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http://parlinfo.aph.gov.au

SITTING DAYS—2013

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- BRISBANE 936AM
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FORTY-FOURTH PARLIAMENT
FIRST SESSION—FIRST PERIOD

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

Senate Office holders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Stephen Parry
Temporary Chairs of Committees—Senators Cory Bernardi, Thomas Mark Bishop, Suzanne Kay Boyce, Sean Edwards, David Julian Fawcett, Mark Lionel Furner, Alexander McEachian Gallacher, Scott Ludlam, Gavin Mark Marshall, Anne Sowerby Ruston, Dean Anthony Smith, Ursula Mary Stephens, Glenn Sterle and Peter Stuart Whish-Wilson

Leader of the Government in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Government in the Senate—Senator Hon. George Henry Brandis QC
Leader of the Opposition in the Senate—Senator Hon. Penny Wong
Deputy Leader of the Opposition in the Senate—Senator the Hon Stephen Conroy
Manager of Government Business in the Senate—Senator Hon. Mitchell Peter Fifield
Manager of Opposition Business in the Senate—Senator Claire Moore

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

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

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<th>Senator</th>
<th>State or Territory</th>
<th>Term expires</th>
<th>Party</th>
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<td>Abetz, Hon. Eric</td>
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Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives.

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</table>

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

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

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

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

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

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

(7) Casual vacancy to be filled (vice B. Joyce, resigned 8.8.13), pursuant to section 15 of the Constitution.

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

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

(10) Casual vacancy to be filled (vice R. Carr, resigned 24.10.13), pursuant to section 15 of the Constitution.

**PARTY ABBREVIATIONS**


**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
<table>
<thead>
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<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon Tony Abbott MP</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon Nigel Scullion</td>
</tr>
<tr>
<td> Minister Assisting the Prime Minister for the Public Service</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td> Minister Assisting the Prime Minister for Women</td>
<td>Senator the Hon Michaelia Cash</td>
</tr>
<tr>
<td> Parliamentary Secretary to the Prime Minister</td>
<td>The Hon Josh Frydenberg MP</td>
</tr>
<tr>
<td> Parliamentary Secretary to the Prime Minister</td>
<td>The Hon Alan Tudge MP</td>
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<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong></td>
<td>The Hon Warren Truss MP</td>
</tr>
<tr>
<td> (Deputy Prime Minister)</td>
<td>The Hon Jamie Briggs MP</td>
</tr>
<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>The Hon Julie Bishop MP</td>
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<tr>
<td><strong>Minister for Trade and Investment</strong></td>
<td>The Hon Andrew Robb AO MP</td>
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<tr>
<td> Parliamentary Secretary to the Minister for Foreign Affairs</td>
<td>Senator the Hon Brett Mason</td>
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<tr>
<td><strong>Minister for Employment</strong></td>
<td>Senator the Hon Eric Abetz</td>
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<tr>
<td> (Leader of the Government in the Senate)</td>
<td>The Hon Luke Hartsuyker MP</td>
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<tr>
<td> Assistant Minister for Employment</td>
<td>The Hon Michael Keenan MP</td>
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<tr>
<td> (Deputy Leader of the House)</td>
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<tr>
<td><strong>Attorney-General</strong></td>
<td>Senator the Hon George Brandis QC</td>
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<tr>
<td><strong>Minister for the Arts</strong></td>
<td>Senator the Hon George Brandis QC</td>
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<tr>
<td> (Vice-President of the Executive Council)</td>
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<tr>
<td> (Deputy Leader of the Government in the Senate)</td>
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<td><strong>Treasurer</strong></td>
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<tr>
<td><strong>Minister for Small Business</strong></td>
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<tr>
<td> Assistant Treasurer</td>
<td>Senator the Hon Arthur Sinodinos AO</td>
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<tr>
<td> Parliamentary Secretary to the Treasurer</td>
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<td>The Hon Christopher Pyne MP</td>
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<td> Assistant Minister for Education</td>
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<tr>
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<td>The Hon Bob Baldwin MP</td>
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<td><strong>Minister for Social Services</strong></td>
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<tr>
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<tr>
<td> (Manager of Government Business in the Senate)</td>
<td>Senator the Hon Marise Payne</td>
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<tr>
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<td>The Hon Paul Fletcher MP</td>
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<tr>
<td><strong>Minister for Health</strong></td>
<td>The Hon Peter Dutton MP</td>
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<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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<td>Senator the Hon Michael Ronaldson</td>
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<td>Minister Assisting the Prime Minister for the Centenary of</td>
<td>Senator the Hon Michael Ronaldson</td>
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<tr>
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<td>The Hon Darren Chester MP</td>
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<tr>
<td><strong>Minister for the Environment</strong></td>
<td>The Hon Greg Hunt MP</td>
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Thursday, 14 November 2013

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

MINISTERIAL STATEMENTS

Anzac Centenary

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (09:31): by leave—On 2 September this year, the coalition gave a commitment to deliver a ministerial statement in relation to the Centenary of Anzac. This came on the back of my 28 November 2012 shadow ministerial statement on the centenary.

Today, on the third sitting day of this new parliament, the coalition delivers on this commitment. The Centenary of Anzac will be this nation's most defining period of national commemoration. Through this period, when we commemorate a century of service, Australians will be asked to consider three things:

• where we fought;
• when we fought; and, perhaps most importantly,
• why we fought and the values we fought for.

The Centenary of Anzac is a period for all of us to reflect on past sacrifice, to understand that the nation we have today is the result of the sacrifice of the 102,785 Australians killed in action, the hundreds of thousands wounded in action and the more than one million Australians who have worn the uniforms of the Australian Defence Force. The coalition government is absolutely committed to the commemoration of the Centenary of Anzac, from events in Rabaul and Gallipoli to the Western Front and the Middle East. Since coming to office seven weeks ago, we have worked through the issues left unresolved by the previous government to ensure that the Centenary of Anzac is the success that it must be.

Albany

The government has properly funded the Anzac Interpretive Centre, providing a further $1.35 million for cost overruns for the centre. This additional funding represents a 75 per cent contribution towards these costs, with the balance being provided by the Western Australian government. This government places on record its thanks to the Western Australian government for agreeing to manage the construction of the Anzac Interpretive Centre and for providing additional funding.

The commemorations in Albany, in November next year, will mark the beginning of Australia's formal Centenary of Anzac commemorations. I look forward to joining the community next year to open the centre and to participate in associated commemorative events. I place on record my personal thanks to Premier Colin Barnett and the Western Australian veterans affairs minister, Joe Francis, for their support and work so far.

Ballot

On 25 April 2015, our nation will commemorate the 100th anniversary of the event which, arguably, has come to define our national spirit, our sense of being and our place in the world.
The centenary commemoration of the arrival of thousands of Australians and New Zealanders on a beach in faraway Turkey will be an event unparalleled in our nation's history.

Today I announce the arrangements for the ballot which will be held to determine attendance at the Anzac Day dawn service in Turkey in 2015. A similar announcement will be made shortly in New Zealand by my counterpart, the Hon. Michael Woodhouse MP. The previous government announced that 8,000 places would be available for Australians who wish to be on the Gallipoli peninsula on Anzac Day 2015. This figure, of a total of 10,500 places, had been agreed with the New Zealand and Turkish governments prior to the election of the coalition government. The 8,000 Australian places will be available in four categories:

- 400 double passes will be available to direct descendants of World War I veterans;
- 400 double passes will be available to veterans of all conflicts;
- 3,000 double passes will be available to the general public; and
- 400 individual passes will be available to school students and chaperones selected by the states and territories.

Separately, there will be a number of invited guests, which I will come to shortly.

Australians can begin to register their interest in attending the Anzac Day dawn service at 12.01 am on Saturday, 16 November—this coming Saturday. Importantly, there is no rush to register and the ballot application process will not close until 31 January 2014. Registration is via an online registration form, which can also be downloaded and printed. The registration process is expected to take 15 to 30 minutes to complete, depending on the number of categories an applicant is eligible to apply for. I must stress that, while the number of places is capped, early registration will not provide any greater likelihood of an applicant being successful.

All Australian citizens aged 18 and over on or before 25 April 2015 are eligible to apply once—once—for the ballot. Successful applicants will be advised before Anzac Day next year.

If successful in the ballot, Australians will have six months to supply the Department of Veterans' Affairs with verified travel arrangements and their passport for the preparation of named tickets.

Those who are successful in the ballot will be required to fund their own way to Turkey—the Australian government will provide no financial assistance to successful ticket holders.

Tickets will be individually named and checked against identification before collection and at entry to the site in April 2015.

It will not be possible to sell these tickets on eBay—they will effectively be worthless except to the person whose name appears on it.

I also make this point: the Anzac Commemorative Site in Gallipoli is a unique and very special place for Australians, New Zealanders and Turks alike.

However, it is remote and there is no permanent infrastructure, such as toilets, at the site.

Visitors to the dawn service will require a reasonable level of personal fitness to walk often long distances in darkness, up steep roads and on uneven ground, endure sometimes adverse
and extreme weather conditions and spend long periods of time waiting during commemorative events.

Those intending to register for the ballot are encouraged to view the government's YouTube video, available on the Gallipoli 2015 website, which describes the natural environment and gives guidance about what to expect on a visit for Anzac Day.

**Invited guests**

The Australian government as lead managers of the Anzac Day dawn service, will also coordinate invitations for up to 500 guests to the dawn service.

The official Australian delegation will deliberately be very small, so as to maximise the attendance by Australian citizens at the dawn service.

I can announce today that the Australian delegation will be led by the Prime Minister.

I will accompany the Prime Minister in my capacity as the Minister Assisting the Prime Minister for the Centenary of Anzac. The Prime Minister will extend a personal invitation to the Leader of the Opposition and I similarly will extend a personal invitation to the shadow minister for veterans' affairs.

The Chief of the Defence Force will represent current serving personnel at the ceremony.

Special invitations will also be extended to surviving widows of World War I veterans, together with a nominated carer. The Australian government will extend a personal invitation to those widows and the Australian government will fund their travel to and from Gallipoli. I am personally excited at the thought of those surviving widows attending and I hope as many as possible, with their carer, will be able to make that trip.

In the tabled statement there is further detail about the case of allocating the invited guests. I note that apart from the four members of parliament already mentioned, all other MPs and senators as well as members of state parliaments and local councils who wish to attend the dawn service will have to apply in the ballot if they wish to attend.

All Australians who wish to attend the dawn service at Gallipoli on Anzac Day 2015 are encouraged to register their interest.

**Other commemorations**

Throughout 2015 there were a number of iconic battles, such as the Battle of Lone Pine, which are extremely important in Australia's military history.

The centenary of the Battle of Lone Pine, which began on 6 August 1915, would be an appropriate opportunity to conduct another large-scale commemorative event, specific to Australia, which could involve thousands of Australians paying tribute at the Australian Memorial located at Lone Pine.

I am continuing to speak to the Turkish government about further and additional ways in which commemoration of the events of 1915 can be undertaken.

Once the two governments have reached agreement about any future and additional commemorative services I will make a further statement outlining those arrangements.

Once again, and I stress this, the Australian government is ever grateful for the support of our hosts in Turkey who very generously allow Australians to commemorate events of such significance to both nations on their soil.
Western Front

The extraordinary sacrifice, bravery and courage of all Australians who fought on the Western Front will be an equally pivotal part of the government's agenda.

In concluding this ministerial statement, I want to refer to my recent visit to France and the ministerial council convened by the French government in relation to the centenary of World War I.

At the invitation of the French Minister for Defence and Veterans, Kader Arif, I visited Paris on 17 and 18 October to participate in a 30-country summit about preparations for the centenary of World War I. I was also honoured to have a personal meeting with Minister Arif and look forward to hosting him in Australia later this month.

French officials have indicated their willingness and indeed passionate desire to assist in any way with Australian commemorations of World War I, particularly along the Western Front.

Almost 47,000 Australians were killed in action on the Western Front of a total of 136,188 casualties. The Australian government is determined to ensure that this story is told and better understood during the Centenary of Anzac.

During my visit, I was also able to visit the Australian National Memorial at Villers-Bretonneux together with the Victoria School and the marvellous Franco-Australian Museum at Villers-Bretonneux.

The Victoria School, the local school in Villers-Bretonneux which was rebuilt following the war using funds raised by Victorian school students, is an everlasting reminder of the connection between the communities of northern France with the service and sacrifice of Australians nearly 100 years ago.

Amazingly, and I suppose somewhat coincidentally, inside the school hall are a series of timber finials which depict Australian animals. They were carved at the Daylesford Institute of Technology which was in my electorate of Ballarat when I was a member of the House of Representatives.

It is clear to me that all Australians are welcome in Villers-Bretonneux and I want to pay particular tribute to the mayor, Patrick Simon, and his fellow councillors for their warm welcome as well as their assistance in improving road access between the town and the Australian national memorial.

The warmth of the people of Villers-Bretonneux is known to the many thousands of Australians who have visited both the museum and the memorial.

Conclusion

Earlier I said that the Centenary of Anzac is the most important period of national commemoration in this nation's history.

It will be like nothing we have ever done before or may ever do again.

As we prepare for the centenary, I plan to keep the parliament and the Australian people informed about progress on the commemorations.

All Australians, no matter where they live, must be able to participate in Centenary of Anzac commemorative events.
I thank the Senate and I apologise to the shadow minister and the Leader of the Australian Greens, or their spokesperson—I am required to be at a roundtable of the ex-service community and cannot remain to hear their valuable contributions. I table the statement on the Centenary of Anzac.

Senator FARRELL (South Australia) (09:46): by leave—I move:

That the Senate take note of the statement.

If there is anything in the Australian landscape that is above politics, it is the Centenary of Anzac. I certainly appreciate Senator Ronaldson's statement and the very cooperative way he has commenced discussions on this matter. I can assure him that that will be reciprocated by the opposition. I also acknowledge the work of the former minister, Warren Snowdon, who laid much of the groundwork for this exciting event in Australia's history.

The Centenary of Anzac is above political pointscoring. That is what the public expects, and that is correct. Rather, the Centenary of Anzac is truly a great opportunity to honour the Anzac spirit and the sacrifice and bravery of those who have served over the past century. This is an opportunity to remember and give thanks for the 416,000 Australian volunteers in World War I, including the 61,522 Australians killed in its bloody battles. We will honour in a special way the 5,482 Australians who were killed in action at Gallipoli and the 2,677 who subsequently died from wounds or disease. Equally, we will remember the more than 100,000 Australian service men and women who never came home from conflicts over the past 100 years. And we will not forget the one million Australians who have served—and continue to serve—in our defence forces.

I welcome today's announcement that registration for the ballot to determine attendance at the Anzac Day dawn service at Gallipoli will officially begin this Saturday at 12.01 am. It is accepted on both sides of parliament that the Anzac commemorative site on the Gallipoli Peninsula can safely hold up to 10,500 people and that this will comprise 8,000 Australians, 2,000 New Zealanders and approximately 500 official representatives of all countries that served in the Gallipoli campaign. The ballot process represents a fair and transparent approach. As Senator Ronaldson made clear in his statement, there is no rush to enter the online ballot. Australians have until 31 January next year to register for tickets and, regardless of when they register, success is down to the luck of the draw. Widows of World War I veterans are rightly offered special invitations to attend Anzac Day at Gallipoli and do not need to enter the ballot.

In the lead-up to these commemorations, it is particularly important to remember the hospitality and generosity of the Turkish government. Every year they allow thousands of Australians to make the pilgrimage to the hallowed beaches of Anzac Cove on the Gallipoli Peninsula. It is wonderful that more and more young Australians join the annual pilgrimage to the birthplace of the Anzac legend. Braving the cold as well as the harsh landscape with few facilities, they connect with the Anzacs and the horrors they endured.

Locally across the cities and country towns of Australia there will be Anzac centenary project commemorations which will be funded by the government's Anzac Centenary Local Grants Program. These are available through every federal electorate in Australia, and the Department of Veterans' Affairs is administering these grants. I encourage more community organisations to contact their local federal MP for details about these grants. I encourage all Australians to become involved in centenary commemorations, because this Centenary of...
Anzac is for and about the Australian people and the Australian way of life. It is about ordinary Australians remembering these brave men and women who left their cities and towns to join theatres of war in unfamiliar and unkind lands. As Paul Keating said in his famous 1993 Remembrance Day address, the lesson to come from the horror of war was a lesson about ordinary people:

And the lesson was that they were not ordinary.

On all sides they were the heroes of that war; not the generals and the politicians but the soldiers and sailors and nurses—those who taught us to endure hardship, to show courage, to be bold as well as resilient, to believe in ourselves, to stick together.

Senator WRIGHT (South Australia) (09:51): I rise to speak on the motion that the Senate take note of the statement by the Minister for Veterans' Affairs and Minister for the Centenary of ANZAC, Senator Ronaldson. As the veterans' affairs spokesperson for the Australian Greens, I support the notion that there be a fair and equitable allocation of tickets to the special commemorative ceremony and that this is an important aspect of our history that is owned and shared by all Australians. It is therefore fitting that the number of tickets available to the public be maximised. The Greens particularly endorse the special provision to be made for First World War widows and direct descendants of World War I veterans and other veterans.

As we approach the centenary of the First World War and the battles that have contributed to the Anzac identity, I welcome this opportunity on behalf of the Greens to reflect on just what the Anzac identity and tradition are and what that means for 21st century Australians. There is no doubt that the word 'Anzac' holds an enduring resonance for many Australians both old and young. It is important to recognise that the battles at Gallipoli and on the Western Front were bloody, often totally misconceived and disastrous. We lost many of Australia's young generation—young men, and some young women who served as nurse—and many others came back with a legacy of damaged health, spirit and wellbeing that then had far-reaching consequences for them and the families they returned to. This cast a shadow over many lives for many, many years. It also foreshadowed the experience of service personnel who have returned from subsequent conflicts: World War II, Korea, Vietnam, both Gulf Wars, Afghanistan and the many arenas of conflict and danger in which Australians have served as peacekeepers.

It is also important to recognise that, despite the argument by some that it was our participation in World War I that forged the Australian identity, the Anzac experience came at a time when Australia was already showing great leadership in relation to many social reforms of which we have the right to be mindful and justly proud. This has been pointed out by Australian historians like Marilyn Lake. She said:

Before the outbreak of World War 1, Australia had won for itself an international reputation as an egalitarian democracy and progressive social laboratory, a place that legislated to secure the equal rights of women and men, state pensions for the aged and invalid, the rights of mothers, the recognition and remuneration of citizen soldiers and citizen mothers, all paid from general revenue rather than constrained by the principle of social insurance.

As an advanced social democracy, Australia, it was often said—here and abroad—led the world.
It was from this socially advanced democracy that young Australians set out to fight—at Gallipoli, in Palestine and in France. And here, despite the naivety that saw many expecting to be home by Christmas, they demonstrated the remarkable resilience and other qualities that have come to be known as the Anzac spirit.

Now, as the centenary approaches, we have an opportunity to think about how to bring that renowned Anzac spirit home—that courage, that can-do attitude and that mateship, the concern for and commitment to their friends. We need those qualities—courage, resourcefulness, loyalty and compassion—as we approach 21st century challenges.

Australia's Anzac tradition is shown not just in how we go to war but in how we fight for peace. It can be boldly accepting our responsibilities to our international allies and to one another. It can be leading, not following. It can be never giving up and never thinking we are too small to achieve big things and make a difference. In a century where there will be an increasing call for diplomacy and united action to avert crises and maintain peace, it will be our peacekeepers who will play an increasing role in global security. They too have served our nation in places of great conflict and danger. Like other veterans, they continue to embody the Anzac tradition. They do us proud.

Bringing the Anzac spirit home also means looking out for one another and, particularly, looking out for those who have served. As a nation, we have been willing to send men and women to every corner of the globe. It is crucial that we honour their service and contribution to our nation by caring for them properly when they return. The real cost of war is much higher than the figure in the defence budget. It is the lives of these men and women, and their partners and children. As happened with those who returned from the Great War, all defence personnel return from conflict zones changed. Some have physical scars and some have mental scars. Veterans support programs must be proactive, ongoing and holistic—dealing with all their needs. Caring for veterans means addressing their physical and mental health needs and helping them to live full lives when they are integrated into a civilian setting.

My family, like so many others all around Australia, has been directly affected by war. I had great uncles in World War I, one of whom landed at Anzac Cove on 25 April 1915. I visited that place in 1990 and had cause to imagine the horrors of what those Australians endured at that time. We must all take full responsibility for what we ask of each one of our service men and women, and we must look after them and their families if they are killed or injured.

Military service is valuable and it is unique. Our Defence Force personnel, in doing their work, must surrender their basic human rights in the protection of our nation. It is the only occupation in Australia that makes such a demand of its workforce. When ordered, ADF personnel are required, without question, to take up arms and defend Australia from its enemies using lethal force, at the risk of their lives and wellbeing. Again uniquely, they face criminal sanctions if they fail to do so. Clearly, they deserve nothing less than our respect, our consideration and our honour.

The Anzac tradition is not the whole story of our nation, but it forms an important part. This legacy is not something to be taken lightly. The British World War II RAF veteran Harry Leslie Smith wrote this week about the co-opting of British veterans' experiences to tell a new story. He wrote:
… today’s politicians in Britain use past wars to bolster our flagging belief in national austerity or to compel us to surrender our rights as citizens …

In Australia, where we pride ourselves on giving people a go, with our diggers, we must be careful not to make the same mistakes. We must avoid the temptation to gild the lily or jump on jingoist bandwagons. Rewriting history pays a disservice to the real experience of those who have been there. Instead, we must truly recognise what the experience of conflict exacts from our veterans and acknowledge that in the way we treat them when they return home. The Anzac legacy continues today. We will truly honour those veterans and all veterans if we are clear-eyed about the realities and costs of war. Allowing more people from the Australian public to attend the Anzac Day ceremony will advance this cause.

Our Anzacs showed our nation that we could act on the world stage. They showed us how they were capable of rising to unthinkable challenges. They demonstrated values of leadership, passion and audacity. In the lead-up to the 100 year commemoration, let us bring the Anzac spirit home. Let us rise in this 21st century to the challenges that we face. Let us be leaders. Let us be passionate and brave.

Question agreed to.

NOTICES

Presentation

Senator Di Natale to move:
That there be laid on the table by noon on Wednesday, 11 December 2013, by Infrastructure Australia or the Infrastructure Coordinator, all documents in relation to the East West Link project provided to Infrastructure Australia by the Victorian Government, in particular, but not restricted to, the full business case.

Senator Wong to move:
That the following matter be referred to the Education and Employment References Committee for inquiry and report by the last sitting day in March 2014:

The Government’s approach to re-establishing the Australian Building and Construction Commission, including the provisions of the Fair Work (Registered Organisations) Amendment Bill 2013 and any related bills introduced into the House of Representatives in the remaining sittings of 2013, with particular reference to:

(a) the potential impact of the re-establishment of the Australian Building and Construction Commission on the building and construction industry;
(b) the potential impact of the bills on employees, employers, employer bodies, trade and labour councils, unions and union members;
(c) the extreme and heavy-handed proposed powers of the Australian Building and Construction Commission, including unfettered coercive powers, secretive interviews and imprisonment for those who do not co-operate; and
(d) the proposed powers of the Australian Building and Construction Commission that people interviewed have no right to silence and are denied the right to be represented by a lawyer of their choice.

Senator Wong to move:
That the following matter be referred to the Education and Employment References Committee for inquiry and report by the last sitting day in March 2014:
The provisions of the Fair Work (Registered Organisations) Amendment Bill 2013, with particular reference to:

(a) the potential impact of the amendments to interfere with the ongoing operation of registered organisations in Australia; and

(b) the potential of the amendments to impede the ability of employees of registered organisations to carry out their duties.

COMMITTEES

Selection of Bills Committee

Report

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (10:01): At the request of the Chair of the Selection of Bills Committee (Senator Kroger), I present the ninth report of 2013 of the Selection of Bills Committee and seek leave to have the report incorporated in Hansard.

Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE

REPORT NO. 9 OF 2013

1. The committee met in private session on Wednesday, 13 November 2013 at 7.28 pm.

2. The committee resolved to recommend:

   That—

   (a) contingent upon their introduction in the House of Representatives, the provisions of the Building and Construction Industry (Improving Productivity) Bill 2013 and the Building and Construction Industry (Consequential and Transitional Provisions) Bill 2013 be referred immediately to the Education and Employment Legislation Committee for inquiry and report, but was unable to reach agreement on a reporting date (see appendices 1 and 2 for a statement of reasons for referral);


   (c) the Commonwealth Electoral Amendment (Above the Line Voting) Bill 2013 be referred immediately to the Finance and Public Administration Legislation Committee for inquiry and report by the first sitting Wednesday in March 2014 (see appendix 5 for a statement of reasons for referral);

   (d) contingent upon its introduction in the House of Representatives, the provisions of the Fair Work (Registered Organisations) Amendment Bill 2013 be referred immediately to the Education and Employment Legislation Committee for inquiry and report, but was unable to reach agreement on a reporting date (see appendices 6 and 7 for a statement of reasons for referral);
(e) the provisions of the Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 be referred immediately to the Economics Legislation Committee for inquiry and report by 2 December 2013 (see appendix 8 for a statement of reasons for referral); and

(f) the Parliamentary Proceedings Broadcasting Amendment Bill 2013 be referred immediately to the Environment and Communications Legislation Committee for inquiry and report by the first sitting Wednesday in February 2014 (see appendix 9 for a statement of reasons for referral).

