Victorians agreed that it was more important to expand public transport than to build new roads and freeways. In today's *Age*, Josh Gordon writes:

… the apparent attempt by Hunt to once again politicise the debate about infrastructure in a way that seems reminiscent of the Abbott era.

Gordon points out:

It is a backward step from Turnbull's encouraging promise to consider projects on their merit.

We have to move away from this current path.
Under the Abbott-Turnbull government, despite all their talk, public investment in infrastructure has fallen. At the same time, private investment has fallen sharply as the mining boom tapers off. We must do all we can to lift this spending, and it must be targeted to the projects that are value for money and do not simply end up increasing congestion. This means getting away from the idea that you can simply build more roads in order to ease congestion. That just encourages more people to drive. It is like putting a bucket under a dripping tap: it is not going to fix the leak and eventually the bucket will be filled to the brim. What we have to do is fix the leak. Building more fast, frequent, reliable, affordable and safe public transport options will get more cars off the roads, freeing them up for those who need them the most. If we provide safe and accessible facilities for people to ride their bikes, more people will cycle, but first we have to make a serious investment in this vital infrastructure.

Despite the rhetoric from the government, the reality is that Australia has low debt levels and has the capacity to borrow. Economist Saul Eslake recently told a Senate committee that Australia could borrow $50 billion without affecting our triple-A credit rating. I say: let's get to it. The private sector has funds available, too, but the government either is not ready to attract them or cannot package it up and de-risk.

If we get this right, we can shape our transport systems to meet the demands of the 21st century. The old-style thinking we have come to expect from this government is completely unsustainable. The rest of the world is realising the limitations of economies based on the finite resources of coal, gas and oil. A confident Australia would look beyond the old way of thinking, it would move away from bandaid fixes like road projects that end up becoming rats' nests and it would look at doing things that work for people rather than for the big corporations that are so often pushing their own interests. This means game-changing projects like the Melbourne Metro Rail Project, but it also means a willingness to focus on the smaller projects that might not get a big space in the papers but are value for money and greatly enhance the efficiency of our communities. These projects include bus lanes and services, signalling upgrades, off-road bike paths and duplicating arterial roads in growth suburbs, where roads that were once country lanes are now carrying thousands of cars every day.

But let us not be under any illusion that simply voting the coalition out will change anything. Labor talk big on public transport, but in practice we are not currently seeing a commitment to prioritising public transport. Under the Victorian Labor government, road solutions keep rising to the surface—the widening of the Tullamarine Freeway instead of airport rail; the Western Distributor instead of the port rail shuttle. In Sydney, the Liberal government are ploughing ahead with the WestConnex motorway. But, despite the secrecy and despite all the problems identified by Infrastructure Australia, Labor plan to go ahead with their own version of the WestConnex project. Yes, Labor support spending billions on WestConnex, when the huge gap—the area most crying out for funding and the No. 1 priority—is in public transport. Every dollar that is spent on a new motorway is a dollar not being spent on the public transport that will really make a difference to congestion.

Under both major parties, the roads always seem to come first and the public transport gets delivered decades after it is needed—if ever. Roads are easy to build and cut ribbons for. Public transport requires long-range foresight. It requires commitment and priority. This is the vision that the Greens are committed to. We have already suffered two years of this anti-public transport agenda. We can put this behind us, but we must not hesitate to make up for
lost time. Let us not forget the people we represent in this place. Commuters around the country are waiting—they are waiting for their bus in the morning, they are waiting for their loved ones to come home, and they are waiting for our transport system to be fixed once and for all. I call upon this government and I call upon all parties to work with the community for change so that we can finally achieve what we have all been waiting for.

Senator O'NEILL (New South Wales) (17:16): I rise with considerable joy to speak on this motion. If my father were here, God rest him, he would be delighted that I am talking about infrastructure, because photos of my family life are very much punctuated by images of the sort of machinery that builds roads and developed this country. I love roads. I love infrastructure. I love the Harbour Bridge and what it says about a great nation's infrastructure vision. I am very proud to say that my brothers continue in the tradition of working in the construction sector. They are still building great roads right across the state of New South Wales and employing a lot of people, including themselves, in the construction industry.

I want to comment on a couple of comments that have preceded my contribution today. The first was a comment by Senator Fawcett. He said, 'just recently,' talking about a shift in the attitude of those opposite towards public transport. There has been a change at the leadership level, and I suppose it may get rid of Tony Abbott's backward view about everything public. He tried to get rid of public education by cutting the Gonski money and $30 billion out of education. He also decided that he did not like public transport, so any investment in public transport was simply something that the government refused to have anything to do with. That leads me to comments in the closing section of Senator Rice's contribution this afternoon. I am sure that, on reflection, she that probably did not mean this, but she said that roads are easy to build. I spent one summer as I finished school doing sort of quantity management support on the construction of a road in the Campbelltown region. I can tell you for a fact and from firsthand experience that building roads is anything but easy. It takes an incredible amount of careful planning. It is a significant investment that is of great value to this country.

I take the opportunity this afternoon to acknowledge all of those men and women who are working in the construction industry, building the infrastructure of this nation and improving our lot. I am sure that when they take their children for drives on a Sunday or when they are heading off on holidays, they will do exactly what my Irish father did when he drove us up what is now called the F3 but was, at that point in time, the Pacific Highway—marvel at the engineering, marvel at the imagination and marvel of the hard work that created those pathways. He revealed to all of us, as we drove along, the beauty of the great sandstone that is so remarked upon by visitors who take that exit out of Sydney and come to the Central Coast. I acknowledge all the workers. I acknowledge the hard work that goes into infrastructure.

I want to put on the record today, sadly, not any great championing by this government of a vision for the future but rather that this government has a miserly view of what is possible. That is why the debate that we are having this afternoon is so important. There was a 20 per cent fall in public sector infrastructure spending under the coalition federal government. The Turnbull government needs to catch up on two lost years of support for public transport projects. We have quarterly figures released on 30 September by none other than the Australian Bureau of Statistics. The figures tell the truth that this government will to try run from. The truth is that investment in infrastructure is in free fall under this government. We
know that engineering work and infrastructure work being completed for the public sector was 20.1 per cent lower in the June quarter of 2015 compared to the last quarter of the Labor government in the 2013. That is because Labor was absolutely in the business of building, had a vision for the nation, and made sure that projects that for so long had been pushed to the backburners were advanced and delivered with the money and the capacity to move forward.

I want to go to one of those particular projects that are of great importance to the people of New South Wales. I have already mentioned early work on Pacific Highway, which snakes its way north of Sydney. We know that that road's continued development has been a critical part of enabling the advancement of all of those communities up and down the coast and also of improving the capacity of this country to move product around and increase our productivity.

We know that, under the Abbott government, the Pacific Highway saw a really significant decline in investment. In Labor's last year in office, $1 billion was invested as part of a $7.6 billion commitment. But in this government's budget, they committed to spend just $672 million for the 2015-16 financial year. There is a big difference there of $400 million. It is a big difference in terms of a commitment to keeping the project of the Pacific Highway underway.

I would like to go through a number of projects in New South Wales that have been subject to the 'Oh, just in case you weren't watching, let's see if we can get away with it' strategy of this government where they pretend that they are funding projects, that they are delivering projects and that they had a vision for projects. This is an absolutely false pretence. In New South Wales, we have the Pacific Highway where $7.9 billion was invested by the Labor government: the Tintenbar to Ewingsdale development and the Devil's Pulpit upgrade. That was a pretty good one. That was going. Things were going along well. It was already announced. But that was not good enough for this government. They re-announced that in a pretence that it was their announcement on 21 March 2014. They must have enjoyed the experience because they have continued the trend. They have continued the deception that they actually had a vision of any kind.

Woolgoolga to Ballina was re-announced on 17 September. They really like this bit of road because they also re-announced it on 22 September and then went back for a fourth bite at the cherry on 28 April in 2015. While traveling up and down the Pacific Highway, making themselves seen in the local newspapers, no doubt, they re-announced the Sapphire to Woolgoolga upgrade. On a roll, the next one they announced was the Nambucca Heads to Urunga upgrade. It was re-announced on 26 March this year. The Warrell Creek to Nambucca Heads upgrade re-announcement was on 1 April 2014. The Frederickton to Eungai upgrade was re-announced as well. The Kundabung to Kempsey upgrade was re-announced on 26 March. And the Oxley Highway to Kundabung upgrade was re-announced on 8 January 2014.