3. The committee resolved to recommend:

That the following bills not be referred to committees:

- Commonwealth Inscribed Stock Amendment Bill 2013
- Telecommunications Legislation Amendment (Consumer Protection) Bill 2013
- Telecommunications Legislation Amendment (Submarine Cable Protection) Bill 2013.

The committee recommends accordingly.

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

- Australian Capital Territory Water Management Legislation Amendment Bill 2013
- Customs Amendment (Anti-Dumping Commission Transfer) Bill 2013
- Environment Legislation Amendment Bill 2013
- Fair Trade (Workers' Rights) Bill 2013
- Grape and Wine Legislation Amendment (Australian Grape and Wine Authority) Bill 2013
- Primary Industries (Customs) Charges Amendment (Australian Grape and Wine Authority) Bill 2013
- Primary Industries (Excise) Levies Amendment (Australian Grape and Wine Authority) Bill 2013
- Health Insurance Amendment (Medicare Funding for Certain Types of Abortion) Bill 2013
- Indigenous Education (Targeted Assistance) Amendment Bill (No. 2) 2013
- National Integrity Commission Bill 2013
- Tax Laws Amendment (Research and Development) Bill 2013
- Veterans' Affairs Legislation Amendment Bill 2013.

(Helen Kroger)
Chair
14 November 2013

Appendix 1

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill:

- Building and Construction Industry (Improving Productivity) Bill 2013 & related bill

Reasons for referral/principal issues for consideration:

Detailed consideration of the Government's legislation to re-establish the Australian Building and Construction Commission.

Possible submissions or evidence from:

- Employer associations
- Employee associations
- State Governments

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Helen Kroger
Chair
14 November 2013
Department of Employment

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

Possible hearing date(s):
To be determined by the committee

Possible reporting date: 2 December 2013
(signed)
Senator Fifield

Appendix 2

SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee

Name of bill:
Building and Construction Industry (Improving Productivity Bill) and related bill

Reasons for referral/principal issues for consideration:
To allow for adequate consultation and consideration of the potential impact of the re-establishment of the Office of the Australian Building and Construction Commissioner on the building and construction industry.

Possible submissions or evidence from:
Unions and union members, employer bodies and trade and labour councils.

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

Possible hearing date(s):
Possible reporting date: 30 March, 2014
(signed)
Senator McEwen
Whip/Selection of Bills Committee member

Appendix 3

SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee

Name of bill(s):
- Clean Energy Legislation (Carbon Tax Repeal)
- Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal)
- Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal)
- True-up Shortfall Levy (General) (Carbon Tax Repeal)
- True-up Shortfall Levy (Excise) (Carbon Tax Repeal)
- Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions)
• Climate Change Authority (Abolition)
• Customs Tariff Amendment (Carbon Tax Repeal)
• Excise Tariff Amendment (Carbon Tax Repeal)
• Clean Energy (Income Tax Rates and Other Amendments)
• Clean Energy Finance Corporation (Abolition)

Reasons for referral/principal issues for consideration:
• The Carbon Tax has significantly impacted Australian households and businesses. The Committee will review the Bills and report to the Senate on:
  costs to households and businesses from Labor's Carbon Tax; and
  the impact of the Carbon Tax on business costs including mining, manufacturing and small business.
• Possible submissions or evidence from:
  • Australian Industry Group
  • Australian Chamber of Commerce and Industry
  • Business Council of Australia
  • Australian Aluminium Council
  • Australian Cement Federation
  • Minerals Council of Australia
  • Australian Trucking Association
  • Refrigerants Australia

Committee to which bill is to be referred:
  Environment & Communications

Possible hearing date(s):
  To be determined by the Committee.

Possible reporting date:
  2 December 2013
  (Signed)
  Senator Fifield

Appendix 4
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee
Name of bill:
  Clean Energy Legislation (Carbon Tax Repeal) Bill 2013
  Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013
  Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013
  True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013
  True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013
Climate Change Authority (Abolition) Bill 2013
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013
Clean Energy (Income Tax Rates and Other Amendments) Bill 2013
Clean Energy Finance Corporation (Abolition) Bill 2013

Reasons for referral/principal issues for consideration:
To ensure proper scrutiny of these Bills and their impact on Australia's efforts to tackle climate change and carbon pollution.

Possible submissions or evidence from:
Climate scientists, economists, business groups,

Committee to which bill is to be referred:
Environment and Communications Legislation Committee

Possible hearing date(s):
Possible reporting date:
March 2014
(signed)
Senator McEwen
Whip/Selection of Bills Committee member

Appendix 5
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee

Name of Bill:
Commonwealth Electoral Amendment (Above the Line Voting) Bill 2013

Reasons for referral/principal issues for consideration:
In undertaking the Inquiry, the Committee should consider:
1. Whether the current Senate voting system is still able to represent the will of the people;
2. The role of group and Individual voting tickets, and whether they are open to manipulation; and
3. The outcome of the 2013 election and whether this indicates the need for Senate voting reform.

Possible submissions or evidence from:
Australian Electoral Commission
Professor Clement Macintyre, Adelaide University
Professor Dean Jaensch
Antony Green, ABC election analyst
New South Wales Electoral Commission

Committee to which the bill is to be referred:
Joint Standing Committee on Electoral Matters

Possible hearing date(s):
January/February 2014
Possible reporting date:
Appendix 6

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill:
Fair Work (Registered Organisations) Amendment Bill

Reasons for referral/principal issues for consideration:
Detailed consideration of the Government's legislation to provide for greater accountability and transparency of registered organisations.

Possible submissions or evidence from:
Employer associations
Employee associations
Department of Employment

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

Possible hearing date(s):
To be determined by the committee

Possible reporting date:
2 December 2013

(signed)
Senator Fifield

Appendix 7

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill:
Fair Work (Registered Organisations) Amendment Bill

Reasons for referral/principal issues for consideration:
To allow for adequate consultation and consideration of the potential impact of the proposed amendments on registered organisations.

Possible submissions or evidence from:
Officials and employees of registered organisations.

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

Possible hearing date(s):
Possible reporting date:
30 March, 2014

CHAMBER
Appendix 8

SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee

Name of bill:
Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 Reasons for referral/principal issues for consideration:
The repeal of the legislation will provide a boost for the mining industry and remove significant compliance burden

Possible submissions or evidence from:
Organisations affected by the compliance burden of the current tax

Committee to which bill is to be referred:
Senate Economics Committee

Possible hearing date(s):
To be determined by the committee

Possible reporting date:
2 December 2013

(signed)
Senator Fifield

Appendix 9

SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee

Name of Bill:
Parliamentary Proceedings Broadcasting Amendment Bill 2013

Reasons for referral/principal issues for consideration:
In undertaking the inquiry, the Committee should consider:
1. Whether the current guidelines issued by the Committee regarding ridicule and satire are still appropriate;
2. Whether similar restrictions exist in other jurisdictions, both domestically and overseas; and
3. The benefits to the Australian public and public debate of removing the current restrictions regarding ridicule and satire.

Possible submissions or evidence from:
ABC
SBS
Channel 7
Channel 10
Senator FIFIELD: I move:
That the report be adopted.
I move the following amendment:
At the end of the motion, add "and, in respect of the Building and Construction Industry (Improving Productivity) Bill 2013 and a related bill, the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 and related bills, and the Fair Work (Registered Organisations) Amendment Bill 2013, the committees report by 2 December 2013".
I think it is fair to say that the incoming government's intention to legislate to restore the Australian Building and Construction Commission was well canvassed over several years and that that intention is of no surprise. The detail of that particular commitment was very clearly outlined in the coalition's pre-election policy. Obviously, it is important that there is the opportunity for scrutiny of legislation, which is why the coalition supports reference of this piece of legislation and report by 2 December, which the government thinks is a reasonable time frame.

The Fair Work (Registered Organisations) Amendment Bill 2013 falls into the same category. The coalition's policy before the election was very clearly articulated and this piece of legislation comes as no surprise. Again, the government supports the reference of this bill to the relevant Senate legislation committee for inquiry and report by 2 December 2013.

But I particularly want to direct my comments here to the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 and related bills. Again, we could not have been clearer before the election as to what our position was in relation to the repeal of the carbon tax. But the ironic thing here is that the opposition will no doubt contend that the time frame allowed for consideration by the Senate legislation committee for this bill is inadequate. This is what the opposition will contend. But how ironic is it that the opposition, when in government, only allowed Senate inquiry of a number of days into their carbon tax legislation, which was actually seeking to break an election commitment.

What we are endeavouring to do here, with this carbon tax repeal legislation, is give effect to an election commitment. What the opposition will in effect be doing by their decision to oppose a reporting date of 2 December 2013 is stating very clearly that they think a piece of
legislation that seeks to break an election commitment deserves less scrutiny than a piece of legislation that seeks to give effect to an election commitment. I am sure that is what the opposition will do and that is an incredibly perverse form of logic. As I said, the coalition could not have been clearer over the past three years about our policy in relation to this area. The Australian people gave the government a very clear mandate that they want the carbon tax legislation repealed.

Despite that, the government still thinks it is appropriate that there be a Senate inquiry into the legislation. I think for legislation of this sort that is just good practice. But the Australian people want us to get on with this job. They want us to repeal the carbon tax. There should be a speedy Senate inquiry. I urge the opposition to appreciate the irony of requiring longer scrutiny of a bill that seeks to give effect to an election commitment than was given to a piece of legislation, the carbon tax legislation, that actually sought to breach an election commitment.

I do want to acknowledge that the Australian Greens are displaying integrity in relation to the consideration of this bill. They agree with the government that it is important that this package of bills comes to a vote in short time. With those remarks, I urge the opposition to reconsider their approach.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (10:06): I have circulated an amendment to the reporting date which, given Senator Fifield's amendment, I will need to amend. I move:

Omit paragraph (b), substitute:

(b) in respect of the Building and Construction Industry (Improving Productivity) Bill 2013 and a related bill, and the Fair Work (Registered Organisations) Amendment Bill 2013, the committee report by 2 December 2013; and

(c) in respect of the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 and related bills, the committees report by the first sitting day in March 2014.

I will speak briefly to this. There is a very important principle here, and it is a principle that really goes to the sort of government this government said it would be. The government said they would be transparent. They said they would improve accountability. What we have seen since they were elected is a government that has a culture of secrecy, a government that is all about control. We have seen that in the context of the debate about boats, where we have the extraordinary situation of a minister of the Crown in question time refusing to give either the Senate or the House details about what is occurring and refuses to even say how many people have arrived in a boat that has been reported in a paper.

It is very clear also from the approach they are taking in the House of Representatives that this culture of secrecy and this desire to control extend also to the parliament. We see that in the changes to the standing orders they are ramming through in the House of Representatives—which are all about control. It is all about the executive government shutting down and limiting the institutions of accountability in our democracy, which include the parliament. The principle that is at stake here is a principle that this Senate has always adhered to, and that is scrutiny. It is the principle around the imperative of scrutiny that as the second chamber in the parliament we have responsibility to properly scrutinise the actions of the executive and to properly scrutinise legislation.
We know that the government of the day, in general, has a majority in the House of Representatives in its own right—obviously, we had a minority government in the last parliament, but you do not form government unless you have a majority in the House of Representatives—and we know that the capacity for scrutiny, when there is such a majority in the lower house, is limited. That is why the Senate always does its job. But what is proposed here by this government is a quick and dirty inquiry into legislation that is far reaching, that is costly, and the full implications of which—including the Direct Action Plan, which is what replaces it—have not been explored. This government wants a quick and dirty inquiry, to report by 2 December, on the removal of a whole-of-economy reform, the removal of the entirety of the architecture around climate change, without consideration of the costs of its replacement or even the costs of its repeal. I think it speaks volumes about the government that not only are they shutting down debate in the lower house through their changes to the standing orders, not only do their ministers—and I note Minister Cash is here in the chamber—refuse to answer questions in question time but they also want to avoid scrutiny.

The absolute shame of this is that today the Australian Greens are going to cooperate with the Abbott government in doing that. It is an astonishing position. If we look at the actual proposal put forward by the government in the Selection of Bills Committee report, their reasons for referral are:

The Carbon Tax has significantly impacted Australian households and businesses. The Committee will review the report and Bills and report to the Senate on:

- costs to households and businesses from Labor's Carbon Tax; and
- the impact of the Carbon Tax on business costs—

et cetera. That is what the Australian Greens are supporting today. I think it is extremely disappointing, with the principle around democracy and scrutiny in this chamber, that something as important as these bills should be subject to such a quick and dirty inquiry.

I just want to respond to the 'it's an election commitment' argument that Senator Fifield ran. Since when has this chamber said, just because the government of the day think something is part of their mandate, that the Senate does not do its job—

Senator Fifield: No, we're still proposing an inquiry.

Senator WONG: to scrutinise legislation? That is what you want. You want to shut down debate and you just want to give an ultimatum: pass it now. This is a democracy, not a dictatorship—

The DEPUTY PRESIDENT: Order! Senator Wong, your time has expired.

Senator WONG: a democracy, not a dictatorship. You should start behaving accordingly.

The DEPUTY PRESIDENT: Order, Senator Wong! Your time has expired. I just need to clarify the status of the amendments here. Senator Fifield moved that the report be adopted and then included the reporting date of 2 December for three particular suites of legislation. My understanding is that you wish to move that the reporting date for the Clean Energy Legislation (Carbon Tax Repeal) Bill and related bills be in March 2014.

Senator WONG: Yes, Mr Deputy President. What I did not have the opportunity to check within the time frame was that all the legislation in my amendment is covered by the amendment from Senator Fifield. I am assuming it is. If that is the case, we move the
amendment in respect of March 2014. I did understand that would be an amendment from the Australian Greens in relation to one of the pieces of legislation? No? Okay.

The DEPUTY PRESIDENT: So we have clarified that your amendment relates purely to the clean energy carbon tax repeal bill and related bills.

Senator WONG: Sorry; I think there is a little bit of confusion in the chamber. If there were a senator who wished to move an amendment to the reporting date on the construction legislation, is this the point at which they would also have to move their amendment?

The DEPUTY PRESIDENT: No, we have to deal with your amendment first, and we are just ascertaining that it is purely for the clean energy bills.

Senator MILNE (Tasmania—Leader of the Australian Greens) (10:13): I indicate that the Australian Greens will not be supporting the March 2014 reporting date in the amendment moved by Senator Wong but will be supporting the 2 December 2013 date, as proposed in the original government amendment, because I do not believe it is the time for equivocation and delay. The Greens have made it very clear that we want to make the Abbott government understand that we will not support the repeal of this legislation. We know what the bills do. They have been the law since 1 July 2012. They are bringing down emissions. The Climate Change Authority is doing a brilliant job of assessing the implications of decisions being made around the world, the latest science and so on, and has made its recommendations.

Equally, we have an emissions trading scheme legislated; it is in place, it is operating with a fixed price and will go to flexible pricing in 2015. Just as the Clean Energy Finance Corporation is giving certainty to the renewable energy businesses, we want to give them the certainty of knowing that this parliament supports their work, supports the work of the Climate Change Authority and will not stand by and see those organisations threatened with uncertainty and doubt. We should just vote these bills down and give them certainty that they can get on with their work, deliver their reports, and that the parliament will deal with them accordingly and has no truck with the idea that you would abandon these pieces of legislation or in fact the whole climate package. It is a question of whether you think equivocation is a signal you want to send; it is clearly not a signal that I want to send.

The bills have been operating for 12 months and we know what they do. What we do not know is what Direct Action would or would not do, because there is no policy, no plan. That is why we wanted to have an inquiry into Direct Action and will continue to expose the flaws and inadequacies in any statements around Direct Action. But we are not going to extend this process. If the Abbott government wants to destroy the best opportunity we have to bring down our own emissions in the context of global emissions, then we will stand up and say no.

Senator PRATT (Western Australia) (10:16): Scrutiny is not equivocation. The Labor Party is absolutely committed to opposing the repeal of the ETS package of legislation and that is the exact reason why we need proper scrutiny of each of the elements of legislation that the Abbott government is seeking to repeal. I am personally fairly gobsmacked and appalled at the idea that the Greens would be voting with the Abbott government on this question, because taking the preachy high moral ground on this question is not the path to continuing the journey that we need to be on with the Australian people to convince them about the legitimacy of and need for a trading scheme in this country. I fear the Greens are playing absolutely into the Abbott government's hands. This country is at an important crossroads and
this parliament is at an important crossroads. The Senate takes seriously its responsibility for due diligence and to scrutinise this legislation.

I will be a member of the environment committee and the economics committee. Both committees have dealt with these kinds of inquiries in the past and I can tell you that repeal is not a simple matter. It might look simple on the page but the substantive questions of each element of legislation are important. Therefore, a reporting date in December is simply not adequate for the task. I very much support Senator Wong in moving for a March 2014 reporting date because I know the significance of the integrity of this legislation that is being repealed. It is a complete suite of legislation that needs to be compared and contrasted with the coalition's Direct Action policy.

This parliament is at a crossroads where we can live up to our responsibilities to the next generation and to this parliament to do our jobs properly or turn down the wrong path and abandon the next generation and the jobs and economy that our nation needs. I know that the Abbott government wants to take us down the wrong path and I am appalled at the idea that the Australian Greens would be facilitating that. We are creating not just an environmental burden with the impact of global emissions on our climate but also a burden on our economy. If we go down the path that the Abbott government is outlining, the economy will not have done enough to modernise and adapt to the economic change that must come hand in hand with the environmental one. That is why it is critically important that, at the same time we consider Direct Action, we also consider what is at stake in terms of what we are repealing. This is not a job that has been done by this parliament before in terms of looking at the suite of those packages together. So this parliament, this Senate and its committees, has a serious responsibility to look at this question carefully. It is the role of this place to investigate, debate, deliberate and ensure that the actions of this parliament are in the best interests of our people and the nation that we serve. We need an inquiry that gives us the time to systematically address the issues of climate change and the best tools that we need to address it. This includes the impact of the carbon tax repeal bills and of the Direct Action policy.

**Senator IAN MACDONALD** (Queensland) (10:21): I certainly support the motion moved by Senator Fifield. Nothing could have been clearer at the last election than the coalition's policy in relation to this suite of legislation. We remember that, at the previous election, the Labor Party promised that it would never introduce a carbon tax and then broke its word within a couple of months of the election. We have made this commitment to the Australian people and we want to do everything possible to make sure we can honour that commitment.

The Australian public clearly demonstrated that they supported our approach. You may argue about other policy proposals that we took to the election. You may argue about whether people particularly gave us a mandate for this, that or the other. But, right from day one, Mr Abbott said that the next election, that being the election held in September 2013, would be a referendum on the carbon tax, and nobody—the Labor Party, the Greens and, most of all, the people of Australia—could have misunderstood that. The sooner we can bring this bill to fruition, to this chamber, the sooner the parliament can determine whether we should be able to discharge the commitment we made at the election.

I suspect the Greens are very clear in their attitude towards these abolition bills. We know they are going to oppose the abolition bills. At least with the Greens you know where they
are. But with the Labor Party, of course, we are not quite sure. We have different members of the Labor Party saying different things. We know that, even in the days when the Labor Party were introducing the legislation, there was a considerable amount of division in the Labor Party ranks as to whether or not they should introduce the carbon tax. Unfortunately, the then Prime Minister overwhelmed the opposition. We used to read in the paper about what happened in the Labor Party caucus room, so we know that—I would suggest—a majority of Labor Party politicians understand that this was a stupid tax; it was a breach of promise; it has not done anything. Why should Australia be leading the world in a carbon tax, when all it does is destroy our economy and make us completely uncompetitive around the world? So I suspect that those in the Labor Party who opposed the introduction of the carbon tax but were not game to do it in this chamber will now be urging the Labor Party to simply roll over.

Clearly, the strategy of Senator Wong and the leadership group of the Labor Party is to delay this as long as possible and make it as difficult as possible to repeal the legislation, but I would venture a punt that, when the Labor Party are forced to vote on this series of bills, you might find that they will find some excuse for going along with us—and that will be good. I hope that happens. That is my estimate of what is going to happen, and I certainly hope and urge the Labor Party to adopt that course.

But why put off the evil day? Why not just get it over and done with? The Australian people have spoken. Why don't you let this go through the chamber? Support it. If you do not want to support it, don't vote. Don't come in on the bill. But at least let us get the decision of the Australian people confirmed in this parliament by having a vote as soon as possible. The proposal put by Senator Fifield is very reasonable. It provides for the scrutiny that is needed, and it will then bring this whole matter to a vote at the appropriate time.

The PRESIDENT: The question is that the amendment moved by Senator Wong be agreed to.

The Senate divided. [10:31]

(The President—Senator Hogg)

Ayes ....................27
Noes ....................39
Majority..............12

AYES

Bilyk, CL
Cameron, DN
Collins, JMA
Dastyari, s
Faulkner, J
Hogg, JJ
Ludwig, JW
Marshall, GM
McLucas, J
Peris, N
Pratt, LC
Stephens, U
Tillem, M
Wong, P

Brown, CL
Carr, KJ
Conroy, SM
Farrell, D
Furner, ML
Lines, S
Lundy, KA
McEwen, A (teller)
Moore, CM
Polley, H
Singh, LM
Thorp, LE
Urquhart, AE
Question negatived.

The PRESIDENT (10:33): The question now is that the amendment moved by Senator Fifield be agreed to.

The Senate divided. [10:35]

(The President—Senator Hogg)

Ayes .....................40
Noes ...................26
Majority ...............14

AYES

Bernardi, C
Boswell, RLD
Brandis, GH
Cash, MC
Cormann, M
Edwards, S
Fawcett, DJ
Fifield, MP
Heffernan, W
Kroger, H (teller)
Macdonald, ID
Mason, B
Milne, C
Parry, S
Rhiannon, L
Ryan, SM
Siewert, R
Smith, D
Whish-Wilson, PS
Wright, PL
Birmingham, SJ
Boyce, SK
Bushby, DC
Colbeck, R
Di Natale, R
Eggleston, A
Fierravanti-Wells, C
Hanson-Young, SC
Johnston, D
Ludlam, S
Madigan, JJ
McKenzie, B
Nash, F
Payne, MA
Ruston, A
Seselja, Z
Sinodinos, A
Waters, LJ
Williams, JR

PAIRS

Bishop, TM
Gallacher, AM
Sterle, G
Back, CJ
Ronaldson, M
Scullion, NG

CHAMBER
Thursday, 14 November 2013

AYES

Rhiannon, L
Ryan, SM
Siewert, R
Smith, D
Whish-Wilson, PS
Wright, PL

Ruston, A
Seselja, Z
Siodinos, A
Waters, LJ
Williams, JR
Xenophon, N

NOES

Bilyk, CL
Cameron, DN
Collins, JMA
Dastyari, s
Faulkner, J
Hogg, JJ
Ludwig, JW
McEwen, A (teller)
Moore, CM
Polley, H
Singh, LM
Thor, LE
Urqhart, AE

Brown, CL
Carr, KJ
Conroy, SM
Farrell, D
Furner, ML
Lines, S
Lundy, KA
McLucas, J
Peris, N
Pratt, L
Stephens, U
Tillem, M
Wong, P

PAIRS

Back, CJ
Ronaldson, M
Scullion, NG

Bishop, TM
Gallacher, AM
Sterle, G

Question agreed to.
Original question, as amended agreed to.

BUSINESS

Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (10:38): I move:

That consideration of non-controversial government business not be proceeded with today and that the following government business orders of the day be considered till 2 pm:

Commonwealth Inscribed Stock Amendment Bill 2013
No. 1—Governor-General's opening speech: address-in-reply

Question agreed to.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (10:39): I move:

That the order of general business for consideration today be as follows:

(a) general business notice of motion no. 24 standing in the name of Senator Moore relating to Commission of Audit; and
(b) orders of the day relating to government documents.
Question agreed to.

NOTICES
Postponement

The following items of business were postponed:

Business of the Senate notice of motion no. 4 standing in the name of Senator Siewert for today, proposing a reference to the Rural and Regional Affairs and Transport References Committee, postponed till 2 December 2013.

General business notice of motion no. 20 standing in the name of the Leader of the Australian Greens (Senator Milne) for today, proposing a reference to the Joint Standing Committee on Electoral Matters, postponed till 2 December 2013.

COMMITTEES

Environment and Communications Legislation Committee
Reference

Senator XENOPHON (South Australia) (10:40): I, and also on behalf of Senator Boswell and Senator Madigan, move:
That the following matters be referred to the Environment and Communications Legislation Committee for inquiry and report by 11 December 2013:
(a) the overall performance, importance and role of Australia Post in Australian communities, and the challenges it faces in the immediate and longer term;
(b) the operations of Australia Post in relation to Licensed Post Offices (LPOs), with particular reference to:
   (i) the importance and role of the LPO network in the Australian postal system, with particular reference to regional and remote areas,
   (ii) the licensing and trading conditions applicable to LPOs, including the Community Service Obligations, and any effects these may have on operating an LPO business, and
   (iii) marketing, retail and trading arrangements between Australia Post and LPOs and other entities; and
(c) any related matters.
Question agreed to.

Finance and Public Administration References Committee
Reference

Senator MADIGAN (Victoria) (10:40): I, and also on behalf of Senator Xenophon, move:
That the following matter be referred to the Finance and Public Administration References Committee for inquiry and report by the first sitting day in March 2014:
The current ratio of Australian goods and services versus imported goods and services utilised by the Commonwealth through procurement procedures, with particular reference to:
(a) the current policies and procedures for procurement in Commonwealth departments and agencies, including:
   (i) the current effectiveness of procurement policies and procedures,
(ii) the effectiveness of any policies or procedures designed to preference Australian goods and services, and
(iii) the operation of procurement divisions of departments and agencies, including oversight and scrutiny, cost, and requirements relating to transparency and information-sharing;
(b) the current policies and procedures for procurement for major Commonwealth funded capital projects currently underway or foreshadowed in the budget, including:
   (i) the current effectiveness of procurement policies and procedures for these projects,
   (ii) the effectiveness of any policies designed to preference Australian goods and services, and
   (iii) the transparency and accountability of project management;
(c) the economic, social and environmental benefits of utilising Australian goods and services; and
(d) any related matters.