That is only halfway down the list of the disgraceful practice of this government of pretending that this is their vision for the country. I tell you whose vision it is. It was Labor's vision to invest in infrastructure that delivered this money.

**Senator Ian Macdonald:** Don't make me laugh!

**Senator O'NEILL:** The senator on the other side there may well laugh.

**The ACTING DEPUTY PRESIDENT (Senator Edwards):** Order! Senator O'Neill, address your comments through the chair, please. It is disorderly to interject.
Senator O'NEILL: Senator Macdonald is laughing over there. I think it is a way to try and cover his personal embarrassment. Here we are at a point in time in our economic cycle when all of the experts are saying that this is a golden opportunity. There has never been a better opportunity in my lifetime to secure government bonds to invest in infrastructure than right at this moment—a moment when mining and the production phase is kicking in after the construction phase. We are going to a very different part of our economic journey. It is an opportunity for this government to lead and to get things going; but, instead, we see them playing some facile PR game, driving up and down the Pacific Highway, which was long ago funded by Labor to the tune of $7.9 billion, and pretending that they are actually doing anything. What I am really concerned about—

Senator Canavan interjecting—

The ACTING DEPUTY PRESIDENT: Senator O'Neill, resume your seat. Senator O'Neill.

Senator O'NEILL: Thank you. If I can come to the rest of these projects. The M4 to M5 extension was $1.8 billion. This one did not just get a re-announcement. This one was so important that it got a new name. This one got the real PR treatment. It got turned into WestConnex on 19 September. The F3 to M2 missing link, which is one that I really do want to pay a little bit of attention to, was $405 million. It was re-announced as if it were a new project on 15 March 2014. That piece of road matters to hundreds of thousands of people who move across the northern part of Sydney and from the Central Coast—a beautiful part of the country in which I get to reside and have lived for 30 years now. It is an amazing road that connects Sydney to the north, but the connection to the other major roads in Sydney has been a very big problem for those hundreds of thousands of people who get caught in that bottleneck. It was Labor that led with this project. It was Labor that negotiated with the state O'Farrell Liberal government to get a joint commitment and for $405 million to be committed by our federal government in that last parliament, under Julia Gillard. She announced it at Kariong, at the top of the hill as you enter into Gosford, with then Minister Albanese, to make sure that the people of the Central Coast, who have long suffered the bottleneck at the end of that freeway, have into the future a wonderful, modern piece of infrastructure that will improve the productivity of all of the businesses that use that connection but also improve the lives of all of those who work in Sydney whether by choice or by design and are seeking a good run home to get back to their families.

The re-announcements continued with the Hunter Expressway, $1.5 billion, and opened by Warren Truss on 21 March 2014. Labor delivered it. The F5 at Campbelltown was $93 million. Greater Western Highway was $300 million and re-announced by this lot on 10 July. And so it goes on and on and on. I really wanted to labour the point somewhat—

Senator Ian Macdonald: You are.

Senator O'NEILL: to make it understood to the people who might not be listening to the parliament every day, Senator, that the reality is that these projects that were invested in by Labor, created by Labor—happily some of them are continuing but many of them have been reduced in funding—are a vital part of our infrastructure.

Why does all of this matter right now? I alluded in my comments to the reality that construction activity is declining in the resource sector and there is a natural fit for jobs
coming out of the resource sector to move into the infrastructure sector to do the job rather
than the private mining companies to help build the vision for Australia's future. I often heard
about the experience and the pride with which my father spoke about the work on the
Bradfield Highway approaching the Harbour Bridge. To be part of building the nation is
something that all people who have worked in construction, whether it is rail or whether it is
road, find an edifying dimension to their working life.

Tony Abbott's decision to call himself the 'infrastructure Prime Minister' was an absolute
joke. The only thing he really constructed, I suppose, was a great big hole for himself. He has
also left a hole in the investment infrastructure that should have been going on. That hole
could be attended to by the new Prime Minister. This is a challenge. He has an opportunity to
do something new to reset the course. He could immediately restore the $4.5 billion cut from
public transport projects. The projects that have suffered under the Liberal government are the
Melbourne Metro, Brisbane's Cross River Rail link and Adelaide's Gawler line electrification.
Also, another $500 million had been allocated by the former Labor government for heavy and
light rail projects in Perth. That is a practical way that they could do something new and do
something that would be different from the Abbott government.

Mr Turnbull loves to tweet those photos of himself—Malcolm the rider of the Sydney train
network. Let us see if he has the determination for and the general appeal of rail under his
belt. It is not just about Malcolm in the pictures; it is about the hard work, the resources, the
materials and the people who need to build these critical rail projects in Melbourne, Brisbane,
Adelaide and Perth. All of these projects were funded in Labor's federal budget. It was a
choice by this government to remove them from our vision for the country.

The role of Infrastructure Australia in the former government in determining critical
projects that were to be developed in the interests of the nation was a very significant change
in the way public policy was being developed and the way in which infrastructure was
planned to be delivered. As Senator Rice said, whether these projects are rail, which she
acknowledged took a lot of time to plan, or road, which from my experience absolutely takes
a lot of time in planning, you need to have a body that can look at the value of these projects,
ensure that they are great value for the country and go ahead and make them happen. I found
it amazing that Minister Albanese in the former government was the first infrastructure
minister for the entire country and that historically things had been developed in such a
haphazard way without that oversight. Since Mr Abbott came to power, the power of
Infrastructure Australia to be an independent body that could talk about vision and ensure
continuity across a range of different governments has been completely undermined. I think
that is a great shame. Shame on this government, shame on Tony Abbott and his ministry, in
whatever form it was, for making that decision. Again, there is an opportunity for the new-
look Liberals and Mr Turnbull to do something about restoring the integrity and independence
of Infrastructure Australia.

It is important to put on the record the very different view that Labor has about building for
our future. Recently, Labor made a very big announcement regarding federal infrastructure
and financing. That included getting moving very significant public transport projects in
Sydney, Melbourne, Brisbane, Adelaide, Perth and the Gold Coast. For the great state of New
South Wales, that I represent in this amazing parliament of our nation, the plan to link the
west and the southern lines is a very significant decision; it is a very significant vision. People
who are looking to get to work from as far away as the Central Coast and Newcastle will have a massive number of job opportunities opened up to them by that infrastructure. Labor has a vision for the west of Sydney. Labor has a vision of making it possible for workers to get to where they need to go in a reasonable amount of time rather than the current gridlock that is the life of so many people who work and live in the regions where I grew up—in Blacktown, Seven Hills, Toongabbie and the west, in Campbelltown, Camden, Narellan and all of the areas in the south-west of Sydney, and in the north on the Central Coast. This is a vision about making connections between all of those communities possible with the jobs growth that will naturally grow from that investment.

Labor will elevate Infrastructure Australia to be an active participant in the infrastructure market. We will mobilise private sector finance. We have determined that a transformation of the way in which infrastructure in Australia is funded is required. Infrastructure Australia has the potential under a Labor government to unlock tens of billions of dollars in capital investment for critical projects that every single state needs and, by doing so, create tens of thousands of jobs. That money will surface into the private market from what Labor built.

Another amazing piece of infrastructure of a different kind is the superannuation savings of this nation—an infrastructure for a dignified retirement for all Australians. With that $1.8 trillion that we have that is going to continue to grow, there is an opportunity for Australians, investing in themselves and their future, to have their superannuation funds invest in building infrastructure on the ground in this nation—rail, roads and ports. We can do that. We can do that because Labor had a vision and Labor delivered that vision. All the way those opposite resisted and said it would be impossible. They said businesses would fail across the country. They said the whole show would fall over. They said superannuation would never work. But here we are 30 years down the track with an entire capacity to build this nation on the back of Australia's savings by investing in ourselves and investing in our future.

There is a massive contrast between this government and Labor's capacity to see a vision for the future, to pull Australians together and to deliver a vision for the future that is rich, enabling and shared—advantaging all Australians. Labor absolutely is responsible for establishing of Infrastructure Australia. We need this nation-building body to make sure that we can get on with the job across periods of government—sadly, when the Liberals might be in charge. Without that independence, the future of this country is at risk from those who will just take the money and prop things up in certain spots where they want or, perhaps, do as Abbott did and completely remove funding from public rail.

Senator IAN MACDONALD (Queensland) (17:37): Where oh where do Labor Party troglodyte senators live? Clearly, blindfolded, with earplugs in, in the deepest, darkest cave in Australia in a permanent midnight if they have not heard, since the advent of the coalition government, of all the plans—not just plans, but funded plans for infrastructure in Australia. They must have been completely out of this world if they were not aware—and they would be the only Australians who were not—of the massive funding and vision for infrastructure in our country.

Before Senator O'Neill leaves I want her to tell me, 'Where is this Parramatta-Epping railway line that the Labor Party's then state Labor Premier Kristina Keneally and then federal Prime Minister Julia Gillard announced with a $2.6 billion fund to build?' I understand that there was no work done on it, no plans were drawn, no engineering consideration given and
certainly there was no finance obtained. But the Labor Party announced $2.6 billion for the Parramatta-Epping rail connection, which, of course, was always fantasy.

Have a look at Victoria, where the coalition government actually provided the money, billions and billions of dollars, for the East West Link to the Victorian government, which was then a Liberal government, which would have built that link using principally federal money. Then the Labor Party came along and said, 'We don't want the money for that major piece of infrastructure in Victoria.' The Labor Party is all talk and no action when it comes to infrastructure spending.

Mr Acting Deputy President Edwards, I will in my time for this contribution go through some of the projects that have been funded, including, I understand, some $41 million for the electrification of the Adelaide to Gawler railway line in your home state of South Australia. All we need is the state Labor government to provide some matching funds, but to date there is no word from the state Labor government at all. You hear people, like the former speaker, saying how keen Labor are on infrastructure, but when you come to the facts, have a look at them. There is the East West Link in Victoria, the rail project that I just mentioned in Adelaide and the Parramatta-Epping railway. They are very good on the talk and very good at making announcements. On the Parramatta-Epping railway we had then Labor Premier Keneally and Labor Prime Minister Gillard on the railway platform. There was great fanfare and TV cameras everywhere when they announced the $2.6 billion, but nothing has been done, nothing from the Labor Party.

I will take you back in a little history lesson, Mr Acting Deputy President, to the really big infrastructure projects in Australia such as the Snowy Mountains Scheme and the Ord River Dam. In more recent times there is the Adelaide to Darwin railway, or the Alice Springs to Darwin railway. Who were they funded and conceived by? Liberal-National Party governments of the past. Every single, major infrastructure investment in our country, since almost the Commonwealth was created, has been done on the vision of coalition governments.

The former speaker said that the last Labor federal government had funded infrastructure in Labor budgets. We all know, of course, that Labor funded absolutely nothing in its budgets. All they funded were additional blowouts in the deficit. They did not fund a thing. They just borrowed more money from overseas, which we are still trying to pay off. They were borrowings that would have reached $700 billion if the government had not changed in 2013. That is Labor's record of funding things in the budget. You have a thought bubble, you go overseas, borrow some money and let our grandkids and great grandkids pay for it later on. It is just ludicrous and laughable. I am afraid I could not help myself from laughing during the previous senators contribution when she said that Labor funded these things in the budget. Labor funded nothing in any budget they have ever brought down.

I will become a little more recently relevant. Just three or four days ago Prime Minister Turnbull went to my state of Queensland and announced an additional $95 million for the Gold Coast Light Rail project. What a wonderful, visionary investment in Australia in that announcement. Where was Senator Moore and where was the previous speaker when those announcements were being made? Where were those Labor senators and all the rest of their troglodyte team—and I use the word 'troglodyte' advisedly—because they must have been out of this world? Where were they when the Northern Australian white paper was announced?
These were not just announcements. These were announcements supported by funding in the 2015 budget.

It will take me a long time to go through the many infrastructure projects proposed by the coalition government. It would take me hours to simply go through them, but I will mention just a few. There is $100 million for a new Beef Roads Program. Those who are as old as me may remember that during the Fraser-McEwen government—or it might have been even before that—we had a wonderful Beef Roads Scheme in Australia that fell into disrepair, or unfunding, over the years. But it has been rejuvenated with this commitment of $100 million for beef roads just in northern Australia.

In the last budget, $600 million was announced for a priority roads program in the north. At the same time, $8.5 billion was budgeted for the Bruce Highway in my own state of Queensland. I am being a bit parochial here; I am talking about only Queensland or northern Australian road projects. But $8.5 billion has been budgeted and the Labor Party say that there is nothing being spent on public infrastructure. There is the $500 million Black Spot Program, which was first initiated by the Howard government. The Labor government put it on the backburner during those horrible six years. But it has been rejuvenated again by the Abbott and Turnbull governments with a new $500 million Black Spot Program. There is also the new $200 million heavy vehicle program and the $300 million Bridges Renewal Program, and so the list goes on.

That is not all; there is more. There is much, much more. Can I just remind Labor senators, who must have been digging that cave so they could not hear all the good news, of the announcement in the northern Australian white paper and in the last budget of a $5 billion concessional infrastructure loan scheme under the northern Australian infrastructure fund. That is not a grant scheme; it is a concessional loan scheme. It will encourage other money, not just taxpayers' money, into major infrastructure projects. I know personally of many people, institutions and companies that have already approached the government with plans to build public infrastructure if they can access some of this $5 billion concessional loans infrastructure fund. That is a clever way of getting funding into infrastructure.

The Labor Party will promise taxpayers' money—they will never deliver, but they will promise—whereas coalition governments actually have clever business and commercial-like ways of achieving public and private investment into infrastructure, which is all good for Australia and increases our productivity and, accordingly, increases the standard of living for all Australians. The money that the coalition government has committed has been ledgered and it is not just promises.

I live in a place called Ayr in North Queensland and my office is in Townsville, about 100 kilometres north. I drive up the Bruce Highway for a day in the office. I got annoyed over the last six months or so because everywhere I went along the Bruce Highway between Ayr and Townsville there were stop signs and road gangs. I had to detour because there was just so much work being done on the Bruce Highway. I have to give all congratulations to the Commonwealth and the Queensland government—this was mainly funded in the time of the Newman government in Queensland—for the work they have done from Vantassel Street through to the major ring-road around Townsville. I know that section of the road well because during the road construction over the past year or so I was detoured, I was stopped and I had to wait for 10 minutes at a time.
The ring-road around Townsville was built by the Howard government. It is a massive piece of infrastructure that now completely ring-roads the growing and expanding city of Townsville. It is a marvellous piece of engineering excellence and it is all there to make it easier to get goods and services, people, cattle and livestock between one place and another, improving our productivity. It used to take me an hour and a bit to get from Ayr to Townsville, but since these new roads have been constructed—and in the places where there are not four lanes, there are now overtaking lanes every five to 10 kilometres—it has cut my driving time from Ayr to Townsville by about 10 minutes. So even in my own situation, thanks to the Howard, Newman and most recently Abbott and Turnbull governments, my productivity has increased because I am spending less time on the road getting to work.

The same happens right around Australia. The same would have happened in Melbourne had the state Labor government accepted the Commonwealth money and built the proposed East West Link. It would have meant huge increases in productivity and gains for the people of the city of Melbourne. But what did Labor do? They rejected it. They knocked it back. They do not want to build it. Why? I suppose it is because the Greens, as always, said to them, 'Hey, brother, you are only in government because of our preferences. We don't like this, so pull that. Otherwise, we won't support you and you won't still be in government.' That is the way it worked. That is why this country has languished when Labor governments are in power. They are simply captives of the crazy people on the left of the Greens political party.