Question agreed to.

BUSINESS

Senate Temporary Orders

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (10:42): I move:

That the temporary order of the Senate relating to consideration of private senators' bills, which applied until 30 June 2013, be adopted to operate as a temporary order until 30 June 2014 with effect from 2 December 2013.

Question agreed to.

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (10:42): I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Commonwealth Inscribed Stock Amendment Bill 2013, allowing it to be considered during this period of sittings.

Question agreed to.

MOTIONS

Heaney, Mr Seamus

Senator STEPHENS (New South Wales) (10:42): I, and also on behalf of Senator Mason, move:

That the Senate—
(a) pays tribute to the Irish poet and Nobel laureate, Mr Seamus Heaney, who died in Dublin on 30 August 2013 at the age of 74;
(b) notes that:
   (i) he was the author of more than a dozen collections of poetry, as well as critical essays, translations and works for the stage,
   (ii) he held lecturerships at some of the world's foremost universities, including Oxford, Harvard and the University of California, Berkeley,
   (iii) as a Catholic native of Northern Ireland, he repeatedly explored the deep ethical conundrums that have afflicted Ireland, but that while much of his work concerned the strife and uncertainties of the 'Troubles', he avoided polemics and wrote poetry that was meditative and uplifting,
(iv) throughout his work, Mr Heaney was concerned with morality, but was never pompous; he was enraptured, as he once put it, by 'words as bearers of history and mystery', and his accessible, lyrical poetry made him one of the most widely read poets in Australia and the world,

(v) he visited Australia in the early 1990s and was anticipating a return visit, and

(vi) he expressed a deep interest in our Indigenous and colonial history and found the experiences we all share are more inspirational than our differences, and at the close of his Nobel address, he spoke of 'the power to persuade that vulnerable part of our consciousness of its rightness in spite of the evidence of wrongness all around it; the power to remind us that we are hunters and gatherers of values, that our very solitudes and distresses are creditable, in so far as they, too, are an earnest of our veritable human being';

(c) acknowledges that the Irish community in Australia, the lovers of the thoughtful phrase, and all those who share Heaney's fascination with the possibility of a world beyond the visible, are suffering the loss of a poet who had, above all, the human touch; and

d) extends its deep sympathy to his wife Marie, sons Michael and Christopher and daughter Catherine.

Question agreed to.

**Australian Automotive Industry**

**Senator GALLACHER** (South Australia) (10:43): I, and also on behalf of Senators Farrell, McEwen and Wong, move:

That the Senate—

(a) notes that the car industry contributes $21.5 billion to Australian gross domestic product and that the loss of the car industry would see the loss of 33 000 jobs in Melbourne and 6 600 jobs in Adelaide by 2018;

(b) congratulates South Australian Premier, Mr Jay Weatherill, and the South Australian Government on its 'More than Cars' campaign which seeks to create public consensus across the country for national investment in the car industry; and

(c) urges the Abbott Government to immediately announce a financial package to attract private investment in the car industry which will ensure that we secure the future of the industry for the long term.

**Senator XENOPHON** (South Australia) (10:43): I seek leave to make a brief statement.

The **DEPUTY PRESIDENT**: Leave is granted for one minute.

**Senator XENOPHON**: I support this motion but I want to put on the record that the estimate of 6,600 jobs which could be lost in Adelaide if the automotive industry shuts down is actually quite conservative. There are other studies by the South Australian government and other economists which indicate that the job losses could be up to 17,000 in South Australia.

**Senator HANSON-YOUNG** (South Australia) (10:44): I seek leave to make a brief statement.

The **DEPUTY PRESIDENT**: Leave is granted for one minute.

**Senator HANSON-YOUNG**: The Australian Greens will be supporting this motion, but we are concerned about more money being put into the automotive industry without a clear vision for ensuring that the automotive industry is going to be there for the long term. We have to be investing in innovation—invention that moves us away from fossil fuels. We should be doing that. My home state is South Australia, as it is for Senator Xenophon and all the senators who have put their name to this motion. We should be becoming the electric car
capital of the country. If we do not start building the cars that people want to drive, there will be no security for jobs.

Question agreed to.

Workplace Relations

Senator RHIANNON (New South Wales) (10:45): I, and Senator Moore, move:

That the Senate—

(a) notes that:

(i) 15 November 2013 is the 75th anniversary of the start of industrial action taken by waterside workers to stop pig iron being loaded on the Dalfram and shipped to Japan,

(ii) the strike was called in support of growing community opposition to Australia shipping resources that could be used as war materials,

(iii) the shipment was part of a contract for 300,000 tons of pig iron to be supplied to Japan Steel Works, which was producing military materials,

(iv) the Federal Government accused the Waterside Workers Federation (WWF) of dictating foreign policy, arguing that, as the elected government, it had the sole right to decide what relationships were to be established with foreign powers, and

(v) on 24 January 1939, WWF General Secretary, Mr Jim Healy, met with government representatives and was informed that no more pig iron would be shipped to Japan; and

(b) congratulates the workers involved in the dispute in taking a stand for peace and acknowledges the sacrifices they and their families made during the nine week dispute when they were not paid.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (10:45): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: Senator Rhiannon and Senator Moore wish to congratulate waterside workers for taking a stand for peace by refusing to load pig iron destined for Japan in 1938. But why stop at 1938? Let us remember the supposed stand for peace that waterside workers took between 1939 and 1945 when Australia was at war and fighting for its very survival. As historian Hal GP Colebatch recently reminded us, during the course of the war virtually every major Australian warship, including at different times Australia’s entire force of cruisers, was targeted by strikes, go-slow or sabotage. While Australian troops and their allies were fighting and dying to keep the Japanese army at bay throughout the Pacific, in Papua and in South-East Asia, waterside workers refused to load arms, ammunition, food and supplies, and they looted stores and destroyed equipment. I think it may well be appropriate that this not be— (Time expired)

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

The Senate divided. [10:51]

(The President—Senator Hogg)

Ayes .................... 36
Noes .................... 28
Majority ............... 8
AYES

Bilyk, CL
Cameron, DN
Collins, JMA
Di Natale, R
Faulknor, J
Gallacher, AM
Hogg, JJ
Ludlam, S
Lundy, KA
Marshall, GM
McLucas, J
Moore, CM
Polley, H
Rhiannon, L
Singh, LM
Thorp, LE
Urquhart, AE
Whish-Wilson, PS

Brown, CL
Carr, KJ
Dastyari, s
Farrell, D
Furner, ML
Hanson-Young, SC
Lines, S
Ludwig, JW
Madigan, JJ
McEwen, A (teller)
Milne, C
Peris, N
Pratt, LC
Siewert, R
Stephens, U
Tillem, M
Waters, LJ
Wright, PL

NOES

Bernardi, C
Boswell, RLD
Brandis, GH
Cash, MC
Cormann, M
Fawcett, DJ
Fifield, MP
Johnston, D
Macdonald, ID
McKenzie, B
Parry, S
Ruston, A
Seselja, Z
Smith, D

Birmingham, SJ
Boyce, SK
Bushby, DC
Colbeck, R
Eggleston, A
Fierravanti-Wells, C
Heffernan, W
Kroger, H (teller)
Mason, B
Payne, MA
Ryan, SM
Sinodinos, A
Williams, JR

PAIRS

Bishop, TM
Conroy, SM
Sterle, G

Back, CJ
Scullion, NG
Ronaldson, M

Question agreed to.

DOCUMENTS

Asylum Seekers

Order for the Production of Documents

Senator HANSON-YOUNG (South Australia) (10:53): I move:
That—
(a) all communications relating to any 'on water operations' that occurred between 7 September 2013 and 14 November 2013 be laid on the table by the Minister representing the Minister for Immigration and Border Protection, by noon on 18 November 2013, including but not limited to:

Any report or briefing to, or email or other correspondence between the Minister or the Minister's office and the Department of Immigration and Border Protection or the Detection, Interception and Transfer Task Group and related agencies which includes information related to any or all of the following:

(i) the chronology of events,
(ii) 'illegal maritime arrivals' (unauthorised arrivals),
(iii) Suspected Irregular Entry Vessels (SIEVs) intercepted at sea,
(iv) distress calls to and response time by the Australian Maritime Safety Authority,
(v) where the SIEV was detected,
(vi) nationality of passengers,
(vii) safety-of-life-at-sea incidents,
(viii) SIEV turn backs,
(ix) SIEV tow backs,
(x) number of people suspected to be on board the SIEVs,
(xi) the number of children suspected to be on board the SIEVs, and
(xii) how many people, if any, were subject to 'on water transfers';

(b) no later than 24 hours after an event relating to 'on water operations' all communications be laid on the table by the Minister representing the Minister for Immigration and Border Protection, including but not limited to:

Any report or briefing to, or email or other correspondence between the Minister or the Minister's office and the Department of Immigration and Border Protection or the Detection, Interception and Transfer Task Group and related agencies which includes information related to any or all of the following information:

(i) the chronology of events,
(ii) 'illegal maritime arrivals' (unauthorised arrivals),
(iii) Suspected Irregular Entry Vessels (SIEVs) intercepted at sea,
(iv) distress calls to and response time by the Australian Maritime Safety Authority,
(v) where the SIEV was detected,
(vi) nationality of passengers,
(vii) safety-of-life-at-sea incidents,
(viii) SIEV turn backs,
(ix) SIEV tow backs,
(x) number of people suspected to be on board the SIEVs,
(xi) the number of children suspected to be on board the SIEVs, and
(xii) how many people, if any, were subject to 'on water transfers'; and

(c) if the Senate is not sitting within the 24 hours after the event relating to 'on water operations' then the documents are to be presented to the President under standing order 166 on the next working day.
Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (10:54): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator CASH: The government will not be supporting this motion. We do not run a shipping news service for people smugglers. Operation Sovereign Borders is a military-led border security operation. It has clear, established communication protocols designed by the Joint Agency Task Force led by Lieutenant-General Campbell to support the effectiveness of the operation. These procedures, restricting the official information available to people smugglers, are designed so as not to advantage people smugglers. People smugglers use official information provided by governments, especially when that information is specific, to sell and promote their product and create perceptions amongst potential illegal entrants to Australia. That helps them, not Australians. Details of illegal arrivals by boat will be provided in accordance with the protocol established by Operation Sovereign Borders at the scheduled weekly briefings. The next scheduled report will be provided tomorrow.

Senator HANSON-YOUNG (South Australia) (10:55): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator HANSON-YOUNG: It would be better if this motion did not have to be put forward in this chamber. It would not be necessary if we had a basic acceptance of transparency, a bit more of being up-front with the Australian people and a bit more respect for the parliament—even just the answering of questions during question time in relation to this government's border protection policies. But the fact is that you are absolutely gutless in not putting on the table what is really going on. What are you hiding if you are not able to just tell people, 'Yes, boats have arrived; we have tried to turn around a boat here; it did not work'? That is absolutely gutless. That is sheer hypocrisy—gutless. The reason Mr Abbott, the Prime Minister, does not want the Australian people to know is that the wheels have fallen off his policy. Everybody knows it. The emperor's new clothes have absolutely been exposed.

Senator Heffernan: Mr President, on a point of order: that is unparliamentary language.

If 'Electricity Bill' is unparliamentary, so is 'gutless'.

The PRESIDENT: Order! There is no point of order. The question is that the motion moved by Senator Hanson-Young be agreed to.

The Senate divided. [10:58]

(The President—Senator Hogg)

Ayes .....................33
Noes .....................28
Majority...............5

AYES

Brown, CL  Carr, KJ
Collins, JMA  Dastyari, s
Di Natale, R  Farrell, D
Faulkner, J  Furner, ML
Gallacher, AM  Hanson-Young, SC
AYES

Hogg, JJ  Lines, S
Ludlam, S  Ludwig, JW
Lundy, KA  Marshall, GM
McEwen, A (teller)  McLucas, J
Milne, C  Moore, CM
Peris, N  Polley, H
Pratt, LC  Rhiannon, L
Siewert, R  Singh, LM
Stephens, U  Thorp, LE
Tillem, M  Urquhart, AE
Waters, LJ  Whish-Wilson, PS
Wright, PL

NOES

Bernardi, C  Birmingham, SJ
Boyce, SK  Brandis, GH
Bushby, DC  Cash, MC
Colbeck, R  Cormann, M
Eggleston, A  Fawcett, DJ
Fierravanti-Wells, C  Fifield, MP
Heffernan, W  Johnston, D
Kroger, H (teller)  Macdonald, ID
McKernie, B  Mason, B
McKenzie, B  Nash, F
Parry, S  Payne, MA
Ruston, A  Ryan, SM
Seselja, Z  Sinodinos, A
Smith, D  Williams, JR

PAIRS

Bilyk, CL  Ronaldson, M
Bishop, TM  Back, CJ
Wong, P  Scullion, NG

Question agreed to.

COMMITTEES

Select Committee on the National Broadband Network

Appointment

Senator LUNDY (Australian Capital Territory) (11:00): I, and also on behalf of Senator Ludlam, move:

(1) That a select committee, to be known as the Select Committee on the National Broadband Network, be established to inquire into and report on the Government's reviews of the National Broadband Network (NBN) and the governance of NBN Co, with interim reports as the committee sees fit and a final report on or before 10 June 2014, with particular reference to:

(a) the establishment of the Government's strategic review of the NBN including:

(i) the adequacy of the terms of reference,
(ii) the selection of personnel and expert advisers to the review,

(iii) the data provided to the strategic review, in particular, any variation between that data and data used by NBN Co in preparing its annual report and corporate plan, and

(iv) the impact of the strategic review on the operational effectiveness of NBN Co;

(b) the outcome of the strategic review of the NBN, including:

(i) the extent to which the review fulfilled its terms of reference,

(ii) the reliability of assumptions made in the review, including, inter alia, the cost of alternative network equipment, the revenues of NBN Co under alternative scenarios, construction requirements and access to Telstra's copper network,

(iii) the implications of any alternatives considered for the long term structure of the industry, in particular, the structural separation of access networks from retail operations, and

(iv) any other matters arising from the strategic review;

(c) the establishment and findings of the Government's cost benefit analysis;

(d) the conduct and findings of the Government survey of the availability of broadband in Australia; and

(e) any related matter.

(2) That the committee consist of 7 senators, 3 nominated by the Leader of the Government in the Senate, 3 nominated by the Leader of the Opposition in the Senate, and 1 nominated by the Australian Greens.

(3) That:

(a) participating members may be appointed to the committee on the nomination of the Leader of the Government in the Senate, the Leader of the Opposition in the Senate or any minority party or independent senator;

(b) participating members may participate in hearings of evidence and deliberations of the committee, and have all the rights of members of the committee, but may not vote on any questions before the committee; and

(c) that 3 members of the committee constitute a quorum of the committee.

(4) That the committee may proceed to the dispatch of business notwithstanding that not all members have been duly nominated and appointed and notwithstanding any vacancy.

(5) That the committee elect as chair a member nominated by the Leader of the Opposition and as deputy chair, a member nominated by the Leader of the Government.

(6) That the deputy chair shall act as chair when the chair is absent from a meeting of the committee or the position of chair is temporarily vacant.

(7) That the chair, or the deputy chair when acting as chair, may appoint another member of the committee to act as chair during the temporary absence of both the chair and deputy chair at a meeting of the committee.

(8) That, in the event of an equally divided vote, the chair, or the deputy chair when acting as chair, have a casting vote.

(9) That the committee have power to appoint subcommittees consisting of 3 or more of its members, and to refer to any such subcommittee any of the matters which the committee is empowered to examine.

(10) That the committee and any subcommittee have power to send for and examine persons and documents, to move from place to place, to sit in public or in private, notwithstanding any prorogation
of the Parliament or dissolution of the House of Representatives, and have leave to report from time to time its proceedings, the evidence taken and such interim recommendations as it may deem fit.

(11) That the committee be provided with all necessary staff, facilities and resources and be empowered to appoint persons with specialist knowledge for the purposes of the committee with the approval of the president.

(12) That the committee be empowered to print from day to day such documents and evidence as may be ordered by it, and a daily Hansard be published of such proceedings as take place in public.

Senator LUDLAM (Western Australia) (11:01): I seek leave to make a brief statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator LUDLAM: I am pleased to be able to co-sign this motion with Senator Lundy to establish a select committee into the NBN. On 17 October I wrote to our new communications minister, Mr Turnbull, congratulating him on his appointment and asking him his intentions for re-establishing the Joint NBN Committee—which I, government members, coalition members and Senator Xenophon were involved in creating—an oversight committee to watchdog the rollout of the NBN, which, as we know, was very popular but was also troubled. The committee played quite a valuable role under the chairmanship of Mr Oakeshott.

While in opposition Mr Turnbull participated in that committee. I think all members who participated got value out of it. I had no response from Mr Turnbull. He has not re-established the Joint NBN Committee and I do not believe that he intends to. That is why this select committee is necessary—to police, to the degree that we can, the shambles that is now being presided over, given that anybody with any knowledge of construction of that network is being washed out of the organisation. It is absolutely essential for an investment of this scale, given the privatisation mentality that this government seems to be bringing to the debate, that we salvage whatever we can from the wreckage that Mr Turnbull is now presiding over. So I would encourage members from all sides of this chamber to participate and to do what we can to retrieve the best we can from the wreckage of this government's broadband policy.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:02): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: Almost everything that Senator Ludlam said was untrue. The government took the initiative and proposed that the Joint Committee on the NBN be re-established. The government approached Labor and secured in-principle support for the joint committee. But what we have actually witnessed and are witnessing is an effective coup within the opposition.

Unbeknownst to the shadow communications minister, Mr Clare, Labor in the Senate, as we see here with Senator Ludlam, is launching a separate proposal for a committee. The government had taken steps to ensure that parliamentary scrutiny of this project would occur. We are very clear. But we will not be establishing the Joint Committee on the NBN if Labor insists on a separate committee in this place and if Labor, in effect, perpetrates a coup within their own ranks. What we are seeing is Labor senators freelancing and undermining— (Time expired)
Senator IAN MACDONALD (Queensland) (11:03): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator IAN MACDONALD: Senator Ludlam will stop me if I am breaching confidence, but just chatting to Senator Ludlam he indicated to me that this motion was moved in frustration—because they were not told that the joint committee was going to resume. That being the case, I would move, if I am able to do so in this instance, that this matter be adjourned until a later hour.

The DEPUTY PRESIDENT: No, that is not possible because formality was sought and given and there is a motion now before the chair, which I must consider and put. The motion before me now is that the motion moved by Senator Lundy be agreed to.

The Senate divided. [11:09]

(The President—Senator Hogg)

Ayes ...................... 36
Noes ...................... 27
Majority ............... 9

AYES

Brown, CL
Carr, KJ
Conroy, SM
Di Natale, R
Faulkner, J
Gallacher, AM
Hogg, JJ
Ludlam, S
Lundy, KA
McEwen, A (teller)
Milne, C
Peris, N
Rhiannon, L
Singh, LM
Sterle, G
Tillem, M
Waters, LJ
Wright, PL

Cameron, DN
Collins, JMA
Dastyari, s
Farrell, D
Furner, ML
Hanson-Young, SC
Lines, S
Ludwig, JW
Madigan, JJ
McLucas, J
Moore, CM
Pratt, LC
Siewert, R
Stephens, U
Thorpe, LE
Urquhart, AE
Whish-Wilson, PS
Xenophon, N

NOES

Bernardi, C
Boyce, SK
Bushby, DC
Colbeck, R
Eggelston, A
Fierravanti-Wells, C
Heffernan, W
Kroger, H (teller)
Mason, B
Nash, F
Payne, MA

Birmingham, SJ
Brandis, GH
Cash, MC
Cormann, M
Fawcett, DJ
Fifield, MP
Johnston, D
Macdonald, ID
McKenzie, B
Parry, S
Ruston, A
Question agreed to.

MOTIONS

Sri Lanka

Senator RHIANNON (New South Wales) (11:11): I seek leave to amend general business notice of motion No. 25 standing in my name and in the name of Senator Milne for today relating to the UN Human Rights Council resolution on Sri Lanka and the call for Prime Minister Tony Abbott to raise the need for an independent investigation of violations of human rights with the Sri Lankan President at CHOGM.

Leave granted.

Senator RHIANNON: I move the motion as amended:

That the Senate—

(a) notes the United Nations General Assembly Human Rights Council resolution encouraging the Sri Lankan Government to conduct an independent investigation into allegations of violations of international human rights law and international humanitarian law, as applicable; and

(b) calls on the Prime Minister (Mr Abbott) to raise the matter of an independent investigation into allegations of violations of international human rights law and international humanitarian law with the President of Sri Lanka at the 2013 Commonwealth Heads of Government Meeting in Colombo.

Question agreed to.

NOTICES

Postponement

Senator MILNE (Tasmania—Leader of the Australian Greens) (11:13): by leave—I move:

That general business notice of motion No. 21 standing in her name for today, relating to the arrest of persons from the Arctic Sunrise, be postponed till 2 December 2013.

Question agreed to.

MOTIONS

Japan Natural Disasters

Senator LUDLAM (Western Australia) (11:14): I move:

That the Senate—

(a) notes:
(i) the nuclear crisis at the Fukushima Daiichi reactor site is progressively deteriorating,
(ii) that Australian uranium was in each of the reactors at Fukushima on 11 March 2011, and
(iii) the nuclear utility TEPCO is embarking on the risky removal of more than 1 500 highly
irradiated fuel rods from Unit 4 of the reactor complex; and
(b) calls on the government to:
   (i) provide an assessment of the likelihood of success, and consequence of failure, of fuel recovery
operations;
   (ii) inform the Senate of whether or not it has evaluated the contamination risks to Pacific Ocean
ecosystems, fisheries and communities in the event of a fire or other accident during fuel recovery
operations, and
   (iii) regularly advise the Senate of the progress toward the removal of fuel from Fukushima Daiichi
Unit 4 and subsequent progress toward reducing the flow of radioactive water into the Pacific Ocean.

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

The Senate divided. [11:18]

(The Deputy President—Senator Parry)

Ayes .................9
Noes .................50
Majority.............41

AYES
Di Natale, R
Ludlam, S
Rhiannon, L
Waters, LJ
Wright, PL

Hanson-Young, SC
Milne, C
Siewert, R (teller)
Whish-Wilson, PS

NOES
Bernardi, C
Boyce, SK
Cameron, DN
Cash, MC
Collins, JMA
Cormann, M
Edwards, S
Farrell, D
Fawcett, DJ
Fifield, MP
Gallacher, AM
Kroger, H (teller)
Ludwig, JW
Madigan, JJ
McKenzie, B
Moore, CM
Parry, S
Polley, H
Ruston, A
Scullion, NG

Birmingham, SJ
Brown, CL
Carr, KJ
Colbeck, R
Conroy, SM
Dastyari, s
Eggleston, A
Faulkner, J
Fierravanti-Wells, C
Furner, ML
Johnston, D
Lines, S
Lundy, KA
McEwen, A
McLucas, J
Nash, F
Peris, N
Pratt, LC
Ryan, SM
Seselja, Z
Senator WATERS (Queensland) (11:22): I move:

(a) notes:
(i) recent reports in the Sydney Morning Herald that the Prime Minister personally promised Tara resident, Ms Debbie Orr, that nobody should be forced to have a gas well on their property,
(ii) the Coalition's election platform that access to prime agricultural land should only be allowed with the farmer's agreement – the farmer should have the right to say yes or no to coal seam gas exploration and extraction on their property, and
(iii) that there are no constitutional limitations preventing the Federal Government from giving Australian landholders the legal right to say no to coal seam gas; and

(b) calls on the Government to follow through on these statements by giving landholders the legal right to say no to coal seam gas mining on their land under federal law.

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

The Senate divided. [11:23]

(The Deputy President—Senator Parry)

Ayes .................10
Noes .................44
Majority.............34

AYES

Di Natale, R
Ludlam, S
Milne, C
Siewert, R (teller)
Whish-Wilson, PS

NOES

Bernardi, C
Boyce, SK
Cameron, DN
Cash, MC
Collins, JMA
Cormann, M
Edwards, S
Faulkner, J

Birmingham, SJ
Brown, CL
Carr, KJ
Colbeck, R
Conroy, SM
Dastyari, s
Farrell, D
Fawcett, DJ
Question negatived.

Agriculture

Senator MADIGAN (Victoria) (11:26): I seek leave to amend general business notice of motion No. 18 standing in my name.

Leave granted.

Senator MADIGAN: I move the motion as amended:

That the Senate—

(a) notes that:

(i) in 2010 the Australian Bureau of Statistics published the Agricultural Land and Water Ownership survey (December 2010), which indicated that 11.3 per cent of Australian agricultural land was foreign-owned,

(ii) according to the Australian Broadcasting Corporation's Vote Compass, a significant majority of Australians want to 'further restrict foreign ownership of Australian agricultural land'; and

(iii) Australian agricultural land is a national treasure and should not be treated as a global commodity; and

(b) calls on the Government to table, no later than the first sitting day of 2013, an updated Agricultural Land and Water Ownership survey, outlining foreign ownership of Australian agricultural land as at June 2013.