So far I have only been talking about roads, but infrastructure involves much more than roads. That is why in the last federal budget the coalition government announced additional funding for remote airstrips. This is very important public infrastructure in more remote parts of Australia. The coalition government also announced a major infrastructure fund of $500 million—something Labor would never be able to do because of their Greens connections—to assist with water storage and water infrastructure projects. A lot of that will go to northern Australia but it will also go right around Australia. Labor have never been game to build dams or water storages anywhere, because the Greens do not like it and Labor are always only in power thanks to the preferences of the Greens. The Greens political party know how to get the best bang for their buck in second preferences.

Under the coalition government, $200 million has been put aside to assist, first of all, with feasibility studies, with business cases, with environmental studies, with preliminary engineering work on dams right across Australia. In the northern Australia white paper, a couple of dams were mentioned only as an example—the Nullinga dam behind Cairns and extensions to the Ord River dam in the Northern Territory and Western Australia—but there are many more than those two that will be looked at. That $200 million will not go far if you start building dams, but it will provide a government incentive to those investors around the world who are keen to invest in Australia in productive assets like dams, water storages, weirs and irrigation proposals that will allow us to increase our primary production to meet the burgeoning middle-class demand from Asia that is approaching us. So it is not just roads; it is dams, airstrips and things like—I have to be careful in mentioning too many others because I am privy to some other private industry desires to start construction in two months time, once they can work with the government with this concessional loan scheme to build public infrastructure that will continue to increase Australia's productivity and increase our
relevance, importance and accessibility as a tourist destination for visitors from North America and Asia.

The infrastructure that will be built will be built a lot by the budgeting expertise of the coalition government but also by the clever way the coalition will attract private investment—

**Senator Ludlam:** With a slush fund, a $5 million slush fund.

**Senator IAN MACDONALD:** What would you expect from the Greens political party. Here we have a wonderful proposal for Australia not only to use taxpayers’ money but to encourage investment in public infrastructure from around the world and the Greens call that a slush fund. They are obviously talking about Mr Graeme Wood and the biggest ever political donation given to any political party in Australia's history—that is, the $1.6 million given to the Greens political party. That is a slush fund, Senator Ludlam. It is a slush fund particularly when it comes with no demands. But, remember that, at the same time, the Greens political party were moving to get tax exemption for online newspapers. That was being proposed by whom? It was none other than Mr Graeme Wood. What a surprise! A $1.6 million donation to the Greens and, 'Hang on, we might get some tax deductibility for this online newspaper effort we are proposing.'

I have been distracted by the interjections from the Greens political party, but in the time remaining I want to emphasise that this is a government which is serious about infrastructure, not like the Labor Party. You do not get up on a railway platform and promise $2.6 billion before an election and then do absolutely nothing with it. In fact, there was never any intention to do anything with it; it was just words. This government has actually promised, announced, identified and actually funded in the last budget and in budgets to come real infrastructure improvement in Australia, and it will be supported not just by the taxpayers but by investors very keen to come into our country and build the productivity base of this nation.

**Senator LUDLAM** (Western Australia—Co-Deputy Leader of the Australian Greens) (17:57): In the very brief time that is available to me, I want to put some thoughts on the record about how in Western Australia we experienced the former Prime Minister's commitment to be the infrastructure Prime Minister, because with one hand he took away and with the other he gave. That was the sort of person that he was. He took away $500 million that had been committed by the previous government after a seven-year campaign not just by the Greens, although we were certainly part of it, but by local government, public transport advocates like Professor Peter Newman and people right across the Perth metropolitan area who wanted the Perth light rail project. To his credit, Premier Colin Barnett put a small but very capable project team together and that project was known as MAX and was on the rails.

Former Prime Minister Abbott killed it stone dead at the point when he arrived and started to call himself the infrastructure Prime Minister. So as rapidly as he stood down the half billion dollars worth of rail funding for Perth, a thought bubble suddenly appeared for $925 million being committed to the Perth Freight Link, a road that nobody wants, that does not go anywhere and that is, in fact, being fought very successfully by a spirited and growing community campaign and now has the project approvals by the Western Australian EPA tied down in the Supreme Court on a number of grounds. More than 1,100 people have signed the Save Beeliar Wetlands pledge, a direct action pledge to stand in the way, in front of machinery, if necessary, if they try to bulldoze—
Senator Ian Macdonald: Stopping infrastructure.

Senator Ludlam: That is correct: stopping a four-lane freeway through a wetland. It is not all bad news, despite the campaign gaining in strength. I actually think this is one area where, maybe, I am going to set my cynicism aside and suspect that perhaps the new Prime Minister does have a different view of infrastructure. The Senate inquiry into the Perth Freight Link sat last week and, to their credit, it featured Senators Back and Reynolds from the coalition—but not the Western Australian government, who could not be bothered turning up—and, along with Senator Sterle and myself, we heard evidence that the outer harbour to the southern suburbs of Perth may, in fact, be the solution we are looking for. We can get a dedicated freight solution for Perth's growing needs. I hope that Prime Minister Malcolm Turnbull is listening to the evidence, as his senators did, so that we can actually get a genuine freight solution for Perth.

The President: It being 6pm, the time for the debate has expired.

DOCUMENTS

Consideration

The government documents tabled today and general business orders of the day relating to government documents were called on but no motion was moved.

COMMITTEES

Select Committee on the Regional Processing Centre in Nauru

Report

Senator Ian Macdonald (Queensland) (18:01): This report on recent allegations relating to conditions and circumstances at the regional processing centre in Nauru was by a select committee. It was specifically set up in this chamber with the Labor Party and the Greens political party and one or two crossbench senators, and the Labor Party and the Greens, of course, had a majority of senators.

I was not able to get to those hearings. I would have participated because I have been involved in similar hearings in estimates and in other committees that the Greens and the Labor Party keep raising, but I could not go. They were set up on days when coalition senators in the main were not available so, by and large, there were some coalition senators there for some of the hearings, but most of the hearings proceeded without the coalition senators in attendance, which meant that the usual suspects all came along and got the usual Dorothy Dixler questions from Senator Hanson-Young and from a couple of senators in the Labor Party.

The select committee produced a report. It was a report that did not really disclose anything new. It just reconfirmed that the offshore processing centres in Nauru and at Manus Island were actually processing centres set up by the Rudd Labor government. For some reason, the Labor Party set the inquiry up—suddenly they were now very keen on inquiries—to attack these processing centres that they themselves set up. From evidence given, I assume at this inquiry—as I said, I was not there—they went through the same processes, the same inquiries, the same questions as in any number of other Senate inquiries and got all the answers. The answers were from officials who were around in Mr Rudd's time.
The reason these processing centres were set up so poorly was first of all because the Rudd government dismantled what the Howard government had set up six years previously. And then right at the death, just before the election, Mr Rudd had this thought bubble that if he wanted to try and save the election he would have to do something about that tens of thousands of people illegally coming to Australia. So he eventually, after six years of being told by the coalition what he should do, decided that he would set up these detention centres. Of course it was done in such a rush that the officials charged with setting up those processing centres had no time to do them properly or to get the right processes in place, to get the right people in place. It was all done in a rush just to try and save the Labor Party's bacon before the 2013 election.

The consequences of the way those centres were set up are what you are seeing in the headlines now. They are not consequences of what is happening now; they are consequences of the way these were set up by the Labor Party with, I might say, the support of the Greens political party—not particularly on that issue and I do take that point Senator Hanson-Young always makes. It was the Greens political party that kept the Labor Party in government for long enough to do these sorts of things. They were not set up terribly well. There were problems but that was all because this was done as a thought bubble just before the last election in a political attempt to save the political hide of the then Rudd-Gillard-Rudd government.

We have this report. Senator Gallacher, who has just come into the chamber, was the chairman of that committee. They spent a lot of taxpayers' money, a lot of senators' time. They had witnesses travelling all around the country to come in and give the same-old same-old story that we have heard so many times before. As a result of the inquiry, what were the recommendations? Nothing that made any sense. What were the new discoveries that the two or three inquiries that had been set up to be conducted by people who knew what they were doing, people who understand how to fully investigate matters could not discover? The Nauruan police looked into these matters but, no, this committee sitting in Australia thought they could do better. As their report showed, they could not and there was very little real evidence of the sorts of things they had been complaining about.

But it does not stop there. The select committee, having spent all that time and money, could not get through, did not get the answers they wanted, could not quite connect their political rhetoric with the coalition government. They could connect it with the Rudd government, but that did not suit them. Having been incompetent enough not to have an inquiry that got some results, what did they do? They moved in the chamber this week to set up yet another inquiry into exactly the same matters being investigated by the Labor Party and Greens inspired additional committee reference into this particular matter.

Some of what happens in Nauru and Manus is sad. I understand not a lot of evidence has been extracted that supports a lot of the outlandish claims that have been made, but clearly things are not all A-1 in those processing centres. Again I emphasise to those who might be listening that that is solely as a result of the Labor Party government setting those up without proper consultation, process and planning. But for the umpteenth time a Senate inquiry is going to inquire into the same issues.

Senator Gallacher will say there have not been umpteen inquiries. If he had been at the estimates committee, which he does not attend, he would see that these questions come up all
the time. We go through all of these. We question the department. We question the police. We question immigration officials. We have done that each estimates committees since this coalition government came into power.

We question the Australian Human Rights Commission, who had a great concern. Remember? They had a great concern when the coalition government took over: there were 200 kids in detention. The Human Rights Commission had this great concern which the Labor Party asked all these questions about. Two hundred children in detention is 200 too many, I agree, but when the Labor Party were in charge there were 2,000 children in detention, and did the Human Rights Commission raise an objection then? Did they set up an inquiry then? No, they did not. They waited for the change of government, when the Abbott government, had got 1,800 kids out of detention that the Labor Party had in detention. There were only 200 children left and there were reasons for that which have been explained at estimates committees, and the Human Rights Commission suddenly set up this major inquiry.

It has been addressed time and time again in estimates committees, this select committee and in another committee that has looked at the same matter. The Labor Party and Greens cannot get the smoking gun they are trying to put on the coalition government; they keep hitting a mirror and it keeps bouncing back onto the Rudd-Gillard-Rudd government, who were the real culprits in this.

Not satisfied with wasting taxpayers' money and the Senate's time on all those inquiries, they set up another inquiry this week, so we are going to go through the whole process again. Do you know when the reporting date is? It is in December 2016. As one of the members has said publicly, that is after the next election. What a farce it makes of the Senate committee system when you have this urgent inquiry—yet another one into Manus Island—but the reporting date for the committee is after the next election. What a farce—and what a blight these sorts of political inquiries are on the reputation of the once highly regarded Senate committee system.

**Senator GALLACHER** (South Australia) (18:11): I also rise to take note of this report. I think Senator Macdonald's contribution has officially confirmed that he has lost the plot. I think it is a great pity for a senator of his standing not to understand that the select committees and the standing committees are to review government performance. I do not resile from the fact that part of the review we encompassed touched on actions of a Labor government. In fact, I think that is absolutely part of the process that should be undertaken by the Senate and the great institution that is its committee system. If we need to be critical of a Labor minister or a Labor Prime Minister then that is what I would do as the chair of that committee if the evidence were critical of a decision made at that time and there were enough cross-examination and corroborating evidence for you to draw the conclusion. That is your job as a senator.

I absolutely reject the allegations that this was a partisan political witch hunt. I absolutely reject that we actively sought to have meetings when people were not available. That is not how the committee system works—unless it works like that on Senator Macdonald's committee. I have been on about seven committees, including a couple of joint committees, and I have found them very considered in the way they approach quorum and attendance. The only problem with the Nauru select committee and attendance was that the Senate's resolution prescribing a reporting date was taken after people had made plans. I do not want to get into
the detail of those plans; there were plans on the Labor side, on the Liberal side and on the Greens side. But the cooperative people on the committee sought to address that and come up with hearing dates in Canberra. We did not fly people all around the country as Senator Macdonald has alleged. We had hearings in Canberra and we had witnesses come to Canberra of their own volition. A lot of those people paid. There were a couple of people who made the appropriate inquiries and applications for reimbursement and very modest amounts were reimbursed. But there was no flying around the country. Hearings were conducted in Canberra.

With regard to the allegations he made, I did ask you in a point of order the other week, Mr President, where I took it if he was making an allegation which I believe was totally inaccurate and approaching a lie with absolutely creative mendacity. You said I needed to take it into another forum. I presume that this is the forum I take it to, and we will have to continue to do this for the rest of the year, and perhaps into next year, until such time as we get some agreement. It is not fair to the secretariat staff—who work very hard—or to the Labor contributors, the Greens contributors or the Liberal contributors. Senator Macdonald is not a member of the committee. He seems to be a great authority on the committee, but he can only have second-hand information about how that committee operated, how it met, when it met and what costs it incurred. He was not there for any of the deliberations or the discussions. He decries the work of the committee. He says that it has all been done before and that, anyway, it was Labor's fault. It was a select committee that was set up with a very tight time frame. It did an incredible amount of work. It produced a report with a number of recommendations; the minister went from rejecting those to stating that he would consider them. It achieved some international publicity. It was even mentioned in The New York Times, and it received some media in the BBC World News in London. To be dismissed out of hand as just a bipartisan witch-hunt, cobbled together quickly and regurgitating old facts is not the way it was treated by participants in the inquiry and by news outlets.

Senator Macdonald has his view of the world, and every Thursday he will come down here and regurgitate it. Every Thursday he will regurgitate it because he has four people driving home to Townsville, or wherever, who listen to it, and he gets his regular slot of vitriol, venom, inaccuracies and mendacious behaviour—every Thursday he comes down and gives it a blast.

As a result of the evidence received and the concerns expressed, one of the select committee's recommendations was not that there be a new inquiry but that there be a venue for the genuine matters raised and not addressed in the report. If people need to raise issues about children being in harm's way or about Australia having control over these people, who are not able to access a legal system or a health system that resembles Australia's and who are not able to access the care and protection that we afford people in our custody, then there is an avenue for those people to bring them forward. The Senate has just passed a resolution, opening the door so that, if there are continuing allegations and continuing problems, these matters can be addressed. I know that does not please Senator Macdonald, but I think it is appropriate that the standing committee, which would normally have carriage of this matter, picks it up after the select committee has finished. I think that is an appropriate process to be followed.
I am not sure why Senator Macdonald would make the tremendous allegations that it would be a waste of taxpayers' money, that it would be regurgitating events and taking evidence all over again. Clearly, as Chair of the Legal and Constitutional Affairs Legislation Committee, he knows that the legal and cons committee is the committee it should have been recommended to had it not gone to the select committee. I do not understand why he has so much vitriol and anger about this, because I think it is part and parcel of the normal work of the Senate. As one of the longstanding members of the Senate, I thought it would have been his bread and butter to review the government. I have seen Senator Macdonald in committee taking the finance minister to task—asking questions about legislation and how it would affect people—and doing a sterling job as a senator, in a totally non-partisan way. He took a view and he had his own finance minister there, in committee.

I do not understand why there is so much vitriol about this particular subject. We have people in our care, in custody, who are in foreign jurisdictions, and we cannot absolve ourselves of that responsibility. Having a venue where we can be notified of problems, and having a senator of such great longstanding as Senator Macdonald on that committee I thought would have been a benefit. If there were any of the behaviour that he is alleging in this chamber, he could raise it at the committee level and perhaps do something about it rather than waiting until Thursday afternoon and spouting the same speech, the same vitriol and the same venom ad infinitum. I am busily reading all the transcripts of Senator Macdonald's contributions on this matter. I think it is incumbent on me to put a bit of thought into it and put together a considered response to his contributions over the last couple of Thursdays.

I want to leave anybody who is listening with this impression: this is the house of review. These matters were referred to the committee by a resolution of the Senate, which means a majority of senators voted for it. The committee carried out its instructions in accordance with the Senate's resolution and made some 35 recommendations. One recommendation was that we keep an eye on this matter and provide a venue where people can raise issues.