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

The Senate divided. [11:28]

(The Deputy President—Senator Parry)

Ayes ....................11
Noes ....................45
Majority ....................34

AYES

Di Natale, R
Ludlam, S
Milne, C

Hanson-Young, SC
Madigan, JJ (teller)
Rhiannon, L
Question negatived.

COMMITTEES

Legal and Constitutional Affairs References Committee

Reference

Senator LUDLAM (Western Australia) (11:30): I move:

That the following matters be referred to the Legal and Constitutional Affairs References Committee for inquiry and report by 10 June 2014:

(a) the implications of revelations regarding surveillance of private communications and the indiscriminate interception of personal data by the US National Security Agency and other agencies for the Australian government, businesses and citizens, including risks to:

(i) Australian citizens' fundamental human right to privacy, freedom of expression, the presumption of innocence and the protection of data,

(ii) Australia's diplomatic relationships in the region, and

(iii) increased compliance costs and risks to business through the undermining of confidence in the security of commercial data and encryption standards;

(b) appropriate measures to address, mitigate or eliminate these risks; and
(c) any other relevant matters.

Senator MOORE (Queensland) (11:31): Mr President, I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator MOORE: Our position is that national security must not become a matter for political grandstanding. The opposition welcomes discussion at any time about balancing the protection of Australians' right to privacy with national security objectives but opposes this committee reference.

Senator LUDLAM (Western Australia) (11:32): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator LUDLAM: I cannot let a comment like that go unchallenged. This is not about grandstanding. This is about the Australian parliament doing its job. When this legislature votes to avoid knowing what is going on, we are failing in our primary duty as a parliament. Unless you are deeply embedded in the national security state, you have no idea how deeply implicated we are in the extraordinary debacle and surveillance overreach of the United States government. The opposition have not declared their hand, but I am presuming that we do not have support from either the Labor, Liberal or National parties. You are voting to retain a blindfold. It is our job to establish what is going on. It is happening in the US Congress, in Westminster and in parliaments across Europe and South America. The people, through their representatives in elected chambers, are demanding to know what the hell is going on. Why in Australia are the two major parties embedded in this complicity of silence? We need answers now. (Time expired)

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

The Senate divided. [11:34]

(The Deputy President—Senator Parry)

Ayes ......................11
Noes ......................39
Majority .................28

AYES

Di Natale, R
Ludlam, S
Milne, C
Siewert, R (teller)
Whish-Wilson, PS
Xenophon, N

Hanson-Young, SC
Madigan, JJ
Rhiannon, L
Waters, LJ
Wright, PL

NOES

Bilyk, CL
Boyce, SK
Cameron, DN
Colbeck, R
Cormann, M
Farrell, D

Birmingham, SJ
Brown, CL
Cash, MC
Conroy, SM
Dastyari, s
Fawcett, DJ
Thursday, 14 November 2013

SENATE

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NOES

Fierravanti-Wells, C
Furner, ML
Kroger, H
Ludwig, JW
McEwen, A (teller)
McLucas, J
Parry, S
Peris, N
Ruston, A
Seselja, Z
Sinodinos, A
Stephens, U
Thorp, LE
Urquhart, AE

Fifield, MP
Gallacher, AM
Lines, S
Lundy, KA
McKenzie, B
Moore, CM
Payne, MA
Pratt, LC
Ryan, SM
Singh, LM
Smith, D
Sterle, G
Tillem, M

Question negatived.

NOTICES

Presentation

Senator HANSON-YOUNG (South Australia) (11:37): I seek leave to put in a notice of motion. With the kerfuffle this morning, I missed the jump.

Senator Fifield: A motion about a kerfuffle?

The DEPUTY PRESIDENT: No, Senator Hanson-Young is seeking leave to add a notice of motion that she did not give notice of earlier in the day because of the rather lengthy process of housekeeping this morning.

Leave granted.

Senator HANSON-YOUNG: I give notice that, in the next two sitting days from today, I shall move:

That the following bill be introduced: A Bill for an Act to amend the Marriage Act 1961 to create the opportunity for marriage equality for people regardless of their sex, sexual orientation or gender identity, and for related purposes. Marriage Equality Amendment Bill 2013.

BUDGET

Consideration by Estimates Committees

Senator KROGER (Victoria—Chief Government Whip) (11:38): On behalf of the respective chairs, I present additional information received by committees relating to estimates:

Additional estimates 2011-12—Foreign Affairs, Defence and Trade Legislation Committee—Additional information—Defence portfolio.
Budget estimates 2012-13—Foreign Affairs, Defence and Trade Legislation Committee—Additional information—Foreign Affairs and Trade portfolio.
Budget estimates 2012-13 (Supplementary)—

Community Affairs Legislation Committee—Additional information received between 28 February and 15 May 2013—National E-Health Transition Authority.
Legal and Constitutional Affairs Legislation Committee—Additional information received between 17 May and 14 November 2013—
  Attorney-General’s portfolio.
  Immigration and Citizenship portfolio.
Additional estimates 2012-13—
  Foreign Affairs, Defence and Trade Legislation Committee—Additional information—Defence portfolio.
  Legal and Constitutional Affairs Legislation Committee—Additional information received between—
    17 May and 14 November 2013—Attorney-General’s portfolio.
    28 June and 14 November 2013—Immigration and Citizenship portfolio.
Budget estimates 2013-14—
  Community Affairs Legislation Committee—Additional information received between 25 June and 13 November 2013—
    Families, Housing, Community Services and Indigenous Affairs portfolio.
    Health and Ageing portfolio.
    Human Services portfolio.
    Indigenous issues across portfolios.
    National E-Health Transition Authority.
  Economics Legislation Committee—Additional information received between 28 June and 13 November 2013—
    Treasury portfolio.
  Environment and Communications Legislation Committee—Additional information received between—
    28 June and 11 November 2013—
    Climate Change.
    Sustainability, Environment, Water, Population and Communities portfolio.
  Finance and Public Administration Legislation Committee—Additional information received between 25 June and 12 November 2013—
    Finance and Deregulation portfolio.
    Parliamentary departments.
    Prime Minister and Cabinet portfolio.
  Foreign Affairs, Defence and Trade Legislation Committee—Additional information—
    Defence portfolio.
    Foreign Affairs and Trade portfolio.
Legal and Constitutional Affairs Legislation Committee—Additional information received between 28 June and 14 November 2013—
  Attorney-General’s portfolio.
Immigration and Citizenship portfolio.
Rural and Regional Affairs and Transport Legislation Committee—Additional information received between—
30 May and 10 October 2013—Regional Australia, Local Government, Arts and Sports portfolio.
31 May and 10 October 2013—Infrastructure and Transport portfolio.

**COMMITTEES**

**Economics References Committee**

**Rural and Regional Affairs and Transport References Committee**

**Report**

*Senator KROGER* (Victoria—Chief Government Whip) (11:38): At the request of the chairs of the Economics References Committee and the Rural and Regional Affairs and Transport References Committee, I present reports of the Economics References Committee and the Rural and Regional Affairs and Transport References Committee on matters referred to the committees during the previous parliament.

Ordered that the reports be adopted.

**BILLS**

**Commonwealth Inscribed Stock Amendment Bill 2013**

**First Reading**

Bill received from the House of Representatives.

*Senator FIFIELD* (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:39): 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 FIFIELD* (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:40): 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—*

This Bill seeks to amend the *Commonwealth Inscribed Stock Act 1911* to increase the legislative debt limit from $300 billion to $500 billion.

The legislative limit has been lifted three times since it was introduced in 2008. It was effectively increased from $75 billion to $200 billion in 2009, increased to $250 billion in 2011 and then increased to $300 billion in 2012.

The face value of Commonwealth Government Securities on issue that are subject to the limit has increased from around $50 billion when the limit was introduced in 2008 to over $285 billion today. CGS on issue is projected to increase further.
We do not want a repeat of this situation. By setting a limit of $500 billion, we've signalled that it is not our intention to return to Parliament seeking further increases to the limit.

Both the former Government’s Economic Statement in August and the 2013 Pre-Election Economic and Fiscal Outlook, reported that the face value of Commonwealth Government Securities on issue subject to the legislative limit were projected to reach $300 billion in December 2013.

These budget documents also showed that the face value of CGS on issue was projected to continue to increase over the forward estimates and reach around $370 billion by 2015-16.

In addition to $370 billion, the Australian Office of Financial Management (AOFM) has previously advised that it is prudent to maintain a buffer of $40 to $60 billion above peak debt projected in any year.

This advice from the AOFM isn’t a new development. This advice was provided to and tabled by Treasurer Swan on 10 May last year. It was based on this advice, that the limit was last raised to $300 billion.

So even on Labor’s own numbers and advice, a $400 billion limit would be inadequate.

The Opposition has never understood this and always treated the debt limit as a target.

But as the Treasurer has said clearly before, the budget has deteriorated since PEFO.

The Treasurer has been advised that on current trends peak debt will now exceed $400 billion.

The debt limit needs to be increased to $500 billion to provide sufficient headroom to ensure there is stability and certainty for the financial markets. There must be confidence that the Government has the capacity to finance its operations for the foreseeable future.

The debt limit is a ceiling, it is not a debt target.

An effective debt limit needs to allow for unanticipated events with an impact on the budget position and on the required amount of debt on issue to manage the business of government.

This allows the government to respond quickly to unexpected changes in economic activity.

It is absolutely crucial that we instil confidence in financial markets that the government can finance its operations, both now and into the future.

We need not look any further than the recent events in the United States to realise how essential stability and certainty is for confidence.

The increase in the legislative limit to $500 billion provides this safety buffer. It sends a clear signal to financial and capital markets.

I also stress the urgency of the situation.

The current limit of $300 billion is expected to be reached in December 2013.

In just a few short weeks, the Australian Office of Financial Management may not be in a position to raise additional financing through debt that is subject to the limit.

This is a totally unacceptable situation and one that can be easily averted.

This legislation must be passed urgently to ensure the government has access to financing to manage its ordinary operations.

Let me remind the Parliament, we are only here today debating this Bill because of Labor’s excessive spending and mismanagement.

And this attitude continues today.

On the one hand, the Opposition is saying we only need a debt limit of $400 billion, a figure which would not provide sufficient headroom to finance the budget in coming years. Then on the other hand the Opposition is flagging that they will seek to prevent the Government from legislating for $13.4 billion in savings related to the mining tax.
We are a Government of fiscal responsibility. The key way to avoid having to continually raise the
debt limit is through prudent management of the nation's finances.

We are committed to bringing the budget to a surplus of 1 per cent of GDP within a decade. This will
help reduce debt to sustainable levels.

The Coalition Government has put in place a Commission of Audit to ensure that we have made the
necessary reforms to effectively manage the budget and debt.

The debt limit needs to be increased today as a result of actions in the past. This Government is
acting now, to ensure this situation does not occur again in the future.

Senator MOORE (Queensland) (11:40): In the short time I have to speak, I will carry on
with the concerns that we on this side of the House have about this bill. The Commonwealth
Inscribed Stock Amendment Bill 2013 has had a great deal of media coverage over the last
couple of weeks, and there has been language used in the debate in the media—not yet in this
place—which would not be considered reasonable in any sense. I noted with interest a media
interview last night, which I saw this morning, where the Prime Minister, Mr Abbott, refused
to have, and questioned, 'loaded language' being used in a debate. If there has been loaded
language used recently about any issue, it certainly has been around this particular bill. When
there have been accusations that the opposition are behaving in a way that is similar to the
Tea Party in the US, that can only be seen as completely loaded language.

In terms of our position—and that will be explained more fully when our shadow minister
talks about the concerns that we on this side of the House have about this bill—is that there needs
to be constant scrutiny by the parliament of any request to raise our debt
ceiling. I think that is an agreed principle in our parliament
—that we do have scrutiny. What
we are saying on this side of the House is that there is no problem with looking at raising the
debt ceiling. What we are saying is that the quantum by which the government are proposing,
in their first action in parliament, to raise this debt ceiling is not commensurate with the need.
We believe that there needs to be a reasoned approach to looking at what the debt situation is,
looking at what the demands by our parliament are, and then, as required, bringing the debate
back into the parliament, justifying the need for the rises and having effective scrutiny of the
rationale that is brought forward. We do not believe that this is the case with this bill. We do
not object to the rising of the debt amount and we certainly do not object to having the
process debated in the parliament, but we believe that it should be at a lower level. In terms
of the process, I know that we will be moving an amendment, but it is important that the
parliament has an understanding of what is going on at any time.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (11:43): What
we have today in this parliament is the government of the day issuing an ultimatum to the
parliament for political purposes but refusing to provide the reasons why. Let us be really
clear about what we are being asked to do here. The Pre-election Economic and Fiscal
Outlook is the document which updates and presents, under the Charter of Budget Honesty,
the state of the nation's budget figures to avoid the allegation that either political party ever
hides, in government, its position. This document is presented by departments. I have to say
that one of the good things about Peter Costello's Charter of Budget Honesty is that it does
require that this document, a full update of the Commonwealth budget, is presented during an
election campaign without any involvement from either the government of the day or the
opposition. In that update, in the election this year, it was demonstrated that the budget
position was essentially almost identical to the economic statement that the then Treasurer and then finance minister released—

   Senator Cormann: Not to the budget!

   Senator WONG: I will take the interjection from the now Minister for Finance. If he wants to tell us that the budget is different, he should release his figures. I will come to that point shortly.

   The point I am making—

   Senator Cormann: The economic statement was $33 billion worse than your budget!

   Senator WONG: Madam Acting Deputy President, I was chided yesterday by a coalition acting deputy president for making interjections, saying that speakers should be heard in silence. I wonder if the same courtesy could be provided to me today?

   Coming back to the pre-election budget statement: that is a complete update done by Australia's public servants about the state of the budget. That is the document which is still the most recent budget update. In that, what they told us was that net debt—I am talking about net debt at the moment—will peak in 2014-15, and gross debt—in this case the Commonwealth securities on issue—will increase to $370 billion in the financial year 2016-17. That is the context in which we are having this discussion.

   Since that time, obviously, we have had the election—a new government has been elected, a government that has talked long and hard about their commitment to debt reduction. And what have we seen since the election? We have actually seen decisions taken that blow out the deficit: decisions to wind back tax changes, for example—tax changes that lessen the capacity of corporations to minimise their tax. We have seen a decision to provide the Reserve Bank with, I think, nearly $9 billion. We have seen decisions taken that increase the deficit and increase debt. We have also seen the government musing about increasing debt for the purposes of investment in infrastructure. We have seen Mr Briggs, one of the junior ministers, talking about leveraging the government's balance sheet, which, of course, is code for being able to borrow more and invest in infrastructure.

   Now, there may well be some reasonable arguments that the government would put to the Australian people and to the public about this issue. It may well be that they would say, 'Look, we think we should borrow more so we can invest more.' That is certainly what the musings are from Mr Hockey, Mr Briggs and, I suspect, Senator Sinodinos, who has arrived now, which flag higher levels of debt.

   Then what the government has done is said, 'By the way, one of the first orders of business for this government to put on the Notice Paper is an increase in the debt cap—Australia's debt limit—to $500 billion, without explanation.' In fact, the only explanation they want to give is to blame the Labor Party. I think it is very important that we actually step through the political tactic here. The political tactic is: blow out the deficit, increase debt and then blame the Labor Party when they make massive cuts next year.

   That is what it is: blow out the deficit, increase the debt cap, blame the Labor Party and then turn up next year and breach a whole bunch of election commitments, including cuts to health and education, after your Commission of Audit has reported. This is part of a political strategy. The sadness of it for Australians is that we have a government and a Treasurer who are prepared to use something as important as the debt cap for political purposes.
We will take, and are taking, a responsible approach to this issue. What we have said is simply this: we will give you an increase, sight unseen. Without seeing your budget figures, we will give you a $100 billion increase on what you are currently have. Sight unseen, we are prepared to do that because we understand the importance of being responsible. Again, I remind Australians, I remind people and I remind the chamber that as at the pre-election budget update the $370 billion was not reached until 2016-17. The opposition is now saying, 'We will give you $400 billion now in 2013. But before we give you some more, we think you should tell Australians why. We think you should tell Australians what the true state of your budget is.'

It is pretty reasonable. You ask for a $200 billion increase—a $200 billion increase!—in the debt cap without any documentation. It is the largest low-doc loan in history! So the Labor opposition is being responsible, we are being reasonable and we are saying, 'Well, you're the government of the day. We accept that the debt cap needs to be lifted; we accept that we need to approach this responsibly. Therefore, we will move an amendment to enable you to have a $100 billion increase. But before we go further—before you provide the largest debt cap ever in the nation's history and before you go to half a trillion dollars—we think you should provide a budget update that shows not only the Senate and the House of Representatives where your budget is but also the Australian people. And you should do that because that is the responsible approach.' That is the approach of a responsible government.

The sort of ultimatum we have seen from the Treasurer of the Commonwealth of Australia this week and on the front pages of some of the press today is the height of irresponsibility because what it is is a Treasurer who is prepared to use this debate entirely for political purposes. What it is is a Treasurer who sees the possibility or the opportunity in this debate to make a political point about the Labor Party and is prepared to issue an ultimatum threatening shutdown of government—which is a lie—for political purposes. It is the sort of threat or the sort of language you might see from a National Party senator or you might see from a junior, very ambitious—what are they called?—'modest member'. They don't appear to be very modest, I have to say, but that is probably a discussion for another time. It is not sort of thing you should see from the Treasurer of the Commonwealth of Australia—using an argument about the debt cap or the prospect of lifting the debt cap in such a blatantly political way. But that is what Mr Hockey is doing, and it is really quite extraordinary to see.

I will make a few comments about debt, and I will be interested to see if Senator Sinodinos repeats some of the drivel, frankly, that is coming from the government on debt. I will congratulate you, Senator Sinodinos, on representing the Treasurer in this place. I cannot recall a time when the Minister for Finance did not represent the Treasurer, so it says something very good about you, certainly by comparison. Yes, maybe it was a backhanded compliment! I want to make a point about debt because, again, the government is using this debate to try and rewrite history. The political contest is often a contest about narrative. It is a contest of stories. It is a contest not only of ideas but also of how we describe what is happening and how we see the world. It is often a contest of history, and this is an occasion on which it is a contest of history. Let us be really clear about what the government are doing. They are seeking to use this debate to suggest that the Labor government destroyed the economy and destroyed public finances.
Can I just put some facts on the table. Over the six years Labor was in government our economy grew by 14 per cent at a time most other advanced economies were either growing by much smaller numbers or not growing. My recollection is that if, for example, you look at the period between just prior to the global financial crisis and the time the Labor government lost office, we grew by about 14 per cent, I think the UK was still struggling to get back to its pre-GFC output levels and we saw Germany and the US certainly at levels of growth far below Australia's. So during the time we were in government our economy grew by 14 per cent, and nearly a million jobs were created. That is a standout performance by global standards. The reason we did that, the reason we engaged in the stimulus package that Nobel Laureate Joseph Stiglitz has said was the best designed stimulus package he has seen, is because we understood who a recession hits most, who it hits hardest. It hits those with least capacity to prevail, with fewest resources, and it hits our young people. You only need to go to many of the nations of Europe to see what sort of social dislocation and long-term disadvantage comes from that level of youth unemployment. We averted that here.

Our net debt position as a share of our economy remained low, peaking at a fraction, about one-eighth—I repeat, one-eighth—of the level that you see across most major advanced economies. Over the period of our government we moved up the economic rankings to become the world's 12th largest economy and we took a range of long-term savings to make room for the long-term investments that were made. I would refer those who are interested to the 10-year savings plan for both DisabilityCare and also the Better Schools Plan. In fact, at our final budget, Treasury's assessment of the effect of the long-term savings taken in that budget and previously improved the budget position by over $300 billion by around 2020. To decode that, what that means is we made a range of savings decisions to make room for important investments in the nation's social infrastructure. We made those savings and, as a result of those savings, the budget position was $300 billion better by 2020 over that period. That is not me saying that; it is actually the Treasury saying that—it is in the budget papers.

So what is the debate that the government are engaging in? What they want Australians to believe is that those facts are wrong. And they particularly want Australians to forget, or not be aware of, one very important fact: under our government we had a AAA credit rating from all three ratings agencies. That is something even Peter Costello never achieved. You do not get that if your public finances are not strong. Instead of those facts, what we have is a government who want to use this debt cap legislation as a political tool. They have an extraordinarily reasonable compromise on the table: a $100 billion increase that they can pass today. We have said to the government and also to the Australian Greens we are prepared to facilitate passage of the amended act today. So Joe Hockey can have a $100 billion increase today if he is prepared to be reasonable—a $100 billion increase to $400 billion. No need for ultimatums, Joe; no need for threats—you can have a $100 billion increase today. But he does not want to take it because he wants the political fight. And what does that tell you about the willingness of this government to put politics first and responsible economic management second?

We are prepared as a responsible opposition to provide a $100 billion increase today. We will vote for one today. The fight that the government wants to have is that they say, 'We want a $200 billion increase and we do not want to actually update our budget numbers to show
you why before that,’ in a context where we know from the departments of Treasury and finance that as at September the peak debt position subject to the cap would be $370 billion.

It may be that there is a very reasonable argument as to why Mr Hockey, the man who hates debt and deficit, wants a $500 billion debt cap, a half-a-trillion debt cap; but perhaps he could present it to the Australian people? In this debate, just as in the debate about asylum seekers and just as in the discussion about the repeal of the carbon legislation, there is a consistent theme: this is a government that does not want to be transparent; it wants to play politics rather than put information before the parliament and the Australian people. This is a government led by a man who promised Australians before the election that he would restore accountability and improve transparency. Those were Mr Abbott's words—’restore accountability and improve transparency’. Why don't we get a bit of that transparency and accountability when it comes to this legislation? Why don't we get a budget update that explains? If it is so appropriate, if it is so needed, if in fact $370 billion in three years time is now $500 billion next year or $400 billion next year, put your numbers out. I think that the Australian people are actually entitled to have this information. The government should let the people into their trust. They should stop treating not only the parliament but also the community like mushrooms and keeping them in the dark in their blatant desire to make this a political issue. There are some things that should be the subject of great responsibility in this place. All legislation is important; we should take a responsible attitude to all legislation. You have to say that when it comes to public finances, when it comes to the budget, when it comes to the debt cap, these are very, very critical pieces of legislation and they require a serious approach. That is why we are taking a serious approach. But the government wants to take a political approach; they want to play politics with this issue. I simply remind them again that this chamber—and I understand the position of the Greens will be to support my amendment—can pass legislation today and return it to the House in time to have this bill made law and you will get sight unseen half of what you are asking for. It is not an unreasonable proposition and, if you fail to take it, we will all know why.

Senator MILNE (Tasmania—Leader of the Australian Greens) (12:03): I rise today to make some comments with regard to the government's proposition that it increases the debt ceiling by $200 billion. In considering the debate that has gone on today you cannot help but think that the Prime Minister and the Treasurer have been engaged in extreme makeovers when it comes to their attitude to the debt ceiling. I just remind the Senate what the Prime Minister Mr Abbott had to say when he was in opposition and the Labor government of the day tried to increase the debt ceiling by $200 billion. In considering the debate that has gone on today you cannot help but think that the Prime Minister and the Treasurer have been engaged in extreme makeovers when it comes to their attitude to the debt ceiling. I just remind the Senate what the Prime Minister Mr Abbott had to say when he was in opposition and the Labor government of the day tried to increase the debt ceiling by $200 billion at that time. Tony Abbott said:

The Government should be forced to specifically justify this, not to just sweep it under the carpet and allow it to go through in the appropriations because by convention the Opposition doesn’t oppose the appropriations. I think we do need to take a very, very seriously critical look at this question of the debt ceiling. I’m not saying that, having looked at it critically, we would necessarily oppose it, but the Government has to justify this. Our money, our future, is too important to be mortgaged like this without the Government giving us the strongest possible arguments for it, because every dollar that they borrow has got to be repaid.

That was the Prime Minister in opposition, wanting a very critical look at exactly what the government intended to do with that money in the increase in the debt ceiling, and that is exactly what the Greens, and indeed the Labor Party, are now asking of the government:
justify this. It is a critical question of the debt ceiling: justify the extent of the increase in the
debt ceiling.

I note that Minister Cormann visited the Tea Party when he was on his study tour in the US
and he actually visited the people who ran the strategy to try to completely destroy President
Obama's strategy in terms of the economy there. I was most amused to note that if you go
back and look at Senator Cormann's report on his study trip to the US, he learned a lot from
the Tea Party. The government know exactly what they are doing, but this extreme makeover
really warrants some consideration.

In 2011, Andrew Robb, a member of parliament, said:
The only reason the government needs to lift the debt ceiling again is because of its own incompetence.
Then he went on to say that Labor only needed to raise the debt limit 'in order to fund its
reckless spending and waste'. Mr Hockey said last year that government debt is about
'borrowing taxes from future generations that have to pay the principal and interest on those
borrowings' and that the increase in the debt limit to its current limit was simply because of
Labor's 'legacy of waste and reckless spending'. That is what he had said about the budget in
2012. Then Mr Hockey went on to say that government borrowing 'crowds out' the private
sector and that debt is 'placing upward pressure on interest rates domestically and has an
effect internationally, making it more difficult for enterprise'. He said that in 2011, and he
went on, getting stuck into the Labor government of the day, saying that in terms of
borrowing from offshore that that would be a disaster as well, according to him.

Now that we have Prime Minister Abbott in power we have an entirely different scenario.
Instead of the critical look that Prime Minister Abbott was demanding in terms of what the
government intended to do, he now is saying, 'Just give us the $200 billion so we can just
have it there and it will save us having to come back to the parliament to ask for an additional
rise on the debt ceiling later.'

The Greens are prepared to extend to the government support for raising the debt ceiling by
$100 billion, and the Labor Party have said that they will do that. That is in the context that
before the election Treasury independently released its pre-election fiscal outlook that stated
that by 30 June next year debt would reach $290 billion and projected that it would reach
$350 billion in 2015-16 and $370 billion in 2016-17. Therefore, if we are talking about peak
debt of $370 billion in 2016-17 then there is no rush to get it to $500 billion or no justification
for doing so in that time frame. If Treasury's pre-election fiscal outlook is to be believed then
there is no rush to go beyond the $400 billion that the Greens and Labor have said they are
prepared to agree to. That will allow for the December date to come and go with no crisis at
all and it will allow the government to come back and say what it needs in excess of that and,
if indeed it does, what justification there is for actually doing that.

The government to date have made no case to go beyond the $400 billion except to say that
they would like to have that debt ceiling in place. The question remains: why? It is no use
offering secret briefings. The people of Australia want up-front information and deserve up-
front information. Next week there is the estimates process and the secretary of Treasury and
others will be there and can make the case at that point, but at this point there is nothing in the
public arena to suggest that there needs to be an increase in the debt ceiling beyond $400
billion. I cannot see why the government expects the parliament and the people of Australia to
take the government's word that this is the money that we need, especially as we are seeing
the government at the same time saying to Australians, as Joe Hockey had previously done, that this is all about management of finances and the like in the same week the government is saying it wants to abolish the mining tax, for example, and give up on the opportunity to raise billions of dollars from the mining corporations that are making megaprofits in Australia as we speak, let alone after some of the other extremely profitable institutions like the big banks, which continue to make extreme profits. That is because in the case of the big four we give them even greater advantage because of the parliament and the people of Australia standing behind them.

It is time that we recognise that the trouble for the Prime Minister and the Treasurer is that they are hoisted with their own petard. They made such an issue and exaggerated claims when in opposition about the state of the finances and what the Labor Party were doing. Now they are in government nobody believes them, because they went out with such extreme claims and behaved in such an irresponsible manner when they were in opposition. They made claims and statements about demanding scrutiny. Well, this parliament is asking the same of them—asking for scrutiny of the $500 billion figure.

On that basis the Greens will be supporting Labor's foreshadowed amendment to increase the debt ceiling by $100 billion. You cannot accuse people who are prepared to increase the debt ceiling by $100 billion of running any kind of interference. That is a completely wrong assertion. I think it is important to acknowledge the politics of what is going on in terms of next year's budget. The coalition know full well that they cannot deliver on the election promises they made to the Australian people and they are now searching for an excuse so that they can blame anyone other than themselves for the mess they are going to find themselves in at budget time next year, trying to justify to the Australian people what they are doing and no doubt the axe that they are going to take to many Public Service jobs as a result of this Commission of Audit. The Greens said throughout the election that the Commission of Audit was just a disguise and behind it there will be massive job cuts in the Public Service, and that will be coming.

The Greens do not take any responsibility for the fact that the Liberals have got themselves into a mess and are going to have to wear the budget that they bring down next year. The Australian people have every right to hold them to account for whatever budget they bring down. We are prepared to extend the debt ceiling by $100 billion until such time as the government provides evidence that the peak debt is going to exceed the $400 billion that is being offered by way of this parliamentary debate. If the government provides that information, it will be considered no doubt by the parliament. But to date the only figures we have got are in the pre-election fiscal outlook, with $370 billion peak debt in 2016-17, and the extra $100 billion will cover that.

Senator LUDWIG (Queensland) (12:14): I will make only a short contribution to allow others to contribute to this debate on the Commonwealth Inscribed Stock Amendment Bill 2013 and ensure that we have a committee stage so that we can give the government the opportunity to choose a sensible, responsible path or, alternatively, a continuation of the political stunt that they appear to be running now. The chant we heard before the election—and I will not go through it, because I am sure those opposite know the chant very well—included the word 'debt'. I took that chant to mean that they would be responsible economic
managers. On day one, on the first sitting day, in the other place they already trashed that record.

What we now have is a bill from those opposite which can only be described as a political stunt. We on this side of the parliament used a proper process to ensure that the finances of this Commonwealth remained sound. What we now have is a bill that has been brought into the chamber by those opposite, who will not allow scrutiny of it; it does not have what would be the backing, the underpinning, of the necessary work. All in this chamber would recall Senator Cormann, when he was in opposition, using the phrase, 'Where is the modelling?' I will not use that phrase—Senator Cormann has a particular knack for using that phrase—but underpinning that is this: if they are going to seek to be responsible economic managers, if the government are going to demonstrate that they want this legislation, that they want a cap of half a trillion dollars on their credit cards, then they should demonstrate with sound reasoning, with sound advice, as to how and why they require it. What we have on offer, of course, is deafening silence. I have not, in the time I have been in this place, heard such a deafening silence from a government that wants half a trillion dollars for a debt cap. It is unimaginable that in my time a government would come into this chamber and demand that without substantiation, but there you have it. I have been wrong before; we have a government that have now done just that.

They want to pay back the debt—that was their chant—but this is not the course that you would expect from the government on their first day in the other place, and now in the Senate on their second day. What you would have expected is a road map, a plan perhaps, about how they are going to do it. They could have used the next budget, or even put out the MYEFO supporting the position for why they need to take this particular action. But what we are now left with is no scrutiny: it is not going to be referred to a committee; it is not going to be referred to areas where we can have a proper examination of this debate; it is not going to have the necessary views of all the parties interested in this particular issue, let alone the stakeholder consultations that should be had.

Some of the overblown claims that have been made by Mr Hockey in the other place have already been exploded. The ABC—for those who do respect the ABC—say 'Joe Hockey's Australia, US debt ceiling comparison overblown'. So it is an overblown argument by those opposite. And it is telling, that particular argument. When you look at FlagPost, which also comment on the US debt ceiling and some historical background links, they make the unambiguous statement:

The debt ceiling is different to the current 'shutdown' of the US Government. The shutdown occurs because the US Congress has not passed legislation authorising key spending, so workers are sent home and programs are halted. The shutdown reflects a significant suspension of Government activities, while the debt ceiling is a limit on US Government borrowing.

The US system is different to our system—they have a vastly different political system—and it is not something that you can make a quick analogy about. You cannot, either in the US or here, make the claim that raising the debt ceiling will cause a shutdown. In the US it does not, and here it does not. Mr Hockey has been exposed as overblown on this claim—completely overblown.

About the claim by Mr Hockey that raising Australia's debt ceiling from $300 billion to $500 billion will prevent a US-style crisis, ABC News says, and I agree, the verdict is that
they are fundamentally two different political systems and the comparison simply cannot be drawn. It is an oranges-and-lemons argument by Mr Hockey, quite frankly, when you look at some of the arguments that have been put forward. But I think, in essence, Dr Leigh in the other place hit the nail on the head recently. He quoted Mr Hockey at the National Press Club on 16 May last year, who said:

… ‘Labor has now sought increases in the debt limit of the Commonwealth from $75 billion, to $200 billion, to $250 billion and now $300 billion. On each occasion they promise not to exceed their limit. Well, enough is enough. We are going to keep them to their promises.’

What we now have is a circumstance where, in opposition, Mr Hockey wanted to keep us to our promises, but now, in government, he not only abandons his promises in opposition but also wants to raise the debt cap to half a trillion dollars without any substantiation. Quite frankly, it flies in the face of all of his rhetoric in opposition. It is an area where Mr Hockey has been completely dishonest with the Australian people on this issue, both before when in opposition and now when in government. The government sit there, on their hands, not wanting to substantiate, justify or indicate the need for this. The opposition, on the other hand, are taking the responsible course to ensure that the government have the opportunity of managing this issue responsibly.

I think Senator Wong struck a very good chord: this government is now going down the path of opacity. They do not like scrutiny, they do not like transparency, and in fact it almost smacks of the Howard era. During that era they did not like scrutiny, they did not like strong FOI legislation, they did not like the scrutiny that was put on any aspect of government, so they pulled the shutters down. What we are now seeing is the second-rowers from that era doing exactly the same thing again. They are pulling the shutters down to hide the fact that they were second-rowers in the Howard era and they are second-rowers still. They are not taking the course of responsible government.

They are offering a confidential briefing. That might work for national security; it might work for those areas where private briefings are important in foreign affairs matters. It does not cut the mustard for economic credibility for this government to offer private briefings. They should put the information out for public discourse, for public examination, so that if they are right it can be tested. We would all hark back to Senator Cormann's words: 'If you show us the modelling we might then be able to then see what it is that you have got.' But the only explanation for not demonstrating it can be that they do not want it to be seen. They want to keep it secret so that the gig does not get pulled up.

What we have is a government that will continue to play political football rather than take the proper course of action in government. As I said at the beginning, I am not going to take my full time and I will leave the contribution at this point. But I will leave the Senate with a couple of thoughts about this government. If it was serious about this legislation, it would have come to the opposition and had this legislation agreed and passed without the need for this debate. It just underscores the truth that it is a political stunt by the government, and we should have no bar of it.

Senator LINES (Western Australia) (12:25): I am really quite confused about the way the government is behaving. They seem to say one thing in opposition and something quite different once they have assumed the government benches. I do not think that is being fair to the Australian public, because for three years the government has gone on and on about debt.
Before I get to that, there do seem to be some themes emerging with the government very early on in their time in government. The Prime Minister since the election has said on many occasions that the adults are now back in charge. I am not quite sure what he means by that. Does he mean, for example, that the Australian public think children are in charge? I can only conclude that perhaps he is really trying to convince himself and the rest of the coalition to be adults. As adults we have choices about how we behave and about how we respond. We can be adults who take tough decisions, who stand up as leaders and lead and take the country with us. We can be open and transparent. We can explain why we are doing things and be very clear and repeat that message until everybody understands that, 'Yes, that is a reasonable path for the government to take, they have been very transparent and they have told us why they need to do a particular thing.' Or they can be the sort of adults who are sneaky, who go behind people's backs, who do not trust anyone and who do not share information.

What I am saying to the government today is that there is a choice here and, if you really are adults, you should choose to be the type of adults who share information, who are transparent and who are open. Senator Wong and Senator Ludwig have said this morning, 'Let us know. Let the Australian people and the Australian parliament know just why it is that the government wants to massively increase the debt ceiling from $300 billion to $500 billion.' It is just not appropriate to say to the opposition and the Australian people with a nod and a wink, 'Just trust us,' or in fact to blame it on Labor. Senator Wong was very clear when she set out exactly what Labor's position was. So there is this theme emerging that the government does not want to be open and transparent and, as we have seen in other areas, the government is trying to hide things. All we on our side are asking for is to be told exactly why the debt ceiling needs to be raised so much. That is the adult transparency and that is the responsible adults approach that Mr Abbott keeps telling us is the sort of person he wants to be.

There is another area that I am really very confused about. Like most Australians I listen to the news and I read the newspapers, and what I have seen over the last three years is this attack by the government when it was in opposition about debt. Almost on a daily basis Labor was reminded that there was a crisis, that we were poor managers, that we were borrowing beyond our limits and our ability to pay back, that we had no intention of bringing the budget back to surplus.

Indeed, prior to and during the election campaign we saw many of the then opposition telling us exactly what, according to their maths, the daily debt was. The coalition prior to coming to government was very clear, very open and very concerned about debt. So this move by the government to increase the debt ceiling in a single leap, a one-off, to $500 billion is extraordinary and made more extraordinary because there is absolutely no reason given, other than a nod and a wink, 'Mind your own business; just trust us on this.' It is made all the more extraordinary because of the carping of the government when in opposition on an almost daily basis. It seems to me to beggar belief.

I remind the coalition of some of the sorts of things that Mr Hockey and other members of the coalition said. Mr Hockey warned the Australian public that the 'debt crisis'—that is what he called it, the 'debt crisis'; these are coalition words, not mine—was 'spiralling out of control'. I remind the Senate that when in opposition Mr Hockey threatened to block a $50 billion increase that Labor was seeking. Yet just a few weeks after taking office cabinet signs
off on a $200 billion increase—not the $50 billion that Mr Hockey was so ready to claim that Labor was out of control about, not $100 billion, but in fact $200 billion, taking to our debt ceiling to a record level of $500 billion.

Mr Hockey in the past has also said that raising the debt ceiling was 'a sign of economic mismanagement'. It is interesting that we on the Labor side are saying to Mr Hockey, 'We are prepared to look at what you want—just give us some reasons.' We have not been out there creating this 'debtor crisis', creating this view that somehow raising the debt ceiling is some kind of economic mismanagement. These are all words and phrases and media statements that the coalition put out when Labor was in government, that the coalition put out when we were seeking an increase of $50 billion.

Even yesterday in the House of Representatives Mr Nikolic said that a Treasurer has got to be responsible. They are the words that we are using. We want the Treasurer to be responsible. Part of being responsible is actually coming clean on why he wants to increase the debt ceiling. In fact, in an interview with the Guardian in May 2012, Mr Hockey said:

Australians are right to be concerned about handing Wayne Swan yet another increase in our nation's credit card limit.

Isn't that amazing? Australians have the 'right to be concerned about handing Wayne Swan yet another increase in our nation's credit card'. And yet, when we have asked reasonably in the House and this morning in the Senate to give us reasons for the coalition to act reasonably, that is ignored. We have all these threats. We have been accused of being the Tea Party. We have been accused of chucking down business in Australia, when none of that is true and when what we are asking for are reasonable reasons.

He then went on a program which seems to be favoured by the coalition, the Alan Jones Breakfast Show, to argue that the government could not make claims that it was making savings if it were also increasing the debt ceiling from $250 billion to $300 billion. There is just a sense of déjà vu here; there really is. It is simply not good enough for the coalition when in opposition to make debt and deficit a key election platform—in fact, to be very strong about it for three years—and then now in government being about hiding and not being transparent.

Senator Cameron: It is about being hypocritical for three years.

Senator LINES: Yes, thank you, Senator Cameron, it probably is about being hypocritical. What is the real view of the government? Is it seriously about wanting to have a balanced budget and not wanting to increase the debt ceiling; or is about, yes, we do want to increase the debt ceiling? If I am confused about this, you can bet your bottom dollar that the Australian public are really confused, because I have got to say that you were really effective in your debt and deficit message. You were, because you were out there every single day. Yet now, within weeks of taking government, with the single stroke of a pen in cabinet—poof!—you are going to increase the debt ceiling by $200 billion. Maybe that is reasonable, but what are the reasons?

I have heard coalition members go on about Australian households having to balance their budgets, how we have to be clear about how we are spending our money and how we just cannot go out and borrow big on the credit card, and yet now we see the government doing exactly the same thing. It is time to come clean. It is perfectly reasonable for the Labor Party
and for the Australian public to be given very, very clear reasons as to why we need this increase. Unless we get an explanation as to why, we are going to continue to ask. That is the role of Labor, and we are acting in the interests of Australian voters to try to get to the bottom of this. Show us your reasons and we can have a proper discussion about this. But those reasons need to be presented in the parliament and you need to be open and transparent about them.

Senator SINODINOS (New South Wales—Assistant Treasurer) (12:37): Thank you, Mr Acting Deputy President Ludlam. I know your position is still in some doubt going forward, but it is good to have you here today to preside over this important debate. This is a very important debate, and I am glad that we are having a debate on the subject of the debt ceiling. I want to begin by thanking those senators who have contributed to this debate on the Commonwealth Inscribed Stock Amendment Bill 2013. I am sorry that more senators did not have the opportunity to contribute, but there is some urgency in the bill before this place.

Schedule 1 proposes an increase to the legislative limit on Commonwealth government securities on issue from $300 billion to $500 billion. This legislation must be passed urgently, as the legislative limit is expected to be reached in December 2013. We are coming up to the limit of $300 billion in a very short space of time. The face value of Commonwealth government securities on issue was expected to reach $370 billion in 2015-16, as at the 2013-14 Pre-Election Economic and Fiscal Outlook. Current trends suggest that the peak face value of Commonwealth government securities on issue will exceed $400 billion.

Senator Wong: When?

Senator SINODINOS: Over the period of the forward estimates. As a result, it is necessary for the government to legislate an increase in the debt limit to $500 billion, because that will also take into account the fact that we have within-year variations in the amount of government bonds that have to be on issue to finance temporary needs. This is the answer, I think, to the point that was being made before by Senator Milne in her contribution, where she said: ‘There's no rush. The peak is $370 billion based on PEFO. What's the problem?’ Adding the $60 billion you require to meet peak needs to the $370 billion means that you are already facing $430 billion.

The fact of the matter is, as I indicated earlier, current trends suggest that the peak face value of Commonwealth government securities on issue will exceed $400 billion. So it provides a reasonable buffer, based on expert advice, if we raise the limit to $500 billion. It is the responsible course of action. It means that hopefully we do not have to come back within the term of this parliament to ask for a raise in the limit. There have been four increases in the limit under Labor in recent years, and each of them did lead to debate, but on a number of those occasions the government justified coming back and sought to close debate by saying: ‘There is uncertainty in the financial markets. We just need to pass this and get on with things.’ That is true; the more these things drag on, the greater uncertainty they create. We can remove that uncertainty for everybody by quickly voting on this bill.

We take stability for the economy seriously. On coming to government—in so many areas of government spending and taxation where we have had reviews initiated, and in so many areas of government where we have initiated consultation with the private sector before revisiting or revising government decisions—our modus operandi, where possible, has been to provide as much stability and certainty to decision makers in the private sector, the
community sector and the general community. It is very important that we provide that stability and certainty. By passing this bill, you provide a limit—it is not a target to be reached. This is not a debate about Australia making its way to $500 billion of debt. This government is committed to getting the debt under control and is putting in place the measures that will discipline government spending and create the circumstances in which we meet our commitments to have a surplus of one per cent of GDP within a decade—we are aiming to do that earlier, but certainly within a decade—while meeting other major commitments, offsetting all spending, reducing government spending as a proportion of GDP and reducing the burden of taxation over time. These are very important commitments.

Today is not a debate about whether the country should aim to achieve a target of $500 billion. This is a ceiling which we will work within. We will provide full transparency in the Pre-Election Economic and Fiscal Outlook. You will be able to see all of the decisions which have impacted on the budget balance that this government has taken since coming to government, and you will be able to see, through parameter revisions and variations, the impact of economic conditions on the budget and revised assumptions—it will all be laid out and transparent.

Senator Sterle: Sure, Arthur—just like the boat arrivals.

Senator SINODINOS: You will have full information, Senator Sterle—full transparency, no opacity. It is not very far away. In December, you will have a Mid-Year Economic and Fiscal Outlook. It is very important to understand that we are not running away from the consequences of the decisions we are taking. We are not running away from giving the Reserve Bank $8.8 billion in order to increase its capital buffer to 15 per cent. We make that investment now because we know that the world is a more volatile place than ever. We are still dealing with the aftershocks of the global financial crisis. There can be no-one in this room who believes that, as far as the global financial crisis is concerned, it is all over. Economic and financial volatility are out there. In order to provide that $8.8 billion to the Reserve Bank, we made the decision early where it was necessary to take a hit on the budget.

We are taking those decisions in full knowledge of the consequences, but we balance budget considerations with other considerations. We took the same approach to the 96 announced, but unenacted, tax measures. Yes, we were prepared to take revenue hits in some cases, but we were balancing that against whether the measures were implementable, whether the compliance costs were excessive and whether they were sound policies or not. The self-education expenses cap and the fringe benefits tax on cars are examples of that. We are not going to disrupt sectors of the economy; we are going to recreate certainty and stability in government decision making. Today is part of the process of taking that forward. As I said before, this is not a target to be reached; it is a ceiling, and we are working to make sure we never get to that ceiling. We are trying to make sure that we never have to come back to this parliament in this term for another increase in the debt limit.

The Australian Office of Financial Management—for the information of Senator Milne, who I think is now gone—has previously advised that a prudent buffer of $40 billion to $60 billion of additional headroom is required above the level of projected peak debt in any given year. So again we are taking the advice of the experts, the Australian Office of Financial Management. It was the same advice that was tabled in the parliament by the former
Treasurer, Wayne Swan, on 10 May 2012. So there is nothing secret about that. There is nothing secret about what the Office of Financial Management is saying about the peak that you need.

It is crucial that we instil confidence in financial markets and that the government can finance its operations both now and in the future. As I said before, we are committed to returning the budget to a surplus of one per cent of GDP within a decade, which will help to reduce debt to sustainable levels. Through the Commission of Audit, we will have reports at the end of January and then, in time for the budget, they will inform our consideration of necessary spending revisions and changes to programs, policies and priorities.

We are taking this process very seriously, but we are not in the business of coming in here and saying: 'Shock, horror! We're about to hit $300 billion. We will cut $30 billion straight off the budget bottom line now to avoid hitting the limit.' That would have been entirely irresponsible. We are not going to sacrifice the economy on the altar of the budget. We know that the economy is going through a transition—a very important transition. We have had a resources investment supercycle. The terms of trade have been at historic highs—100-year highs. That was the opportunity to get the budget back in the black. We missed that opportunity as a nation. We now face the transition to other sources of growth: trying to get housing, construction and non-mining investment started; rebalancing the economy; trying to get a more competitive dollar. It is very important that we manage this transition. We have unemployment edging up. We have growth below trend. We are not in a situation where we can just come in and, through discretionary reductions in government spending, say, 'Well, we don't need to worry about the $300 billion we're going to hit our head up against in December, because we've hacked another $30 billion out of the economy overnight.' Imagine the uproar in this house and in this parliament if we had come in here and just said, 'No, it's a straitjacket—$300 billion is it; we hit it in December,' we had a minibudget and we started cutting the heart out of things.

We are trying to take a more considered approach which takes into account the state of the economy and builds in the sort of discipline we will need over the medium term to deliver on our major fiscal commitments, because make no mistake: we will deliver on things like the National Disability Insurance Scheme, which will peak in the latter part of this decade; we will deliver on the increases in health care and ageing that I know my colleague the Assistant Minister for Social Services is engineering even as we speak. There are major issues and expenditures which we will need to meet and offset. So we need medium-term discipline. So, if you like, this is about how you balance the short-term needs of the economy against a medium-term strategy to get the budget back in the black and reduce the amount of government debt.

The point about the debt is this: we would not be debating an increase in the ceiling from $300 billion if over the last six years there had been greater restraint on fiscal policy. On the global financial crisis, let me remind this house that the coalition supported the first part of the stimulus. Let's not have any of this talk. We did not support other elements of the stimulus program, but we supported the first part of the stimulus program because it was important to instil confidence at a time when none of us knew exactly what we were facing. But the fact of the matter—and I do not hear much from the opposition about this, and the people in the gallery should be interested in this—is that one of the reasons we survived the global financial
crisis is that we went into it with no net debt as a country—a rolled-gold balance sheet for the
country, your balance sheet. It was done by hard work over 11½ years to achieve a budget
balance and keep it in surplus.

Honourable senators interjecting—

The ACTING DEPUTY PRESIDENT (Senator Ludlam): Senator Sinodinos, please
resume your seat. Order in the chamber!

Senator Cameron: Costello delivered a budget deficit. He was hopeless. You know it.

The ACTING DEPUTY PRESIDENT: Senator Cameron, Senator Sinodinos is entitled
to be heard in silence.

Senator SINODINOS: That was so important. To go into the global financial crisis with
no net debt provided a great basis of stability as well as a well-functioning, well-regulated
financial system. So we can have a debate about all the things that contributed to why we got
through the global financial crisis, but the fact of the matter is that, for a small, open economy
like ours, maximum flexibility requires that we keep debt under strict control. In fact, when it
comes to our foreign accounts, having more equity in those accounts than debt is a good thing
because debts are fixed contractual payments that do not vary with the economic cycle,
whereas equity payments do. It is very important to understand the structure of those foreign
accounts.

All of this is why we are committed to getting debt under control and bringing the budget
into the black sooner rather than later. But as I have said before, on average, gross interest
payments on the debt alone are costing Australians over $200 million every single week, and
that is before a dollar of debt is even paid back. The important point here is this: when we get
the debt and our interest payments under control, we can devote that money to doing other
things. That was one of the achievements of the Howard and Costello years: we got the debt
under control, debt interest payments went down and we could afford to spend on other
things.

As I said, we have spending pressures over the medium term that we have to meet—major
commitments like the National Disability Insurance Scheme. They have to be met. We will
deliver a first-class, world's-best-practice National Disability Insurance Scheme, but we will
have to do it while at the same time finding the savings, because we are not going to get this
country further and further into debt.

The key way to avoid having to continually raise this debt limit is through prudent
management of the nation's finances. Australians elected a coalition government to do that—
to get the budget back into the black and create a situation where people in the private sector,
in the community sector and more generally can plan with certainty and stability for the
future. The coalition government is taking the tough decisions to make Australia strong. I
commend this bill to the house.

Question agreed to.
Bill read a second time.

In Committee

Bill—by leave—taken together and as a whole.
Senator WONG (South Australia—Leader of the Opposition in the Senate) (12:52): I have circulated an amendment which I flagged in my speech on the second reading. I move opposition amendment 1 on sheet 7441:

(1) Schedule 1, item 1, page 3 (line 6), omit "$500", substitute "$400".

I want to speak to that and also ask a couple of questions of the responsible minister.