The media reported that the Save the Children office in Nauru was raided by police the other day and that all of the computer files and all of the phones and records were confiscated. I do not know what anybody else thinks, but if any police force is raiding a not-for-profit and confiscating equipment, I think we need to know what is going on. I think that, if necessary, people need to be able to raise it with the Australian parliament so that we can all know what is going on there. I do not know if it is anything untoward, but if a police force has seized an enormous amount of file records from hard drives and the like, maybe there is something of concern that we need to be keeping an eye on.

I will fully participate—along, I hope, with Senator Macdonald—in any further activity relating to the Select Committee into the Recent Allegations relating to Conditions and Circumstances at the Regional Processing Centre in Nauru. I will participate as a full, effective senator, and I certainly hope Senator Macdonald comes to the party with the same view.

The PRESIDENT: I would like to remind senators that any documents we do not deal with or that are not preserved will be discharged from the Notice Paper. Senator Gallacher, were you going to seek leave to continue your remarks?
Senator Gallacher: I seek leave to continue my remarks.

Leave granted; debate adjourned.

Environment and Communications References Committee

Report

Debate resumed on the motion:

That the Senate take note of the report.

Senator McKENZIE (Victoria) (18:22): I rise to speak to the report of the Environment and Communications References Committee on the regulation of the fin-fish aquaculture industry in Tasmania. I note Greens Senator Whish-Wilson's dissenting report and, in particular, I note that on page 137 it states that the Australian Greens believe that the precautionary principle should be the foremost consideration for the management of the Tasmanian marine environment. It goes on to talk about the EPBC Act in that context. Similarly, as with the management of fisheries, there is an overlap between state and Commonwealth regulation. He notes at point 1.59 that 'the Commonwealth does not have an active role in the regulation of fin-fish aquaculture'. It is on that overlap between state and federal regulatory responsibility and, indeed, the Greens' blind subscription to the precautionary principle in all things and all manner of issues that I would like to raise, in the context of this report, the issue of a landholder's right to refuse gas and coal exploration on their land.

This is a significant issue and we hear from Senator Waters time and time again of her interest in overturning our Constitution, if you like, so that states are no longer responsible for the mining that goes on within their own borders. Somehow it is the purview of the Commonwealth. I am a proud federalist and that is why I am a senator—as I know you are, Mr President—and I actually think the states should have control of that particular area. In the mining tax debate we looked at the issue of 'everybody owns the resource so we should get a return on that'. The reality is that during the gold rush Victorians owned the gold and we got the return on that. At the moment, WA is getting a great return on their mining interests. So I do not see a great issue in re-prosecuting that.

In a report handed down this week, Senator Waters did another dissenting report—similar to Senator Whish-Wilson's in the report I am speaking on—talking about the precautionary principle. Unfortunately, she states that the committee has adopted a deeply flawed interpretation of the precautionary principle in that the committee did not consider that it was provided with sufficient credible scientific evidence about fracking. She also made some comments about the committee report stating that 'the committee supports the principle that an agricultural landholder should have the right to determine who can enter and undertake gas or coal mining activities on their land.' Then she goes on to say:

After making what sounds like a bold statement of principle, the Committee then fails to make any recommendations to actually implement that principle.

I love the way Senator Waters always goes to the 'principle' of the argument—the 'principle' that landholders should have the right to refuse gas and coal exploration. It is a pity the rest of her party does not back her up on that. The rest of her party, in my own home state of Victoria, this week walked away from Senator Waters principled position on a landholder's right to refuse. I really think she needs to take it up within the organisation and with the
candidates at a local level, down in the seats of Polwarth and South-West Coast, which are currently undergoing by-elections as sitting people have retired. There are actually candidates in those by-elections right now that support a landholder's right to refuse. They are the National Party candidates.

I refer to a press release from the leader of the Nationals dated 25 February—so it has been out there for a while; this is no surprise. It states:

The Nationals have heard the concerns of our communities and will demand stronger safeguards for landholders regarding onshore coal seam gas operations should the industry ever develop in Victoria.

The Nationals support landowners having the right to say no to coal seam gas extraction activity on their property.

We also believe the regions where mining takes place should share the benefits from the activity. The Nationals support the introduction of a landowner and community benefit structure …

The Victorian Nationals will never support any activity that risks harm to our state's water or land assets. Victoria's agricultural industries are the lifeblood of our regional communities and are too valuable to jeopardise.

That sounds exactly like what Senator Waters calls for in this place—inappropriately, of course, because it is the federal parliament; we do not have the jurisdiction here to do anything about it. I also think that if she is really that passionate she should run for state parliament and do something about it. However, she raises it time and time again.

There are two candidates running in the by-elections, right now, who support her hands-down and have a policy platform that has been in existence for nigh on 10 months. Yet what is happening in those seats is that the Greens have actually preferred other parties who do not hold that view—way ahead of the Nationals candidate. Michael Neoh, who is running in the South-West Coast electorate, belled the cat on the Greens' preference deal with the Liberals and said, 'We had a three-hour branch meeting at the start at the month where we decided our own preferences. There was no outside influence on this whatsoever.' That begs the question: either the local Greens branch believes the Liberal candidate who does not have a policy of a landowner's right to refuse is the better candidate and therefore—I am sorry, Senator Waters—is not backing up your policy position or, indeed, the local branch is not in control of their preference deals. In fact, it is done in Melbourne and this is all about Adam Bandt and urban interests—not regional communities and their interests in my home state of Victoria.

Once again the Greens are trading away the interests of rural and regional Australia, despite their bleeding hearts and the protestations that are made in this place and through committee inquiry after committee inquiry into the EPBC Act. The reality is: when you are called to make a decision and put your money where your mouth is, you fail. You trade it away every time for Fitzroy, Brunswick—inner city Melbourne. And, Di Natale, never go into—

The PRESIDENT: Senator Di Natale.

Senator McKenzie: Senator Di Natale, I really am offended when I see you quoted in The Weekly Times—a great regional Victorian newspaper—talking about the interests of our communities out there, and yet you have backed away from your own principled position. It is absolutely hypocritical. When I also look at the adjoining seat of Polwarth, where the National Party candidate, David O'Brien, has been running for election, the Greens candidate,
Joe Miles, has given his Liberal Party opponent a surprise preference grading. He will give his preference to the Libs candidate above the National Party candidate. This is despite the Greens not having a clear policy position on a landowner's right to refuse.

I am just quoting from a media article in *The Standard*:

As Polwarth is likely to be a two-party preferred race between the Liberal and National parties, the Greens preferences would play a role in determining the winner if no candidate receives an outright majority.

The Greens received 11 per cent of the Polwarth primary vote at last year’s state election. Eleven per cent for the Greens is a lot of votes in a country electorate. They clearly do not care about a landowner's right to refuse, because, if they did, they would not have done the preference deal they have done. I think the Greens have put politics above principles. It is about time the Australian public and the good voters in Polwarth and South-West Coast actually heard the truth about the bleeding-heart Greens and their principled positions: when they are asked to put their money where their mouth is, when they are actually faced with a choice of being able to make real change and put people into parliament who will vote for that principled position, they back away from it every time for the sake of cheap political gain and the benefits and the interests of the inner urban elite. Once again, I rest my case.

Question agreed to.

**COMMITTEES**

**Consideration**

The following orders of the day relating to committee reports and government responses were considered:

Intelligence and Security—Joint Statutory Committee—Review of the re-listing of Al-Shabaab, Hamas' Izz al-Din al-Qassam Brigades, Kurdistan Workers Party (PKK), Lashkar-e-Tayyiba and Palestinian Islamic Jihad as terrorist organisations—Report. Motion of Senator Fawcett to take note of report agreed to.

Intelligence and Security—Joint Statutory Committee—Annual report of committee activities 2014-15—Report. Motion of Senator Fawcett to take note of report agreed to.

Rural and Regional Affairs and Transport Legislation Committee—Shipping Legislation Amendment Bill 2015 [Provisions]—Dissenting report from Opposition senators. Motion of Senator McEwen to take note of report called on. On the motion of Senator Ketter the debate was adjourned till the next day of sitting.

Education and Employment References Committee—Australia's temporary work visa programs—Interim report. Motion of the chair of the committee (Senator Lines) to take note of report called on. On the motion of Senator Ketter the debate was adjourned till the next day of sitting.

Community Affairs References Committee—Availability of new, innovative and specialist cancer drugs in Australia—Report. Motion of the chair of the committee (Senator Siewert) to take note of report called on. On the motion of Senator Ketter the debate was adjourned till the next day of sitting.

Foreign Affairs, Defence and Trade Legislation Committee—International Aid (Promoting Gender Equality) Bill 2015—Report. Motion of Senator Fawcett to take note of report called on. On the motion of Senator Ketter the debate was adjourned till the next day of sitting.

Health—Select Committee—Australian Hearing: too important to privatis—Third interim report. Motion of the chair of the committee (Senator O'Neill) to take note of report called on. On the motion of Senator Ketter the debate was adjourned till the next day of sitting.
Recent Allegations relating to Conditions and Circumstances at the Regional Processing Centre in Nauru—Select Committee—Taking responsibility: conditions and circumstances at Australia’s regional processing centre in Nauru—Report. Motion of Senator Gallacher to take note of report called on. Debate adjourned till the next day of sitting, Senator Gallacher in continuation.

Economics References Committee—Future of Australia’s naval shipbuilding industry—Interim report. Motion of Senator Canavan to take note of report called on. On the motion of Senator Ketter the debate was adjourned till the next day of sitting.

Environment and Communications References Committee—Regulation of the fin-fish aquaculture industry in Tasmania—Report. Motion of the chair of the committee (Senator Urquhart) to take note of report debated and agreed to.

Community Affairs References Committee—Out of home care—Report. Motion of the chair of the committee (Senator Siewert) to take note of report called on. On the motion of Senator Ketter the debate was adjourned till the next day of sitting.

Finance and Public Administration References Committee—Domestic violence in Australia—Report. Motion of the chair of the committee (Senator Gallacher) to take note of report called on. On the motion of Senator Ketter the debate was adjourned till the next day of sitting.

Community Affairs References Committee—Availability of new, innovative and specialist cancer drugs in Australia—Interim report. Motion to take note of report agreed to.

Economics References Committee—Future of Australia’s naval shipbuilding industry: Long-term planning (part 3)—Report. Motion of Senator McEwen to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Foreign Affairs, Defence and Trade References Committee—Use of unmanned air, maritime and land platforms by the Australian Defence Force—Report. Motion of the chair of the committee (Senator Gallacher) to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Foreign Affairs, Defence and Trade References Committee—Blind agreement: reforming Australia’s treaty-making process—Report. Motion of the chair of the committee (Senator Gallacher) to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Community Affairs References Committee—Adequacy of existing residential care arrangements available for young people with severe physical, mental or intellectual disabilities in Australia—Report. Motion of the chair of the committee (Senator Siewert) to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.


**ADJOURNMENT**

**The PRESIDENT** (18:32): Order! I propose the question:

That the Senate do now adjourn.

**Innovation: Regional Australia**

Senator McKENZIE (Victoria) (18:32): I am incredibly pleased with our government’s enlightened approach to innovation and look forward to contributing to facilitate a variety of policy directions for technology and regional Australia. Contrary to the belief that politicians are using the recent focus on innovation in government to define themselves as a relevant and advanced species, for a long time the Nationals and, indeed, I have been calling for coding in schools and investment in our world-leading quantum computation technology at UNSW,
which is absolutely fantastic. I am so excited by the work of Michelle Simmons. If we can commercialise that and stay ahead of the pack, there will be some exciting 21st and 22nd century industries built right here in Australia and, indeed, supporting our tech start-up industries.

I had a great visit out to Fishburners a couple of weeks ago. It is with great pleasure that I will be judging the food tech hackathon—HackFood—on 8 November 2015 at the start-up hub Fishburners, in Sydney. The challenges that will be addressed include, for instance, challenge No. 5, agribusiness. Agribusiness is a $230 billion industry—larger than mining. There has been little innovation in the digital space to solve the considerable problems agribusiness faces. Unpredictable weather, export market changes and distribution and logistical challenges are just some of the issues relying on manual or labour-intensive processes. How can we introduce 21st century reinventions of antiquated solutions within this sector? That is challenge No. 5 for the hackathon. I would like to call on all of those creative and high-tech individuals out there who want to contribute to the economic sustainability of regional Australia going forward: get involved in the hackathon on 8 November. I look forward to judging that.

Google Australia commissioned Pricewaterhouse to write up a start-up economy study, which found that high-growth technology companies constitute four per cent of our GDP and will create 540,000 jobs by 2033. I really want to make the call now that I want to see a proportion of those jobs out in regional Australia. I want to see those high-tech start-up companies dealing with some of the challenges that we face in regional Australia.

The Crossroads 2015 report by StartupAUS, released in April 2015, proposes a number of principles underlying their action plan. They include: creating a national innovation agency, increasing the numbers of entrepreneurs, improving the quantity and quality of entrepreneurship education and increasing the number of people with ICT skills. Even at Fishburners we cannot get enough coders. We are bringing them in on 457 visas as fast as we can type the visa applications. We have to get those skills into our own education system and realise that these guys are earning a lot of money very quickly. Other principles in the report include: improving access to start-up expertise, increasing the availability of early-stage capital to start-ups, addressing the legal and regulatory impediments and increasing collaboration and international connectedness.

I want those principles, as I said before, to be implemented in regional Australia, in the agricultural industry, and to ensure that all of Australia benefits from our new focus. The growing and modernising Asian middle class means that demand for our agricultural product is going to increase exponentially. We need transformative technology, both on-farm and off-farm, and, through logistics and distribution, to ensure that we reap the benefit of that growing middle class. Australia is shoring up its status as the food bowl of Asia and the South Pacific. This will only by improved by entering into ChAFTA and the TPP agreements, as we have spoken about in question time in this place all week. What we want is the provision of high-quality products, grown and nurtured with the best and latest science in mind. Increased innovation will not only improve efficiency but rejuvenate regional industries, strengthen regional communities and attract more people, who will come to know what we all know—that to live and work in the regions is a fantastic thing and that a regional community is an excellent alternative to settle in. Not only is agricultural innovation vital in our regions;
knowledge-intensive tech innovation is also vital. The coalition announced that it will team up with start-up incubator BlueChilli to organise a one-day hackathon to generate ideas about how the government can support start-ups and turn Australia's tech sector into an economic powerhouse. I have a few of my own principles that I would like to pitch to the government on the topic of what Australia's innovation should seek to champion.

Firstly, it should invest $25 million—it is a paltry amount—over five years to the Centre for Quantum Computation and Communication Technology so that they can get to the quantum computer construction and commercialisation stage as soon as possible. I have been advocating for this project for a long period of time. It is very exciting, and I call on the government for that $25 million. It is a paltry amount given our overall budget.

Reliable high-speed internet to our region is vital if regional Australia is going to be able to participate in and use the technological innovations that we need to increase our productivity. We need to have coding taught in all schools—beginning from primary school, not year 9. I know there are some coding clubs which are exponentially increasing the number of kids who are getting involved and starting coding. There is a huge skills shortage out there.

Tech-pitching policy and management ideas about agricultural issues is something I also want to see addressed; that is, more apps that farmers can use and be consulted in the creation of, as well as start-ups basing themselves in regional areas. We know that if you are sitting together it is like an incubator—you feed off each other. On that last point, the regions can work to attract the physical footprints of start-ups and innovators for the following reasons: it is cheap to live where we live out in the regions. Not only is it beautiful, not only are you healthier, but we have cheap office space and lifestyles that are conducive to creative innovation.

Senator Canavan: And friendly people.

Senator McKENZIE: Friendly people, Senator Canavan? Absolutely! And you can vote for the Nationals at every election!

Inland geographical location makes for a sensible defence positioning of many valuable technological minds and resources. However, from a current Australian tech perspective, we are not moving fast enough or growing fast enough. If you are a business owner, you will know that dealing with fast growth is one of the most challenging aspects of business success. Without it, you might look offshore, sell off or wind down. We cannot allow intellectual capital to leave our shores.