The first point I would make is this: there was a lot of talk about certainty and stability in that contribution by Senator Sinodinos. There were a lot of things he spoke about with which I do not agree. I do not have the time, given that we will behave in a responsible manner and facilitate passage of the legislation with amendment as I outlined. But there was a lot of talk about certainty and stability, and I have to say I thought, as I was sitting here, there was not much certainty and stability with the Treasurer of the Commonwealth of Australia threatening to shut down government services—not a lot of certainty and stability about a Treasurer going out and threatening to shut down services Australians rely on, threatening greater cuts to blame on the Labor Party. What sort of approach to economic management is that?

We all knew Mr Hockey was prone to scaremongering and being a little bit loose with the facts, prone to making statements which he then regretted and tried to chuckle and charm his way out of and move on to the next question. We all know what is what he is like. He gets his facts slightly wrong but relies on his joviality or bluster to get out of it. This is the bloke who likened the cut to the baby bonus to the one-child policy in China, said how dreadful it was and then supported it. So we know Joe Hockey is prone to a bit of drama when he feels like it. But really—for a government to say, 'We're about certainty and stability,' and then to have the Treasurer threatening government shutdown and cuts to services that they will blame on the Labor Party and they will wear like a crown of thorns really exposes his true character and his true agenda. He simply does not want to take the responsible path; he wants to take the warpath. He wants a fight over it. The test of that really will be very shortly, because we have moved an amendment that increases the debt cap by $100 billion to $400 billion. If the government do not accept it and seek to oppose it, I think they really will be exposed. Their political strategy will be exposed because it is a responsible amendment.

Senator Sinodinos made a number of statements about the global financial crisis. I have to say I did find it sort of ironic sitting here listening to him make what I have to say was a very good contribution in some respects, like when he said we are still dealing with the effects of the global financial crisis and the economy is going through transition, all of which I agree with. But I have to say that, given the sort of behaviour we saw from Mr Hockey and Mr Abbott in opposition, where they said we were drowning in debt, these were just excuses and what a dreadful thing it was, it is now interesting to hear Senator Sinodinos essentially acknowledging that those are the circumstances the nation is in and that is why you have to manage fiscal policy sensibly—which is what the Labor government did.

I want to ask the minister a couple of questions. First, when will the $400 billion limit be reached? It is a very simple question. You are seeking support in this chamber for a $200 billion increase on the debt cap on the basis that the debt will reach $400 billion. When will it be reached?

Senator SINODINOS (New South Wales—Assistant Treasurer) (12:57): It will be reached at some stage over the forward estimates. If, for example, there is a greater deterioration in the Mid-Year Economic and Fiscal Outlook than the one that is in prospect at
the moment, that may be sooner rather than later. But we have never hidden from the fact that we are talking here about a debt limit that covers the peak over that period and provides that buffer of $40 billion to $60 billion that I talked about before.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (12:57): I think we see the sort of allergy to transparency that appears to infect all of you on that side. It is a very simple question. I asked, 'When will $400 billion be reached?' One of the key bases of the coalition's argument is that it is not enough, because it is going to be reached, and we need to buffer. When will it be reached? The answer I get is: sometime over the next four years, but we have to pass $500 billion now before you even give us the numbers. It is pathetic, really it is. This is the Commonwealth budget, and you are playing politics like this? You will not even tell the Australian Senate when you are going to hit $400 billion, but you want a blank cheque up to $500 billion without doing the Senate the simple courtesy of answering a simple question?

At which year in the forward estimates—the current year, the subsequent year or the outer years—is it anticipated on current advice that the $400 billion will be reached?

Senator SINODINOS (New South Wales—Assistant Treasurer) (12:59): When the Mid-Year Economic and Fiscal Outlook is out, as I referred to before, that will lay out very clearly the time path for spending, for taxation, for the budget balance, for Commonwealth government securities on issue and for the rest. I run a risk trying to mentally add up on my feet whatever decisions are being taken by the government since we came to office, and I will not do that. The authoritative source for this—in a transparent way, with nothing hidden—will be the Mid-Year Economic and Fiscal Outlook. As I answered Senator Milne's implicit query before: with a peak of $370 billion and a buffer of $40 to $60 billion, we are already talking about $410 to $430 billion on current indications, without taking into account, for example, any other deterioration in the economy, which would have a further adverse impact on budget finances.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (13:00): I think it is interesting that the minister says, 'I can't tell you now, because I would have to add it up in my head.' Maybe you should actually add it up and give it to people before you put this legislation forward. How about that? That is a novel thought, isn't it? I will come back to the debt ceiling, but since the minister raised it: what is the cumulative impact over the forward estimates of the decisions the government has taken since being elected?

Senator SINODINOS (New South Wales—Assistant Treasurer) (13:00): I will have to come back to you on that.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (13:00): What is the impact in the current financial year and the subsequent financial year of the decisions the government has taken since it was elected?

Senator SINODINOS (New South Wales—Assistant Treasurer) (13:01): I will take that question and get back to you at some stage.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (13:01): In relation to the current position, what is the anticipated level of CGS on issue by the end of the current financial year?
Senator SINODINOS (New South Wales—Assistant Treasurer) (13:01): It will all be outlined in the Mid-Year Economic and Fiscal Outlook.

Senator Sterle: Operational matters?

Senator SINODINOS: No; it will be out there, but the authoritative source for this will be the Mid-Year Economic and Fiscal Outlook. I say that because there will be decisions—parameter variations as well as discretionary decisions—in the Mid-Year Economic and Fiscal Outlook which will impact on this matter.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (13:01): We could do this all day, but we are going to be responsible, so I will not. I almost feel sorry for Senator Sinodinos, because he has been given a pretty impossible brief—go and sell a debt cap of half a trillion dollars without actually providing any information about it. Those answers demonstrate that. I am not actually entirely critical of Senator Sinodinos for wanting there to be the Mid-Year Economic and Fiscal Outlook in order to provide information about the position of the budget. As finance minister, I did that too; I said we would update the numbers.

I am exceedingly critical of the government seeking a debt cap increase without being prepared to share that information with the parliament and the Australian people. As I said earlier, I think it exposes that this is all about politics and about Mr Hockey wanting to make a political point. It is not about good governance and it is not about transparency. I note the Assistant Treasurer has indicated to me that the $400 billion will be reached at some point in the forward estimates. Is he able to at least indicate whether or not it is anticipated that it will be reached in the current financial year?

Senator SINODINOS (New South Wales—Assistant Treasurer) (13:03): Are you asking about the $400 billion?

Senator WONG (South Australia—Leader of the Opposition in the Senate) (13:03): Yes.

Senator SINODINOS (New South Wales—Assistant Treasurer) (13:03): It will be outlined in the Mid-Year Economic and Fiscal Outlook.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (13:03): Don't you love it! The deal we are offering is an increase to $400 billion. They are not even prepared to say whether or not that is sufficient for the current financial year. They will not even tell Australians that. It is really quite extraordinary. There is nothing the minister has said today which indicates that the opposition's amendment is not a responsible path. If it were the case that the minister said, 'We will reach $400 billion in the next couple of weeks and we are prepared to provide that information to the Australian people,' that would not be an unreasonable proposition to consider, but they are not saying that. They are saying, 'We are not going tell you what we really need,' and, 'We are not going to tell you why we will not accept your deal—your proposition of $400 billion—for any reason other than to play politics.'

I think the minister's performance today really demonstrates why this amendment is a very responsible one, why it should be supported and why Mr Hockey and his colleagues should support it in the lower house when it is returned today. I want to make it very clear again to Mr Hockey that the government can have an increase to $400 billion—an increase of $100
billion—today. That would pass the Senate chamber. They can vote on this today, and, if they refuse to, it is on their head.

**The CHAIRMAN:** The question is that the amendment moved by Senator Wong to the Commonwealth Inscribed Stock Amendment Bill 2013 be agreed to.

The committee divided. [13:09]

(The Chairman—Senator Parry)

Ayes ...................... 37
Noes ...................... 32
Majority ............... 5

**AYES**

Bilyk, CL
Cameron, DN
Collins, JMA
Dastyari, s
Farrell, D
Furner, ML
Hanson-Young, SC
Lines, S
Ludwig, JW
Marshall, GM
McLucas, J
Moore, CM
Polley, H
Siewert, R
Stephens, U
Thorp, LE
Urquhart, AE
Whish-Wilson, PS
Wright, PL

Brown, CL
Carr, KJ
Conroy, SM
Di Natale, R
Faulkner, J
Gallacher, AM
Hogg, JJ
Ludy, KA
Hogg, JJ
Ludlam, S
Lundy, KA
McEwen, A (teller)
Milne, C
Peris, N
Rhiannon, L
Singh, LM
Sterle, G
Tillem, M
Waters, LJ
Wong, P

**NOES**

Bernardi, C
Boswell, RLD
Brandis, GH
Cash, MC
Cormann, M
Eggleston, A
Fierravanti-Wells, C
Heffernan, W
Kroger, H (teller)
Madigan, JJ
McKenzie, B
Parry, S
Ruston, A
Scullion, NG
Sinodinos, A
Williams, JR

Birmingham, SJ
Boyce, SK
Bushby, DC
Colbeck, R
Edwards, S
Fawcett, DJ
 Fifield, MP
Johnston, D
Macdonald, ID
Mason, B
Nash, F
Payne, MA
Ryan, SM
Seselja, Z
Smith, D
Xenophon, N
Pair: Bishop, TM Pratt, LC

Back, CJ Ronaldson, M

Question agreed to.

Bill, as amended, agreed to.

Bill reported with an amendment; report adopted.

Third Reading

Senator SINODINOS (New South Wales—Assistant Treasurer) (13:13): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

Debate resumed on the motion:

That the following address-in-reply be agreed to:

To Her Excellency the Governor-General

MAY IT PLEASE YOUR EXCELLENCY—

We, the Senate of the Commonwealth of Australia in Parliament assembled, desire to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

Senator PRATT (Western Australia) (13:13): Today, at the start of the 44th Parliament of Australia, I would like to begin by welcoming and congratulating the new senators who have just been sworn into this place. I would particularly like to acknowledge the first Indigenous woman elected to the federal parliament, Senator Nova Peris. I am very much looking forward to working with Senator Peris, and I would like to acknowledge not only Senator Peris's connection to the Northern Territory but also her family and cultural connections to the Gija and Yawuru people in the Kimberley. I look forward to working with my Labor Party colleagues not only to hold the Abbott government to account but also to build support for Labor's alternative vision for the country. It is a big task but we will prevail.

I note that the Prime Minister, Mr Abbott, when he was in Western Australia during the federal election campaign, made a claim that he wanted to use the Barnett government as a template to run his own government. I can tell you that the Barnett government template operates under a veil of secrecy and deceit. That is exactly what we have also started to see from the Abbott government. It is hiding behind a veil of secrecy in its asylum-seeker policies. They have promised no cuts to health or education, and yet these agencies are lined up as part of the Commission of Audit; and yesterday's budget emergency has disappeared and here we have a lift in the debt ceiling with no comprehensive rationale and no mini-budget to outline why we are in this situation.

The Barnett government has indeed had its worst six months since being re-elected in March this year, and it has broken scores of promises. So on both fronts in my home state we have born-to-rule conservatives who will say and do anything to get elected. They said one
thing before the election and quite another after. Mr Barnett did not come clean with the electorate about his real intentions before the election, and I think the coalition's true arrogance has come to the surface on both fronts. We have in the coalition in this nation born-to-rule conservatives who want to tear down fairness in our workplaces. They want to tear down action on climate change, they want to tear down equity in education, they want to tear down fairness in our taxation and superannuation systems and they want to make no contribution to quality of life in our cities, towns and remote communities. They want to tear down quality services, like the National Broadband Network and our postal services.

You could not get a clearer example of this than Colin Barnett claiming in parliament that 'Gonski is dead'. Colin Barnett did not tell the people of Western Australia before the state election that he intended to cut three per cent of the budget from every school around the state—that is, every school around the state has had a three per cent budget cut. He did not tell those schools that he was going to fund his government by imposing a levy on those schools—on each and every school around the state—of $600 for every teacher and $400 for other staff within the school. He did not want to tell the people of WA that he was going to impose a tax of $4,000 per child on educating the children of guest workers in the state.

Nor did Mr Barnett announce, which he just has, plans to lift TAFE fees by up to 500 per cent for some of the most in-demand but poorly-paid workers in the state. Aged-care TAFE qualifications will now cost up to 368 per cent more than they did before. Disability is up 576 per cent, health service assistance is up 265 per cent and nursing by 383 per cent. These are some of the most hard-to-staff positions around the state. At a time when these occupations are under such great demand, it is simply unreasonable and irrational—it is not in the interests of filling these positions to have fee increases of this scale.

The Barnett government has shown its true nature with its cuts to education and its true colours with cuts to public services. These are cuts that have hit my home state's most disadvantaged schools and its most disadvantaged students. We know already that these cuts have meant cuts to programs such as literacy, numeracy, English as a second language, children with learning difficulties, art, counselling and truancy services.

And in the same week that Colin Barnett announced all of this, what did Minister Pyne do? This happened in the same week that Minister Christopher Pyne confirmed that the coalition plans to rip up the six-year Gonski agreements in the five jurisdictions across our nation that had already signed on. So, gone is any incentive for Colin Barnett to lift his game and do the right thing by Western Australian students. That incentive has gone. Any accountability Colin Barnett had within the national coalition to lift his game and do the right thing has been destroyed.

The coalition is no better on many other questions, and I will start with the National Broadband Network. Cuts to the National Broadband Network in my home state of WA are to nearly 100,000 households—I think there were some 94,000 households in Perth and regional Western Australia that were due to be connected that will no longer be connected in the near future. These are places like Geraldton and Kojonup in our regions, Bateman in Perth; Katanning in the regions, Calista and many, many communities right around the state that were looking forward to, were planning around and were relying on the rollout of this infrastructure. I think it is a complete travesty and shows a great deal of lack of vision from the coalition.

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CHAMBER
The coalition has expressed concern about the need for productivity growth in this nation. Where does productivity growth in our nation come from? It comes in large part from quality infrastructure, and we know that the National Broadband Network, built properly, will have an enormous impact on the productivity of our nation. Similarly, the coalition is no better on dealing with the major issues confronting Perth communities. On the very same day that Alannah MacTiernan was preselected as Labor's candidate for the federal seat of Perth, Mr Tony Abbott was in WA saying we cannot expect a cent from him for WA's public transport system. The irony of this is significant—because Alannah MacTiernan was a fantastic planning and transport minister who oversaw the building of the railway line from Perth to Mandurah as well as of the freeway down to Bunbury. These are significant milestones that have made the lives of Western Australians, particularly those in Perth and Mandurah, much easier. Tony Abbott said that the Commonwealth has been in the business of funding 'national infrastructure':

'That means roads of national significance, it means freight rail but it doesn't mean urban rail, commuter rail …'

This is a terrible state of affairs for Western Australia.

I am proud of the fact that, in contrast, federal Labor delivered a substantial commitment to passenger rail. We delivered $236 million towards the sinking of the railway line in our city. Labor understand that our congestion problems in Western Australia are very real. It is why we put in $500 million for either the MAX light rail or the airport rail proposed by the Barnett government. For its costing of these projects, the Barnett government relied on the federal government to fund 80 per cent of the airport rail and 50 per cent of the MAX rail, despite the fact that Tony Abbott said he will not pay a cent towards them. So, on the one hand, you had a coalition state government budgeting for important public infrastructure and making election promises just in March this year off the back of a federal government commitment that only Labor was prepared to make, and Colin Barnett knew it. On the other hand, Mark McGowan's Metronet policy was fully costed and fully funded.

The people of Western Australia, in particular the people of Perth, are being done a great disservice by coalition governments right around the country. For both road users and public transport users we need efficient systems to keep our roads ticking over smoothly. Sadly, Tony Abbott has proclaimed that public transport is not in his knitting. But the people of Australia can be assured that public transport is in Labor's knitting, and we are as committed as ever; just as we are as committed as ever to capping pollution and acting on climate change; just as we are committed to a strong economy, a fair economy and fairness for workers; just as we are committed to foreign aid that creates a better life and opportunities for the world's poorest and most vulnerable people.

I acknowledge we had to make some tough decisions in government that impacted on the federal aid budget, but not once did we ever sway from the principles that our aid budget should continue to grow, and it did continue to grow, and that Australia had a responsibility to reach 0.5 per cent of our gross national income in foreign aid. This is in Australia's interests and it is the right thing for our country to do. We know that Australian aid has made an enormous difference right around the world. Western Australians have a strong mandate for Australian aid. You can see that in the hundreds of Western Australian schools, church and community groups and corporate supporters that all raise funds for overseas aid as well as in
the hundreds of Western Australian local and returned overseas volunteers. This is something that Australians get; it is something that Australians think and feel is important. They feel it is morally important, because it is. Data from just 23 of the Australian Council for International Development members show that more than 14,000 people in the electorate of Hasluck, 23,000 in Fremantle, 23,000 in Perth and 20,000 in Durack are individual supporters of foreign aid projects globally.

In Minister Julie Bishop's electorate of Curtin, there are 32,000 individual overseas aid supporters. What a fantastic number of people. I know that her own constituency would object to the cutting of the foreign aid budget. It is appalling. There is a huge community mandate for foreign aid. Australians are generous and they want their government to give meaningfully. I do not think it is any wonder that, in the dying days of the last election campaign, the coalition just slipped in this massive cut to the foreign aid budget. I know that Julie Bishop made no mention of it at community forums held in her own electorate on the topic of foreign aid during the election campaign. This is the minister responsible and she made no mention that this was actually going to be policy. The forums were all about increasing support for our foreign aid program. Julie Bishop had, in fact, been busily reassuring Australia's aid community that the coalition's intentions were good. It is now up to Labor, hand in hand with the Australian community, to keep making the case for the importance of Australia's foreign aid efforts. Labor know that as the country of the fair go we should not be dragging our heels on this important moral issue, on this important principle of reducing world poverty. Labor's principle of a fair go does not stop at our border. We know that our concept of a fair go is part of a broader concept of human rights and human dignity.

Similarly, Labor knows we must hold true on the issue of climate change. We have before us a massive issue that needs to be dealt with now, and for future generations: we want our children to live in a world where people are properly cared for and to have an environment that is in at least as good a state as that which we currently enjoy.

The issue of climate change—which, as we all know, is scientifically proven—is a great moral dilemma that is now before our parliament. We have been burning fossil fuels and allowing large and small businesses and transport to pollute our atmosphere unfettered. We do not have the framework, without the legislation that is already in place in this nation, to help our economy lower its emissions in a responsible way. Instead, we have a coalition government that simply wants to repeal the tools that we need to manage our emissions.

I feel that we have a government and a Prime Minister that are effectively climate change sceptics. The repeal of the carbon tax and the desire to replace it with a second-rate system, the Direct Action Plan, is immoral and irresponsible. We know that carbon trading systems are the most cost-effective way to reduce emissions and should be at the centre of government efforts to tackle climate change. This is recognised by the OECD study Effective Carbon Prices, which found that policies such as feed-in tariffs, industry regulation and subsidies are much less economically preferable than carbon pricing. We know that this Direct Action Plan, of which very little detail has been released, essentially will seek to reward polluters by providing them with taxpayer funds to get them to attempt to reduce their pollution, without even a mandated cap. It is an extraordinarily inefficient way to seek to reduce our emissions. But I think there are many in the coalition who understand that this is the wrong path to go down. We heard Senator Cormann make reference to an ETS in his first speech to this place. I
think that the Direct Action Plan will simply mean fewer services and increases in taxes for all Australians. It is a hidden carbon tax—just like the hidden taxes that Colin Barnett has foisted on the Western Australian public with his increases to utility charges and hikes in government fees across the board.

In closing, I want to say: Labor in opposition has a role to play not only in holding the Abbott government to account but also, I feel, most importantly, in campaigning on and continuing to build community support and momentum for the values we hold dear, and for an alternative vision for this nation, including foreign aid, climate change, education equity, secure retirement incomes, workplace fairness—all of these things. And we know we will have to fight for it. A progressive agenda does not create itself: it takes an engaged Labor movement and an engaged Labor community embedded in our towns and suburbs, our remote communities, our social media, our cities, our workplaces and our community centres. And I am here to tell you today, in this debate on the address-in-reply, that that is exactly what we will do.

Senator DI NATALE (Victoria) (13:33): I listened to the Governor-General give the Prime Minister's speech, and there were many things in the speech I could comment on but the thing I was struck by most was the lip-service given to what has been described as 'the great moral challenge of this generation'. That, of course, is the challenge of climate change. How is it that—despite the evidence of catastrophic global warming growing stronger day by day, and despite the pleas of the scientific community around the world begging for action on climate change—we have a government that is now on track to repeal some of the most ambitious and important climate change legislation anywhere in the world? What is going on here? How is it that seemingly rational people can behave so irrationally?

I started thinking a bit about this and I started thinking about the mechanism known as denial. As a medical practitioner I was really struck by how often people used denial as a way of coping with very uncomfortable truths. It is like the drinker who is on their way to liver failure but denies they have a drinking problem. It is like the pokies addict who has lost their home and their relationships but denies they have a problem on the punt.

There is one case in particular that stands out to me. There was a middle-aged woman who I treated for palliative care because she had end-stage breast cancer. This lady had developed a lump. The lump grew and grew; it ulcerated; it became infected; it started to smell—she still did not see a doctor. It was only when the smell got so bad that her husband said, 'You've got to go and check this thing out,' that she did so. She had hidden it from her husband, her partner, and from her family. How is it that somebody in a situation like that can wait until their husband can no longer tolerate the smell from a fungating breast cancer that they finally see a doctor? Well, it is because of denial.

Denial is a very, very powerful defence mechanism. It is a primitive defence mechanism. It is one of those things that is characteristic of adolescent development. And it is functional: it helps us to avoid an uncomfortable truth—a crushing reality. It is very, very functional. It exists with good reason.

So what we have here is a government that refuses to accept the science of climate change because at the very heart of this government is denial. It is why we have a government that gets itself into contortions over its direct action policy. On the one hand you have Tony Abbott calling carbon dioxide 'a colourless, odourless gas'. On the other hand, you have him
coming up with a policy that stinks, a policy that is friendless—there is not an economist worth their salt willing to back it up.

You see, we have a lot of members—not all of them, but many members—of this government that are climate change deniers, and a few in the opposition. You have to ask yourself why. What is it about climate change that represents such an uncomfortable reality to those people? I think that it is an issue that comes up hard against their conservative world view and in fact requires a fundamental reassessment of that conservative world view. It is a world view that says man has dominion over the earth and says that there is only one model for progress, for growth, for consumption, only one model that works. It is a model that says that environmentalism is the new communism—that environmentalism threatens human freedoms in the same way communism did.

It is interesting. Yesterday Tony Abbott alluded to climate change, a carbon tax and socialism in the same sentence. It reminded me of my first encounter with the new Speaker of the House, Bronwyn Bishop. We were at a function. There were a few senators and members at the function. Bronwyn Bishop, the new Speaker of the House, came along to introduce herself. I had never met Bronwyn before. It was my one and only encounter with the new Speaker. I introduced myself as the Greens senator for Victoria, and Mrs Bishop's response was: 'Oh, the Greens! You're worse than the communists.' What an interesting little window into the world of the conservatives that was. What an interesting little window we had into the world view of the economists.

Most of this is absolute nonsense—the irony of having the party of the market propose a policy to hand out cash to the polluters while denying a market mechanism! My economics teaching made it very, very clear that, if you want to maximise freedom, you put a price on externalities, you internalise them and you give individuals the opportunity to make choices. But not this government: 'We'll write out the big cheques to the polluters.'

You could ask about the freedoms that the people of Kiribati are currently experiencing while their homes sink under rising sea levels. Tell me about their freedoms—or the freedoms of the people in the Philippines now who have lost their homes and their families. What about their freedoms? Of course, we will be told that linking extreme weather events to climate change is opportunism. It is easy sport, picking on the Greens. I have not heard anybody pick on the representatives of the Philippines, currently at the climate change talks in Warsaw, who made exactly the same point. Where were the editorials from News Limited? Where was Simon Birmingham's criticism of the Philippines delegation? Of course there was not one, because they are gutless.

The ACTING DEPUTY PRESIDENT (Senator Edwards): Order! Senator Di Natale, you must refer to members of this chamber by their title.

Senator DI NATALE: Just like the woman with breast cancer who refused to get treatment until it was too late, it is far too difficult for the coalition to reassess their view of the world in the face of what is a looming catastrophe.

Of course, it is not just about climate change denial. That would be far too simplistic. It is this heady cocktail of denial and political opportunism. It is how we end up with conviction politician John Howard, who says: 'You know what? That ETS I put to the election in 2007? Well, I didn't really believe in it. Actually, it was more about the drought, and people were a
bit worried about that, and then there was that movie from Al Gore. That was a bit of a problem. And we had Kevin Rudd, and everyone jumped on that bandwagon. I had no choice.' It was political opportunism writ large.

Let us remember that the new Prime Minister is only Prime Minister because he saw a political opportunity within his own party to make a case for winding back action on climate change—because Prime Minister Abbott is the weathervane on climate change. He managed to scrape over the line by a vote. The climate change deniers in his party won out, and the political opportunism of the Prime Minister gave him the leadership of the Liberal Party.

Of course, that would be letting the former government off the hook too easily. There was the refusal to take the ETS to an election, followed by the election of a new prime minister who initially ruled out a carbon tax, proposed the citizens assembly, reintroduced the carbon tax and then, at the last election, withdrew the carbon tax. So we had the situation of political opportunism meeting political cowardice, and that is how we have ended up in this position.