Speaking of growing pains, a metro based start-up company is desperately needing to expand but cannot physically do so as there is a sparse supply of suitable real estate options in the Sydney CBD. I would hate to see a situation arise in Australia that could have been prevented if the space, rents and overheads were right and affordable. Regional Australia can host and develop these start-up hubs and other research centres, particularly those that are working on agricultural and environmental issues that are fundamental to our economic future.

Professor Moretti of the Department of Economics at the University of California, Berkeley, observed that start-ups draw more knowledge-intensive businesses into the area that they have set up shop in, and in turn also draw other talented workers. Further, Professor Moretti observed that, for each tech or start-up job that is created, five additional jobs emerge.
in other sectors. That will be a real boost for our regional cities if they can attract the initial investment.

The interplay between start-ups and agriculture is now like the over-used adage—disrupt or be disrupted. Australian agriculture needs to work with booming tech start-up productions and facilitate the start-ups and scientific research to benefit farmers and regional centres. I was at Dairy Australia's dinner last night, and the key message all night was that that industry's future growth and productivity is going to come from innovation and from investing significant dollars in research and development. That is exactly what they are doing, and I commend the dairy industry for their significant work in that area.

One other important aspect of the innovation dialogue is the sharing of knowledge and teaching of innovative techniques so they are brought into practice by relevant industries. Here I go to agricultural science and the dearth of graduates we have in that area but also to point out that you do not have to study agricultural science to contribute to that particular industry. We would love to see some ICT graduates applying their knowledge to our space, and I think that is where we are going to get the real addition.

I am very excited to hear the agricultural pitches made in this area. Our national culture needs to encourage start-up development for practical outcomes such as food production and animal care, not just dating apps. So, to all those Tinderellas and Tinderebellas out there, I say: 'Instead of worrying about where your next date is coming from, why don't you start working out how we are going to get our fabulous clean, green product out into the export markets of the world a lot more easily. Help solve some of the significant environmental, social and production challenges for regional Australia in our industry.'

I could go on with some fabulous examples like drones or the use of genetics. The grains industry is using GPS-guided vehicles et cetera. There is some really cool stuff going on in ag that I would encourage Australians to get involved in. The conditions to support tech industries are present in our regions, and we only need one to start the pool. The more attention that is given to ongoing work, new farm machinery, flora and fauna breeding programs and smart logistic solutions the more likely it is that our regional industries can contribute and develop as world-class enterprises.

**National Security**

*Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (18:42):*

I rise tonight to make a few comments about the topic of terror, how it affects our societies and how it is reported in the media. Recently Australia has had its attention focused on Parramatta and the murder of Curtis Cheng, and there has been a deal of discussion subsequent to that about how such a young person could be involved. In fact, we are now seeing people possibly as young as 12 who are caught up in a terrorism network. The question is: how can such a young person be so quickly radicalised to the point where they can enact that kind of violence and devastate an innocent family of a man who was going about his work and contributing to Australia? As others have pointed out, Mr Cheng probably represented the best about multicultural Australia—a person who had come from a completely different culture and was contributing to Australia in a very positive way.

I will go to the speech by Prime Minister Cameron in England earlier this year because I think it provides very useful discussion around this topic. He said:
… you do not have to support violence to subscribe to certain intolerant ideas which create a climate in which extremists can flourish.

He went on to say:
Some argue it's because of historic injustices and recent wars, or because of poverty and hardship. This argument, what I call the grievance justification, must be challenged.

It is not only in Australia that we see grievances and people subscribing to intolerant ideas that create this environment where young people cause incredible harm and damage. We see almost nightly reporting of the violence that is occurring in Israel at the moment, but most of the reporting appears to be about the Palestinians who are shot, injured or arrested by the Israeli police. I think it is really important to get a balance to that. I condemn the violence from both sides, but it is important to see where the incitement for this particular round of violence is coming from.

So what do I mean by 'this particular round of violence'? I will quickly summarise it. On Tuesday morning in Jerusalem, two men boarded a bus and stabbed and shot Israeli citizens. They killed two people and wounded 16. At the same time, across another part of town, a Palestinian man drove his vehicle into a bus stop, got out of the car and started to attack the wounded people with a meat cleaver. Two additional stabbings took place at a bus stop and a cafe. And that was just on Tuesday. Earlier in the month, a couple driving through the West Bank were shot and killed in front of their four children. On the Sunday a police officer and a woman were injured when people tried to detonate explosives in their car. So there have been multiple attacks on people and security forces responding to that. There has been death and violence on both sides, but it is important that, when the media are reporting this and we are discussing it, we keep a balance on cause and effect.

Clearly, the security forces would be reacting and there would be lots of arguments about the long-term stability between those two groups of people. But, in this particular case, much of the upsurge in violence stems back to a speech given by Mr Abbas at the United Nations, where he made the claim that Israel was changing the long held status quo about access to the Temple Mount and the Al-Aqsa mosque. As a result, lots of people have been motivated, been incited, to take action to, in their view, protect the mosque. Despite the Israeli government giving repeated assurances and making repeated statements that that was not that case and that nothing had changed, just that statement at the United Nations has unleashed, it appears, this new wave of violence.

As we grapple with things in Australia, it is important that we recognise that there are strongly held views by different groups in our society. But we must be free to talk about the facts and we must be free to talk about the causes. People need to realise that you do not need to advocate the violence to create the environment within which some people can very quickly go to being interested in and in adherence of world views and ideas that are intolerant and—again, as Prime Minister Cameron said—are hostile to basic liberal values, such as democracy, freedom or sexual equality and which actively promote discrimination, sectarianism or segregation. It is those kinds of ideas that can then very rapidly enable people to be radicalised from an extreme view to enacting violence as a result of that extreme view.

Here in Australia we need to be aware of that. We need to have the kind of freedom of speech that Senator Day was seeking to highlight in his bill earlier today—that we should not be dampening people's ability to have that free speech. I support Senator Day in his bill,
which looks to remove the subjective tests of 'offend' or 'assault' from section 18C of the Racial Discrimination Act. I believe it is important that our media is accurate, and I believe it is important as we look at events around the world where there is terror that we report accurately the casualties on both sides.

The last thing I would like to say is that in a society where we do value the life of individuals, particularly of young people, I condemn the violence that has taken the lives of so many innocents—young people as well as men and women going about their daily lives—and I call on all parties involved in that to have restraint and, particularly in this case, for President Abbas to not continue to put forward the view that a very sacred object for that community is under any kind of threat when, clearly, the facts are that it is not and there have been repeated and insistent statements that it is not. It is an issue that we do not need to be seeing inciting more violence, when there are enough long-term issues in that part of the world that need to be resolved.

The PRESIDENT: Thank you, Senator Fawcett. I remind senators that the legislation committees will be meeting to consider estimates, commencing on Monday, 19 October at 9 am. Program details will be published on the Senate website.

Senate adjourned at 18:50

DOCUMENTS

Tabling

The following documents were tabled by the Clerk pursuant to statute:

[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.]


Environment Protection and Biodiversity Conservation Act 1999—

Amendment of List of Exempt Native Specimens – Queensland Blue Swimmer Crab Fishery (12 October 2015)—EPBC303DC/SFS/2015/36 [F2015L01651].

Amendment of List of Exempt Native Specimens – Queensland Blue Swimmer Crab Pot Fishery (12 October 2015)—EPBC303DC/SFS/2015/35 [F2015L01652].

Amendment of List of Exempt Native Specimens – Queensland Mud Crab Fishery (12 October 2015)—EPBC303DC/SFS/2015/34 [F2015L01650].


Veterans' Entitlements Act 1986—


Order for the Production of Documents

The following documents were tabled by the Clerk pursuant to order:
Departmental and agency appointments and vacancies—Budget (Supplementary) estimates—Letter of advice pursuant to the order of the Senate of 24 June 2008—Treasury portfolio.

Departmental and agency grants—Budget (Supplementary) estimates—Letter of advice pursuant to the order of the Senate of 24 June 2008—Treasury portfolio.

Estimates hearings—Unanswered questions on notice—Budget estimates 2015-16—Statement pursuant to the order of the Senate of 25 June 2014—Foreign Affairs and Trade portfolio.