The experience of the tobacco lobby and the association between smoking and lung cancer is instructive in this instance. It took 50 years before we were able to establish it definitively and get government action on smoking and lung cancer. How did it happen? It happened because a hugely powerful vested interest, a few crackpot scientists and some politicians thought this was all part of some conspiracy by the public health lobby: 'Those pesky doctors; they want to curtail our freedoms. That's why we can't let anyone believe that smoking causes lung cancer. It's all part of a global conspiracy to curtail freedom.' How ridiculous. How utterly ridiculous. Look into the eyes of somebody who is dying from lung cancer who was told for years that their smoking had nothing to do with it and talk to their children about their freedom to have a life without a parent.

That is what we are faced with in climate change. We have John Howard, whose gut instinct was that this was overblown; this was all part of some crazy conspiracy: 'My gut tells me that—you know what?—we're going a bit too far with this climate change nonsense.' I would love to practise medicine like that: 'Yes, that lump under your arm looks a bit nasty, but my gut tells me there's nothing wrong with it. Go home, take a Bex and have a lie down.'

The world of science does not operate like that. The physical world does not operate like that. Your narrow view of the conservative dogma to which you have subscribed all your life does not work like that. We are now in a situation where we have this farcical policy, direct action, a policy which is not backed up by an economist worth their salt. We have record storms occurring right around the world and we have record stupidity in this parliament with the government proposing to undo some of the most ambitious and most important climate change legislation anywhere in the world.

How is it that only in Australia is talking about climate change and extreme weather a political statement? It is not in the Philippines. The Philippines delegation to the UN talks in Warsaw are urging us to take action. In their words, 'If you deny climate change, get out of your ivory tower and come to the Philippines to see what havoc and destruction have been wrought on our people'—their words, not mine. We will not see Andrew Bolt's editorial on that today. It is much easier sport to attack the Greens—much easier and gutless. That side of politics has a vision which says that small government is the aspiration. That is not a vision; that is no vision at all. We want better government.
Senator Ryan: Not from you maybe!

Senator DI NATALE: We want a government which says, 'We're dealing with the reality of climate change. Let's pull together and let's do something about it.' We are all in this together, Senator Ryan—I see my colleague nodding his head. The atmosphere and the oceans are everybody's problems. If we do not take collective action, not the Greens, not an individual like Tim Flannery, but the vast body of science right around the world—you know that thing called science, that tool we have for gaining knowledge and wisdom?—is telling us we have to act. The great tragedy is that it is not going to take much—only a small proportion of our GDP and a much smaller impact than the imposition of the GST. How is it that our politics have become so ossified that even this tiny little adjustment means we cannot take action? It is because the deniers are in charge. The climate deniers are in charge and are in an unholy alliance with the big end of town.

The community are confused at the moment; I understand that. We are at a very low ebb. We have seen the abolition of the Climate Commission. The Clean Energy Finance Corporation has been told to stop investing. The Climate Change Authority is being ignored. A body of expertise in the government is not able to act. We have the spectre of Greg Hunt, so committed to climate change, saying, 'I'm going to do my thesis on a price on carbon,' and then crawling back into his cave and saying, 'I don't think we'll send a minister off to the climate change talks in Poland.'

Regardless of whether this parliament acts, the earth is going to do its own campaigning with more droughts, more floods and more tropical storms, with more deaths and more disease. You cannot just sit in your ivory tower, in the words of the Philippine delegates to the UN climate change talks, and do nothing about it, because the earth will make its own statement very clearly. We need to act and we need to act quickly. We need the government to show courage and leadership and some direction on this issue. We do not need the government, with its buddies in the big end of town, to live in this state of denial and not be prepared to say, 'This is something we need to confront. Maybe we've got some things wrong. Maybe we need to redefine some of our notions of progress. Maybe we need to uncouple the idea of growth from fossil fuel development and exploitation.' If we were to do that, maybe we would create new jobs and have new industries. Maybe we would have a situation where people in parts of Victoria like Portland and Waubra can get jobs in high-tech, value-added industries—engineers, manufacturers and so on. There may be opportunities here which we can exploit. But no. The politics of fear won this election but soon the Australian community will truly fear what the future may bring in an environment where climate change is with us, where extreme weather gets worse and where our children's children will not enjoy the same quality of life we enjoy. When we get to that moment and the Australian community begin to acknowledge that what they have been sold for the past three years is a campaign of fear and ignorance, then we will begin to take the steps needed to truly address action on climate change.

Senator BOSWELL (Queensland) (13:51): It is interesting that I am following Senator Di Natale with a completely and utterly different message. Senator Di Natale was an excellent doctor but that is where he should stop. There has been a lot of talk in this chamber and in the other chamber about carbon tax and about everything Australia will gain by scrapping it. We
will be better off by $8 billion a year. Households will save an average of $550 a year in 2014-15, but there is more we can do and there is more we should be doing.

There is another green impost that has put up electricity prices for businesses and households almost as much as the carbon tax. Like the carbon tax, it is doing nothing to lower carbon emissions and has served only to lower electricity use by unprecedented levels. Like the carbon tax, it has no end in sight in the immediate future. Of course, I am talking about the renewable energy tax. I will pick up the fact that Tony Abbott, the Prime Minister, said that he will send that to a review. He said that this week, so it does give us a lot of hope. The RET is on track to cost $5 billion by 2020. Around one-fifth of the average household electricity bill will come from it. It has already put up power prices for industry to such an extent that manufacturers are shutting down and moving overseas.

Voters have spoken loud and clear on the carbon tax. They never wanted a carbon tax. In this election they threw their support behind the parties that promised to scrap the carbon tax. I am sure that, if the full repercussions of our forced investment in renewables were put out there, public opposition to the RET would be just as loud and just as strong. As with other countries that have invested in renewables, Australia is now suffering from one of the highest power prices in the world. Industry has had to shoulder much of the renewable burden. Electricity costs for industry in Australia are now over double that of many countries. Our manufacturers are being hit for six. Take one Queensland based manufacturer that pays $108,000 every month on his electricity bill. Of that, $15,000 comes from the carbon tax and $8,000 comes from renewables. That is $180,000 a year from the carbon tax and $96,000 from the RET. That is 13.8% of their power bill that is tied to the carbon tax and 7.4% that is tied to the RET. This reflects the typical green impost placed on companies around Australia. I have seen some businesses where the carbon tax makes up 18% of their power bill and the RET makes up 13% per cent. So while repealing the carbon tax would cut 13 to 18% of a business's electricity cost, getting rid of the renewable target would bring that up to 20 to 31% per cent. That is a huge difference.

With the diaspora of businesses from our shores to countries with less harsh or no green impost, every bit of relief we can bring to our industrial sector counts. Look at how tough our manufacturers are doing it. We have seen over 140,000 jobs disappear since the start of 2008. That is almost one in every seven jobs in manufacturing that has been lost. Our food and beverage, grocery and fresh produce sectors lost 170 employers and 1,000 workers in 2012 and 2013. That is 170 factories shutting down. The last months have seen a string of closures and moves offshore in the manufacturing and food processing sectors. McCain said it would close its processing plant in Penola, South Australia, leaving 59 employees without work before Christmas. The Greens would rejoice in that. Simplot announced that it was downsizing its Bathurst plant's operation, costing 110 jobs. It made the point that operating costs for its competitors in New Zealand are substantially lower. The Greens want to put them up. Golden Circle, the icon of Queensland, said it would be closing its Mill Park plant in Melbourne, which was no longer viable, and moving production to Queensland. That is 123 jobs lost in Victoria. Downer EDI announced that it would be closing its rail manufacturing plant in Bathurst at the end of the year, putting 100 employees out of work, but the Greens do not worry about that. They do not worry about the people having to foot their bills on the dole. They can eat lettuce! Electrolux, which runs the largest refrigerated manufacturing
operation in Australia, said it would shut down its factory in Orange in 2016, costing 500 jobs. It said during the announcement that it was more cost effective to manufacture in Asia and Eastern Europe. They are not putting any carbon price or any renewable energy target on. Give them a star! The mining equipment maker Caterpillar announced it was shifting 200 jobs from its plant in Burnie, Tasmania, to Rayong in Thailand. That should send a shudder down the spine of every Taswegian in the Senate and in the other place. Two hundred jobs is the equivalent, probably, of 20,000 jobs in Sydney, but the Greens do not worry about that; they would rejoice in it.

Let us take a look at the other manufacturing casualties. There are Cresta, Cussons, Aerogard, Harley Davidson, Bosch, BlueScope, Boral, Amcor, Penrice Soda, Norske, Skydome—that is one for you, Senator Whish-Wilson—Caltex, Shell, Goodman Fielder and Queensland Aluminium. Between these companies alone, more than 4,500 jobs have gone. What a great victory for renewable energy and the carbon tax. It is a killing field out there. Let us look at SPC Ardmona, which is barely holding on in the face of cheap imports from countries that have no carbon tax and little or no renewable impost. If SPC does not find its feet that will be another 2,050 jobs gone, plus all the farmers who are going to hang off that. It is a killing field out there for manufacturers. I am not placing the blame for the Australian manufacturers' woes on the carbon tax and the renewables, but they certainly have played their part in tipping businesses over the edge.

Look at the well-documented struggles of our car manufacturers. Ford has committed to closing down its factories by 2016. Holden is headed the same way. Their plants are losing millions a year. It is estimated that the carbon tax and the RET alone put around $600 on the manufacturing costs of a car. Holden's plant is set to lose $18 million a year. That is $270 per vehicle, even after the massive subsidies they receive. Would it not be better not to further subsidise Holden to that amount but to get rid of the policies that are costing $600 per car? Getting rid of the carbon tax will do a lot to lower the cost of electricity for industry, particularly for those hardest hit—the aluminium smelters, the manufacturers and the food processors that are shutting down and shifting overseas because they just cannot cope with our input costs. Scrapping the renewable energy target would do a lot more to ease the pain. We can no longer stick our heads in the sand. The fact is that the annual renewable energy target will only go up as we move closer to 2020. The number of large-scale renewable certificates that companies will be obliged to surrender will increase and the dent the RET will leave in their power bills will grow bigger and bigger.

The PRESIDENT: Order! It being 2 pm, the debate is interrupted and we will proceed to questions without notice. Senator Boswell, you are in continuation when the debate resumes.

DISTINGUISHED VISITORS

The PRESIDENT (14:00): I draw the attention of honourable senators to the presence in the gallery of the Australian Political Exchange Council's 30th delegation from the United States of America. On behalf of all senators, I wish you a warm welcome to Australia and in particular to the Senate.

Honourable senators: Hear! Hear!
QUESTIONS WITHOUT NOTICE

Asylum Seekers

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:00): My question is to the Assistant Minister for Immigration and Border Protection. Can the minister outline to the Senate the government's procedures for processing people arriving in Australia by boat?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:00): I thank the senator for her question.

Senator Wong: Seriously, do you need a brief for that?

Senator CASH: In answer to Senator Wong's interjection—no, I do not because, like all of the Australian people, we are completely aware of the fundamental policy failures of the former government in this particular area. I remind the senator, because she clearly is not aware of the facts, that there is currently a Labor legacy caseload of over 30,000 people who arrived under the former government and who are currently onshore and not in detention centres. Under the former government the detention centre capacity became exhausted—

Senator Conroy: On a point of order, Mr President: this is an issue of relevance. The minister was asked a very specific question about current process, procedure and administration and at no point, with almost half the time gone, has the minister attempted to answer the question. This is identical to yesterday, when they refused to provide any answer at all and in fact said, 'We intend to not answer a question.' So, Mr President, I ask you to draw the attention of the minister to the question and invite her to answer it.

The PRESIDENT: There is no point of order at this stage. I am listening closely to the minister's answer.

Senator CASH: As I was saying, this government is working calmly, methodically and practically—unlike the former government—to stop the boats. We had a Labor caseload legacy of in excess of 30,000 people who are currently onshore, a caseload that the former government did not advise the Australian people they did not begin processing—

Senator Moore: On a point of order, Mr President: another 10 to 15 seconds have passed; we have 34 seconds left in this answer and we still have not heard anything about current policy.

Honourable senators interjecting—

The PRESIDENT: The minister has 34 seconds remaining and I draw her attention to the question.

Senator CASH: In relation to what this government is going to be doing with the over 30,000 people which the former government let into the community and failed to even commence the processing of—

Senator Wong: On a point of order, Mr President: this is bordering on contempt. The minister was asked—and I will repeat the question for her benefit—can the minister outline to the Senate the government's procedures for processing people arriving in Australia by boat? That was it. She has not even come close to the question.
The PRESIDENT: As I said, I am listening carefully to the minister's response. The minister, at the 34-second mark, was reminded of the need to address the question and the minister still has 24 seconds remaining to do so.

Senator CASH: In relation to the over 30,000 people that the former government failed to process, this government has been up-front and stated to the Australian people that we have restored temporary protection visas. In relation to the minister's question about what we will be doing in relation to people who come to Australia, perhaps the minister needs to read our policy.

Senator Kim Carr: You are the minister!

Senator CASH: Under our policy no-one is coming to Australia.

Opposition senators interjecting—

The PRESIDENT: Order! When there is silence on my left, I will call Senator Wong.

Senator Wong: Apparently the boat that arrived previously was a phantom boat.

The PRESIDENT: Order! If you wish to debate the issue, the time to debate it is after 3 o'clock.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:01): Mr President, I ask a supplementary question. Can the minister outline to the Senate the actual procedures followed in relation to medical and security checks for these arrivals?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:07): Senator Wong will be well aware that anybody who attempts to come to Australia under this government will not be coming into Australia. Those who attempt the illegal journey to Australia are turned around within 48 hours and they are transferred to either Manus Island or Nauru. As I have stated, unlike the former government, who lost control of Australia's borders, this government has been very clear. In relation to Labor's legacy case load—

Senator Moore: Mr President, I rise on a point of order on relevance. I did try to leave a good period to allow the minister to respond; however, the question was about health checks and we have not heard the word 'health' yet.

The PRESIDENT: There is no point of order at this stage.

Senator CASH: As I stated, those who attempt to come to Australia under this government will not enter Australia. They will be turned around within 48 hours and sent to either Manus Island or Nauru for processing. In relation to the over 30,000 people that are Labor's case load legacy, we will be issuing them, if they are successful, with temporary protection visas.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:09): Mr President, I ask a further supplementary question. Have the reported 19 Somali asylum seekers who arrived in Darwin on Monday now been transferred to either Manus Island or Nauru in line with the government's policy?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:09): As I have already stated, this government does not run a shipping news service for people smugglers, unlike the former government. We promised to run a military-led operation to stop the boats, and
stopping the boats is exactly what this government has done in just the few weeks it has been in office.

*Opposition senators interjecting—*

**The PRESIDENT:** Senators wishing to debate the issue can do so after 3 o'clock.

**Senator CASH:** Before the election, the coalition made clear to the Australian public the policy that they would be voting on, and we said that clear communication protocols would be set by those running Operation Sovereign Borders. It is this government that is running Operation Sovereign Borders. We are setting the communication protocols and consistent with those protocols a further update will be provided tomorrow.

**Senator Wong:** Mr President, I rise on a point of order on relevance. The minister was asked about 19 Somali asylum seekers who had arrived in Australia. She was asked a specific question about whether or not they had been transferred. She has not even come close to answering the question.

**The PRESIDENT:** As I have said in the past, I cannot instruct a minister how to give an answer or what to answer.

**Senator CASH:** This government will not be assisting people smugglers like the former government did. We all know how that ended.

**Philippines: Typhoon Haiyan**

**Senator KROGER** (Victoria—Chief Government Whip) (14:12): My question is to the Minister for Defence, Senator Johnston. I refer the minister to the devastating typhoon which recently struck the Philippines. Can the minister inform the Senate whether the Australian government has been asked to provide support to the Philippines government following Typhoon Haiyan?

**Senator JOHNSTON** (Western Australia—Minister for Defence) (14:13): I thank the honourable senator for her question. This has been a devastating natural disaster and our thoughts and prayers are with our friends in the Philippines. There has been an enormous loss of life and the devastation of probably more than 10,000 dwellings. In the best traditions of Australia's commitment to international disaster relief, we commit to standing by the people of the Philippines in their hour of need.

On Monday the foreign minister announced an immediate $10 million package of humanitarian assistance, comprising an Australian medical assistance team which arrived in the Philippines on an RAAF C17 with accompanying C130 heavy-lift aircraft; $3 million through Australian non-government organisations for life-saving assistance; $4 million to the United Nations flash appeal; $1 million for emergency supplies including sleeping mats, tarpaulins, water containers and health and hygiene kits, a proportion of which have already been released; and $1 million to the Australian Red Cross to assist with their efforts. Two Australian disaster response officials were deployed in advance of this typhoon to support disaster assessment in the event that airports were closed. An Australian disaster response expert and the Assistant Defence Attache from Manila were among the first international personnel to arrive in Tacloban, one of the most devastated cities.

Following the typhoon a further three Australian disaster response specialists were deployed and $390,500 of pre-positioned relief supplies were immediately released. The
RAAF’s C17A Globemasters have provided an experienced and important capability when responding to disasters in our region, as they have done in Pakistan, Japan and in New Zealand. The Globemasters and the Hercules are supported by an RAAF mobile airload team, an aircraft security operations team and an Aeromedical Evacuations specialists team. These personnel will be responsible for enabling the delivery of medical specialists and their equipment to the Philippines. As senators would be aware, the Australian government was able to respond rapidly in the past to such disasters.

**Senator KROGER** (Victoria—Chief Government Whip) (14:15): Mr President, I ask a supplementary question. I thank the minister for that answer and ask whether there is any further immediate assistance being provided by the Australian government to help in the devastated areas of the Philippines.

**Senator JOHNSTON** (Western Australia—Minister for Defence) (14:15): I thank the senator for her question. We are exchanging assessment reports with our US, Canadian, New Zealand and Japanese counterparts in terms of assessing the priorities in this area. The Australian medical assessment team contingent deployed consists of 36 health professionals from Darwin, Queensland, South Australia and New South Wales, a 50-bed deployable hospital, an X-ray facility, two operating theatres, medical supplies to treat up to 4,000 people and to perform up to 200 operations, five triage outpatient tents, and food and water purification equipment to ensure that the team is self-sufficient for up to 14 days.

The deployment will be coordinated by the Commonwealth funded National Critical Care and Trauma Response Centre based in Darwin. The team is made up of eight doctors including two surgeons, two anaesthetists, 15 nurses, four paramedics, one environmental health officer, one pharmacist, one radiographer, six logisticians from the Northern Territory Fire and Rescue Service. The aircraft also transported a Royal Australian Air Force mobile ambo team. *(Time expired)*

**Senator KROGER** (Victoria—Chief Government Whip) (14:16): Mr President, I ask another supplementary question. Is the government in a position to offer amphibious ship capability to the Philippines government?

**Senator JOHNSTON** (Western Australia—Minister for Defence) (14:16): The Australian government will provide a further $20 million and deploy additional Australian Defence Force logistical support to help the Philippines to respond to this typhoon, bringing total Australian assistance to over $30 million. In such a short space of time, the Defence Force has been ready, willing and able to assist.

A further $20 million package includes $9 million to the United Nations, $4 million to the International Red Cross-Red Crescent, $2 million to the Australian Red Cross, $2 million to other Australian NGOs and $1 million to local NGOs in the Philippines. The deployment of Australian specialists includes a medical team, as I have said, AFP disaster management specialists and a DFAT humanitarian and consular expert team.

As senators would be aware, the ADF was unable to provide amphibious ship capability in the aftermath of Cyclone Yasi. I am pleased to advise that HMAS *Tobruk* has been diverted from her current tasking and is en route to the Philippines to provide further assistance, and is ideally suited to do the work.
Asylum Seekers

Senator LUNDY (Australian Capital Territory) (14:17): My question is to the Assistant Minister for Immigration and Border Protection. Can the minister advise the Senate of the current capacity of the Blaydin Point Detention Centre in Darwin? Has the government made any decision to increase capacity of this centre?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:18): In relation to that specific question, I do not have the information on me but I will take it on notice and I will provide the senator with an answer.

Senator LUNDY (Australian Capital Territory) (14:18): Mr President, I ask a supplementary question. Thank you. Can the minister advise whether any detainees have been transferred from Christmas Island to the Blaydin facility since 7 September?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:18): Again, I thank the senator for her question. In relation to operational matters, this government has made it very, very clear that we will not be commenting on operational matters. Unlike the former government, which was quite happy to band together with the Australian Greens to give to the people smugglers exactly what they wanted, which was a product to sell, this government—

Honourable senators interjecting—

The PRESIDENT: Order! When there is silence on both sides—and I have asked Senator Cash to resume her seat—we will proceed. Senator Cash, continue.

Senator CASH: Thank you, Mr President. As I was stating, this government has made it very, very clear that we will be providing information on our Friday weekly briefings.

Opposition senators interjecting—

Senator CASH: In relation to that decision, the reason that those on the other side are so upset by the decision is that in the short time that this government has been in power we have seen a 75 per cent reduction—

Opposition senators interjecting—

The PRESIDENT: Order! Senator Cash, just resume your seat. I know you have only got a limited time left to answer the question but I need to hear your answer. Senator Cash, continue

Senator CASH: Thank you, Mr President. We have seen a 75 per cent reduction in the number of illegal—(Time expired)

Senator LUNDY (Australian Capital Territory) (14:20): Mr President, I have a further supplementary question. In light of the minister’s answer, I would like the minister to define what she considers an operational matter. I have asked very specific questions about the Blaydin Point Detention Centre. Is this an operational matter? I ask the minister now to define what an operational matter is given my questions have been about Australian facilities on the Australian mainland.

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:21): I do note that the senator asking the question is the former minister who was representing the minister for
immigration in this place. The former minister would know that there is certain information that for operational reasons is not given out. We will not make the mistakes that the former government made. There has been a 75 per cent reduction in the number of—

Opposition senators interjecting—

The PRESIDENT: Order! Senator Cash, just resume your seat. Order! Senator Cash, continue.

Senator CASH: There has been a 75 per cent reduction in illegal boat arrivals in the first 51 days of Operation Sovereign Borders. If that does not signify to those on the other side that this government is doing something right, it certainly signifies it to the Australian public. We are resolute in our policy. (Time expired)

Climate Change

Senator MILNE (Tasmania—Leader of the Australian Greens) (14:22): My question is to the Minister representing the Minister for the Environment, Senator Cormann. Given Minister Hunt's many statements while in opposition that Australia will use the G20 to broker a new climate agreement with major emitters India, the European Union, China and the USA, that this is his personal project and that it is an enormous one-off opportunity to put together an agreement between the major emitters, can the minister confirm that Minister Hunt has secured climate change and this agreement as central points of the Abbott government's agenda for the G20, of which we take presidency on 1 December?

Senator CORMANN (Western Australia—Minister for Finance) (14:23): I thank Senator Milne for her question. The Abbott government will implement all of our policies, including our policy to reduce emissions across Australia in an effective, cost-efficient, economically responsible and environmentally efficient way at every level possible. The responsibility for the conduct of the G20 actually lies with the Treasurer. These sorts of questions are more appropriately addressed to the Minister representing the Treasurer in this chamber.

Senator MILNE (Tasmania—Leader of the Australian Greens) (14:23): Mr President, I ask a supplementary question. I was specifically asking you as you represent Minister Hunt and since Minister Hunt is the person who said that this was his personal project—that he will bring together India, the EU, China and the USA at the G20 under Australia's presidency. Are you saying that Minister Hunt has now abandoned making climate change central to Australia's agenda with the G20 and the presidency we take over on 1 December? Either Minister Hunt has abandoned it or he has not—which is it? (Time expired)

Senator CORMANN (Western Australia—Minister for Finance) (14:24): Minister Hunt is totally focused on and totally committed to delivering all of the policy commitments that we took to the last election. I am not going to get into the ins and outs of conversations that have taken place as we finalise our approach to the G20 next year, which is going to be a very important opportunity for Australia to provide economic leadership to the world.

I can reassure Senator Milne about the approach that this government is going to take to the challenges in relation to climate change. We will take effective action on climate change. We will take action on climate change in a way that is environmentally effective and economically responsible, that does not hurt families, pensioners, workers and businesses across Australia and that does not undermine economic growth across Australia, because that
was the approach by Labor and the Greens that was rejected by the Australian people. *(Time expired)*

Senator MILNE (Tasmania—Leader of the Australian Greens) (14:25): Mr President, I ask a further supplementary question. The minister has confirmed that Minister Hunt obviously has not thought that the G20 is serious enough for climate change to be raised in that context so I now go on to ask that, given his failure to attend the COP19 now on, can the minister tell us what conversations or meetings there have actually been between Minister Hunt and representatives of India, China, the EU and the USA on this emitters agreement project?

Senator CORMANN (Western Australia—Minister for Finance) (14:26): Firstly, I completely reject the assertions made by Senator Milne in the opening sentences of her supplementary question. I have not done any such thing as she suggested. Furthermore, Minister Hunt is progressing all of our commitments, including our efforts to make appropriate and responsible progress in relation to effective action on climate change, including with our international partners.

Economy

Senator WILLIAMS (New South Wales) (14:26): My question is to the Assistant Treasurer, Senator Sinodinos. Will he outline to the Senate the parlous state of the economy left behind by the former Labor government?

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:27): I thank the honourable senator for the question, for his interest in the economy and for his own substantial interest in the agricultural economy. I begin by saying that the economic policy debate of the last three years in this country was dominated by the fact that Labor failed to realise, the present opposition failed to realise, that outside the mining sector large parts of the Australian economy were not feeling any benefit from the substantial growth. They looked at the aggregates and at the three per cent trend growth and thought the economy was going well, yet when we were on the streets of Australia, as opposed to in the halls of Canberra, people were saying that small businesses were falling over, retail was not doing well and people were facing rising costs and rising regulation. This was at a time when we had the highest terms of trade in our history and the biggest increase in national income we have seen in many generations.

We do not have that anymore. The economy we have been bequeathed is one in which our commodity prices have been falling and our terms of trade are falling. To retain our incomes at the levels we are talking about we will have to double our productivity growth over the forthcoming period. This is in the context where we have been bequeathed a budget that is in deficit and going further into deficit as a result of actions of the previous government. That is the situation we have inherited. So we have to reduce costs in the economy, improve productivity, reduce the rising tide of regulation and manage the transition from mining-led growth into nonmining investment—housing, construction and other sectors. That is the challenge we are facing as a nation. Doubling our productivity growth will not be easy, but that will be what we need to do to increase our income per head.
Senator WILLIAMS (New South Wales) (14:29): Mr President, I ask a supplementary question. I thank the Assistant Treasurer for his answer. Assistant Treasurer, is it a fact that the former government delivered the biggest government deficits in Australia's history?

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:29): I have to agree with you. The facts are that they did. Indeed, on the watch of the former finance minister the previous government racked up $107 billion worth of debt. On 2 July 2013 Chris Bowen, when he became Treasurer—

A government senator interjecting—

Senator SINODINOS: 107 billion.

Senator Faulkner: That's Mr Bowen to you.

Senator SINODINOS: When Mr Bowen became Treasurer, he said he stood by the budget delivered by Mr Swan in May. Exactly a month later Mr Bowen released the economic statement that showed a $33.3 billion deterioration in Labor's budget bottom line.

Senator Abetz: In one month?

Senator SINODINOS: In one month a $33 billion deterioration.

Senator Kim Carr: How much under you?

Senator SINODINOS: Australia will have a yearly interest bill of $12 billion over the next four years.

Senator Kim Carr: How much under you?

Senator SINODINOS: Out from the Iron Curtain, Kim Il Carr has resigned since the—

The PRESIDENT: Order! You need to refer to senators by their correct titles.

Senator SINODINOS: Senator Carr, for your edification: since the PEFO, the fiscal outlook has deteriorated further and trends suggest—(Time expired)

Senator WILLIAMS (New South Wales) (14:30): Mr President, I ask a further supplementary question. Assistant Treasurer, what steps does the Abbott-Truss coalition government need to take to bring stability back to the Australian economy?

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:30): The coalition government are making the tough decisions so that we can make Australia stronger. We will clean up the state of the budget. We have instituted a Commission of Audit—

Opposition senators interjecting—

Senator Cameron: Tell them what you are doing to people in the Blue Mountains.

The PRESIDENT: Order!

Senator Cameron interjecting—

Senator Williams: Mr President, I rise on a point of order: I am trying to listen to the answer of the Assistant Treasurer, and all I can hear is the waffle screamed across the chamber by Senator Cameron. Could you please bring him to order?

The PRESIDENT: Order! There is no point of order. Senators on both sides know that calling across the chamber is disorderly and that the minister is entitled to be heard in silence.

Senator SINODINOS: We will institute a Commission of Audit. We are removing the carbon tax, saving families $550 next year alone. The previous government's own modelling
showed that GDP would be one-quarter of a per cent lower than otherwise without the carbon tax. The coalition government will remove the mining tax—remember the mining tax? It was going to raise $49.5 billion as the resources super profits tax? Revisions in PEFO, $4.4 billion. What has it raised to date? It is $400 million net. And you were going to have billions of dollars of spending—Mr President, through you—off the back of the rapidly receding resources super profits tax! That was another legacy you bequeathed the Australian people. And we have removed the fringe benefit tax on cars. *(Time expired)*

**Department of Immigration and Border Protection**

*Senator KIM CARR* (Victoria) (14:32): Mr President, my question is to the Assistant Minister for Immigration and Border Protection, Senator Cash. Can the minister confirm the number of staff who will lose their jobs within her department and portfolio agencies due to the government's freeze on renewal of non-ongoing contracts?

*Senator CASH* (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:33): I do not have that information on me, Senator Carr, but I will attempt to get a brief for you and provide it.

*Honourable senators interjecting—*

**The PRESIDENT:** Order! Senator Carr is entitled to be heard in silence. If you want to debate the issue, debate it after three o'clock, but Senator Carr will be heard in silence.

*Senator KIM CARR* (Victoria) (14:33): Mr President, I ask a supplementary question. Can the minister confirm that according to the Australian Public Service Commission, of the 14,273 non-ongoing staff employed in the Australian Public Service, almost 1,000 are employed in Customs, border protection and immigration? Will staff cuts of this dimension compromise front-line immigration and border protection services?

*Senator Abetz:* Answer no.

*Senator Wong:* You have to tell her that?

*Honourable senators interjecting—*

**The PRESIDENT:** Order!

*Senator Conroy:* There's silence over here!

**The PRESIDENT:** Yes, I know there is silence on my left; I am waiting for my right to be silent so that Senator Cash can be heard.

*Senator CASH* (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:34): In relation to the senator's question, the answer is clearly no. However, I will remind the senator of the exact extent of Labor's failures and how they compromised Australia's border security. Let us talk about immigration: 50,000 illegal arrivals to this country; over 1,000 confirmed deaths at sea; a budget blow-out in excess of $11 billion. If you want to talk about the compromising of a portfolio, you need look no further than those on the opposite side.

You want to talk about compromising our Customs facility? What did the former government do to compromise Customs? They cut 700 staff from Customs when they were in office—700! They cut $420 million from the Customs budget. *(Time expired)*
Senator KIM CARR (Victoria) (14:36): Mr President, I ask a further supplementary question. I would ask the minister quite simply: how can you claim to be protecting Australia's border when you are stripping 1,000 people from the department and the agencies associated with it—a vital resource that they actually need to do the job properly?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:36): We are protecting Australian borders. There has been a 75 per cent reduction in the number of illegal boat arrivals to this country in the 51 days since we took office. Unlike those on the other side who went into business with the people smugglers, we will put them out of business.

The other side may not like the answers that I am going to stand up here and give, but I can tell you that we are acting more appropriately than any other government—unless of course you want to talk about the former Howard government, which, when we left office in 2007, had four people in immigration detention and none of them had arrived illegally by boat. The legacy caseload that we have now picked up is in excess of 50,000 arrivals. So if you want to talk about securing Australian borders, we are the government that gets to do that. (Time expired)

Asylum Seekers

Senator EDWARDS (South Australia) (14:37): My question is to the Assistant Minister for Immigration and Border Protection. Can the minister advise the Senate what is the rationale for the government's reintroduction of temporary protection visas?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:38): I thank Senator Edwards for his question. The temporary protection visas that have been reintroduced by this government, the government that will stop the boats, have been restored to bring integrity and fairness back into Australia's humanitarian settlement services program. One of the great benefits of TPVs which was completely lost under the former government is that those who arrive here illegally by boat will not receive any of the places in our refugee humanitarian settlement services program. One of the great benefits of TPVs which was completely lost under the former government is that those who arrive here illegally by boat will not receive any of the places in our refugee humanitarian settlement services program, unlike successive Labor governments that turned their backs on the most vulnerable people internationally and allowed the people smugglers to determine who came to this country as opposed to a sovereign government. We will not do that. We will not turn our backs on the refugees that have been waiting patiently in camps all over the world, some of them for in excess of 20 years. Under the former government the majority of the 13,750 places went to people who arrived here illegally by boat. They displaced the most vulnerable—

Senator Whish-Wilson: Mr President, I raise a point of order. Senator Cash keeps using the word 'illegally', that they arrived illegally.

The PRESIDENT: There is no point of order.

Senator CASH: This is a government that will by its policy decisions restore integrity and fairness to Australia's humanitarian settlement program. Integrity and fairness were things that those on the other side may have talked about but the statistics in relation to those who ultimately took the places in our humanitarian settlement program tell the true story. This is a government that will not displace those— (Time expired)
**Senator EDWARDS** (South Australia) (14:40): I thank the minister for her fulsome answer and I ask a further question. What were the consequences of the former government's winding back of the proven suite of measures in place under the Howard government, including offshore processing on Nauru, temporary protection visas and turning back the boats when safe to do so?

**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:41): When the Howard government left office in 2007 there were four people in immigration detention. Not one of those persons had arrived here illegally by boat. Australia's detention network was costing the Australian taxpayer approximately $85 million—not billion, million—per year. Under the former government the Australian taxpayer is now faced with a cost blow-out of in excess of $11 billion. When the former Howard government left office in 2007 there were no children in detention. This is the legacy caseload the Abbott government has picked up. By July 2013 there were over 3,000 children being cared for by the department, with over 2,000 children locked in detention. That is the extent of the failures of winding back the Howard government's policies. *(Time expired)*

**Senator EDWARDS** (South Australia) (14:42): My final question of the minister is how will the coalition government's new border protection policies ensure that Australia maintains its obligation to offshore refugees?

**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:42): Australia is renowned as having one of the most generous resettlement programs in the world. However, unfortunately, given the history and the legacy that has been left by those on the other side, this country has not been able to settle the many tens of thousands of refugees that sit patiently in camps around the world, not for five, not for 10, not for 15 but sometimes for in excess of 20 years. Under the former government more than 14,500 of those people were denied a place in Australia because the former government gave in to the people smugglers. This is a government that by its policies will restore fairness and will restore justice to Australia's humanitarian program.

**Australian Competition and Consumer Commission: Fuel Discount Dockets Inquiry**

**Senator XENOPHON** (South Australia) (14:43): My question is to Senator Sinodinos, representing the Minister for Small Business. Since July 2012 the Australian Competition and Consumer Commission has been conducting an investigation into fuel discount shopper docket used overwhelmingly by Coles and Woolworths. In July this year ACCC chairman Rod Sims said:

The ACCC believes this activity is likely to have a negative effect on competition in the petrol industry. Over time, higher petrol prices could be the result.

Can the minister advise when the inquiry is likely to be completed and whether the inquiry is also looking into the effects on the independent grocery sector and grocery prices as well as the fuel sector? Can the government indicate what extra resources have been or will be provided to the ACCC to expedite the completion of this important inquiry?
Senator SINODINOS (New South Wales—Assistant Treasurer) (14:44): I thank the senator for the question and for giving me notice of the question.

Senator Abetz: Is it the Greek access?

Senator SINODINOS: No, no, it is not the Greek access; it is the Greek caucus! The government is mindful of the impact that shopper docket fuel discount arrangements can have on consumers and on competition amongst industry participants. We are mindful that it is a complex issue and there is a balancing of considerations. We need to ensure that the right balance is struck for the benefit of all Australians.

The ACCC is assessing the expansion of shopper docket fuel discount arrangements. While the ACCC investigation at the present time is limited to the purpose or effect of the fuel-saving offers in a relevant retail fuel market, it is envisaged that, should any court action be taken following the investigation, the consequences are likely to extend to the retail grocery sector. I understand the chairman recently announced that the ACCC investigation is expected to be finalised this year. The matter of resources as such does not apply in this case. The matter of resources applies to the ACCC generally, but not to this particular case.

Regardless of the outcomes of the ACCC investigation, this is one of many issues that will be considered as part of the root-and-branch review of competition that this government committed to at the election. The review will be an independent examination of how the competition framework is working and whether it is keeping up with emerging trends. It will be looking beyond the competition framework to identify impediments to competition, with the goal of improving the living standards of all Australians. Most importantly, this review is not restricted to the functioning of the competition laws but extends to broader issues, including regulatory impediments for competition, the impact of concentration and vertical integration in key markets, dealings between small and big business, and government involvement in markets. All stakeholders, in particular small business, will have multiple opportunities to engage with the review and provide input. Further details about the review will be released in due course.

Senator XENOPHON (South Australia) (14:46): Mr President, I ask a supplementary question. Does the minister share the concerns expressed by groups such as the Master Grocers Association that these predatory discounts offered by Coles and Woolworths will have the effect of driving smaller competitors out of business, which will ultimately reduce competition in the fuel and grocery sectors? There are a number of small businesses I have spoken to who say that they are on borrowed time—that the competition review may be too late for them because of these predatory discounts.

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:47): I can assure you, Mr President, and through you the Senate that the government recognises the important contribution that small business is making to local communities and the economy more broadly—competing not only on price but on the quality of goods and the convenience, location and services that they provide. We understand that effective competition is a vital element of ensuring a strong economy that allows small business to grow and prosper. As indicated in my previous response, we will be undertaking a root-and-branch review of the competition framework, and that will, in turn, comprehend the sorts of issues that you are raising.
Senator XENOPHON (South Australia) (14:47): Mr President, I ask a further supplementary question. On 29 July this year Mr Sims also said:

The ACCC has no power to ban shopper docket offers.

Does the government consider the ACCC should have this power if the effects of shopper docket offers are likely to be anticompetitive and, in turn, damaging to small to medium businesses; and does it acknowledge that there are already small and medium businesses that have been driven out of business directly as a result of these predatory discounts?

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:48): While the ACCC has no power to ban shopper docket offers, as an enforcement body the ACCC can investigate market activity and, where appropriate, it can take court action seeking injunctions to stop the conduct and seek penalties in appropriate cases. That is why we have a comprehensive policy as a government for small business to restore confidence, encourage growth and drive employment and innovation. We are abolishing the carbon tax, cutting red tape, removing structural impediments to competition, and changing the culture of government so that small business can grow and employ more people.

Australian Government Disaster Recovery Payments

Senator CAMERON (New South Wales) (14:48): My question is to the Minister representing the Prime Minister, Senator Abetz. When and why did the government impose new and restrictive criteria on Australian Government Disaster Recovery Payments than applied under the Labor government—that removed support to residents who will be unable to return to their principal place of residence or access their residence for 24 hours or are without utilities for 48 hours?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:49): It will not come as a surprise to most senators that the assertion made by Senator Cameron is in fact incorrect. Indeed, Labor used the same eligibility criteria that we have put in place on five occasions whilst they were in government. Firstly, January 2008, storms and flooding in the Mackay and Whitsunday regions; February 2008, flooding in Mackay; November 2008, storms in South-East Queensland; May 2009, storms and flooding in South-East Queensland and northern regions of New South Wales; March 2010, storms in Victoria.

I trust you have the decency not to keep on peddling this misinformation, and I trust there will not be any supplementary questions to keep on with this misinformation and mischief.

Senator CAMERON (New South Wales) (14:50): Mr President, I ask a supplementary question. Why should Glenn Jackson, a self-employed electrician from Springwood, his wife and three children, be denied federal government disaster relief support when they were forced to leave their home for three days as a result of the Blue Mountains bushfire at significant cost to the family?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:50): Mentioning individual cases is always fraught with difficulty, as Senator Cameron ought well know. Indeed, we could ask exactly the same question of all those people that were confronted with exactly the same situation in exactly the same scenario in relation to the January 2008 storms and flooding in the Mackay and Whitsunday regions; or the individuals that were confronted...
with the February 2008 flooding in Mackay or the November 2008 storms in South-East Queensland, or the May 2009 storms and flooding in South-East Queensland, or the storms in March 2010 in Victoria.

What we have is one of the most infantile examples of Labor doing something is good, coalition doing something is bad by definition. I would have thought these matters would be above this sort of tawdry politics. (Time expired)

**Senator CAMERON** (New South Wales) (14:52): Mr President, I ask a further supplementary question. Why are Blue Mountains residents being treated less favourably by the Abbott government than the way bushfire victims in Victoria and Tasmania were treated under the Labor government?

**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:52): Repeating misinformation time and time again does not make it true. Senator Cameron can seek to continue to peddle this misinformation but, at the end of the day, the reality is that the five examples that I have raised are very, very clear. What the senator opposite should accept is that, in general terms, we in Australia actually raise ourselves above the political debate when we are dealing with natural disasters. It is a sad reflection on the opposition and this new frontbencher, who is trying to make a name for himself by engaging in this tawdry activity.

### Higher Education

**Senator RUSTON** (South Australia) (14:53): My question is to the Minister for Human Services, Senator Payne, in her capacity as Minister representing the Minister for Education. Can the minister inform the Senate of the effects that a $2,000 cap on self-education expenses would have on nurses, teachers and other front-line workers? Is it a fact that many of these people would have struggled to afford professional accreditation? What has the government done to address this situation?

**Senator PAYNE** (New South Wales—Minister for Human Services) (14:54): I thank Senator Ruston very much for her question and her interest in this area. As senators would be aware, the previous Labor government announced a very mean-spirited cap of $2,000 on tax deductions for self-education expenses as a part of their $2.8 billion cuts to higher-education funding. That would have had a disastrous flow-on effect for individuals, and would have also greatly reduced the uptake of professional development courses at our universities and at our TAFE colleges across the nation.

I am very pleased to advise—understandably, given the sensible approach being taken by Treasurer Hockey and Education Minister Pyne—that common sense has ultimately prevailed, and on 6 November this year the Treasurer announced that the coalition government would not be proceeding with Labor's mean-spirited cap on self-education expenses. This government, in particular, is concerned with improving productivity, not with introducing measures which are simply going to destroy it, and that is why we have reversed their decision.

This is good news for universities, it is good news for TAFEs and it is particularly good news for the thousands of people who are considering upgrading their skills and qualifications. We have all spoken to them—whether they are in the professions, whether they are in the trades—and no matter what area of work they were pursuing, they were very
concerned about a cap of that level, given the cost of the sorts of courses that are required to be taken.

This is even better news for Australians, who will benefit overall from having a much better skilled population. In fact, it is a win-win all around. As the Minister for Education said, Australians should have access to the often necessary training they require to maintain their professional accreditation and skills, as well as upgrading their qualifications.

**Senator RUSTON** (South Australia) (14:56): I thank the minister for her response and I ask a supplementary question. Can the minister further outline to the Senate the wide range of people who will benefit from the coalition's decision to abolish the cap on self-education expenses?

**Senator PAYNE** (New South Wales—Minister for Human Services) (14:56): I thank the senator for her supplementary question. As I began to indicate in my previous answer, the decision of the coalition government is great news for anyone who is seeking to upgrade their qualifications either in professional careers or in the skilled trades. The sorts of people that we are talking about—thousands of nurses, teachers and doctors, along with builders, plumbers and electricians, and other hardworking Australians—are the ones who will be the big winners from this government's decision to get rid of Labor's cap on tax deductions for self-education expenses.

The vast bulk of claims for self-education expenses comes from those who earn less than $80,000, so what that was going to be was a cap on the front line of the health and education sector—and those opposite apparently thought that was a good idea. Our decision will ensure that workers who are making their own personal investment in their future, at a time when money can be very tight, are not disadvantaged. It is great news for those people.

**Senator RUSTON** (South Australia) (14:57): Mr President, I ask a further supplementary question. Could the minister further outline what other measures the coalition is pursuing to strengthen higher education generally?

**Senator PAYNE** (New South Wales—Minister for Human Services) (14:57): Thank you again to Senator Ruston. There are a number of initiatives that the Minister for Education and the government have already announced in the relatively short period of time since the government took office. We have commenced with simplification of the assessment level framework and have extended the scope of streamlined visa processing for international students, which is very much welcomed by the sector. We have announced $522 million in grants and fellowships, which will support 1,177 research projects which are recommended by the Australian Research Council. We are working very hard to reduce the heavy burden of compliance and regulation on our universities, an issue which was raised regularly with those of us who had any contact with those institutions under the previous government. We are committed to creating an advisory council which will help to deregulate the industry and report on cost savings to universities and other achievements resulting from that deregulation. As senators may have become aware, we are also taking stock—(Time expired)

**Afghanistan: War Memorial**

**Senator FARRELL** (South Australia) (14:58): My question is to the Minister for Veterans' Affairs. I refer the minister to the planned demolition of the Tarin Kot war memorial in Afghanistan, which commemorates the deaths of 114 International Security
Assistance Force soldiers, including 40 Australians. What discussions has the government had with fellow ISAF countries about the possibility of permanently relocating this memorial to Australia, and what was the result of those discussions?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:59): I thank the senator most sincerely. This is actually a matter within the domain of the Minister for Defence, but I am happy to give the honourable senator the information he requires. I am advised by a note that I have been provided with that the decommissioning process for the wall was completed on 10 November 2013. The wall was an international—

An opposition senator: War grave.

Senator RONALDSON: Sorry?

The PRESIDENT: Order! Ignore interjections. Just address the chair, Senator Ronaldson.

Senator RONALDSON: This is quite an important issue, Mr President.

The PRESIDENT: Senator Ronaldson, just address the chair.

Senator RONALDSON: Thank you. As I have—

Senator McLucas: That's why we asked the question.

Senator Jacinta Collins: We know that.

Senator RONALDSON: Do you want to hear the answer or not? The wall was an international memorial and not uniquely Australian. Defence consulted with the countries involved and the families of our fallen soldiers, and all agreed that respectful destruction was appropriate. There have been some queries raised, I gather, in relation to what steps Defence takes to preserve historically significant items. The ADF is working with the Australian War Memorial and other agencies to ensure items of historical significance are managed and returned to Australia. Significant work has been undertaken to develop a detailed electronic record of the memorial wall based on historians' advice. The decommissioning process for the wall was undertaken respectfully and involved disposing of parts of the memorial that were impractical or impossible to return to Australia. Can I just repeat for the honourable senator that there was full consultation by Defence with the countries involved. This was not an Australian memorial; this was an international memorial. (Time expired)

Senator FARRELL (South Australia) (15:01): Mr President, I ask a supplementary question. Thank you for that answer. Were there any logistical barriers to the relocation of this important memorial to Australia?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (15:01): I thank the honourable senator for his supplementary question. I will take him back to my initial answer. This was, indeed, not a uniquely Australian memorial; it was an international memorial. The people who had the greatest involvement in this from a personal point of view were the families. It is not up to this chamber or me or the defence minister to lecture families about what is the appropriate course of action to be taken with a memorial that is in honour of their sons. We took appropriate action. Defence took appropriate action on the back of those consultations. I am sure the honourable senator is not suggesting it, but we most certainly
were not going to do anything other than in accordance with the wishes of the families. *(Time expired)*

**Senator FARRELL** (South Australia) (15:03): Mr President, I ask a further supplementary question. Thank you for that answer. We certainly do not wish to do anything contrary to the wishes of the families, but is there any part of this memorial that will be brought back to Australia?

**Senator RONALDSON** (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (15:03): I thank the honourable senator for his supplementary. I will take that on notice for the exact information as to what may be returned. But, as I said earlier, the ADF is working with the AWM and other agencies to ensure items of historical significance are managed and returned to Australia. The decommissioning process for the wall was undertaken respectfully and involved disposing of the parts of the memorial that were impractical or impossible to return to Australia. I will take the rest of that question on notice.

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

**QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS**

**Asylum Seekers**

**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (15:04): During question time, in response to a question from Senator Lundy, I advised that in relation to Blaydin Point I would provide additional information. I now have that additional information for Senator Lundy. Immigration statistics including visa reports, immigration detention and illegal boat arrivals on bridging visas will continue to be updated regularly on the Department of Immigration and Border Protection's website. The government will consider the long-term future of the Blaydin Point facility in the context of the ongoing operational needs of the onshore immigration detention network, which is still dealing with the effects of Labor's failed border protection policies that brought over 50,000 people on illegal boats to Australia. This work will take into account the requirements of the network to accommodate the size and demographics of detention requirements into the future. The department regularly reviews the immigration detention network to ensure its size and profile meet the needs of the immigration detention population.

I also have information in relation to the question that I took on notice from Senator Carr. I can confirm to Senator Carr that there have been no cuts to the Customs or Department of Immigration and Border Protection budgets under this government and no cuts to staff. Staffing levels may ebb and flow due to normal attrition. Department and agency heads have not been told to sack temporary workers; they have been told to ensure that existing non-ongoing employment arrangements cease at the end of their current term and to refrain from entering into new arrangements. However, they have the flexibility to enter into new temporary arrangements or extend existing contracts where these are critical to meeting business demand, particularly where this impacts on the community—for example, to ensure demand for call centre services is met. However, I do remind Senator Carr that it was the failures of the Labor government that led to the arrival of more than 50,000 people, creating
cost, chaos and tragedy, gridlocking the department of immigration and attracting staff and effort from the department's core business.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Asylum Seekers

Department of Immigration and Border Protection

Senator KIM CARR (Victoria) (15:06): I move:

That the Senate take note of the answers given by the Assistant Minister for Immigration and Border Protection (Senator Cash) to questions without notice asked by Opposition senators today relating to the Government's border protection policies.

What a difference 2½ months make. Before the election we heard those who were in opposition at the time talk about the public's right to know. As recently as February this year Senator Cash was recorded on the Senate Hansard as saying:

… senators have a fundamental, constitutional right which they are entitled to exercise, and that is to ask questions … and to be given those answers in a timely fashion.

Of course, we never heard any talk from the opposition before the election about people discussing these issues of refugees and the irregular arrivals. We never heard any talk then about the need to shut down the public debate. We never heard any talk whatsoever about the suggestion that talking about these issues and the public's right to know were acts of aiding people smugglers. But that is what we hear from this government.

Today we hear yet another example of the new government's contempt for this parliament and this chamber. Senator Cash frankly was not able to answer questions. Even her supplementary answers after question time did not actually go to the questions. They did not seek to do it. They were just a whole lot of blather about operational matters. When it comes to the question of job losses, we know that the directive has been sent to the department that all people on existing contracts for non-ongoing employment arrangements cease at the end of the current term. That is an instruction that has been issued to every agency within the Commonwealth and, of course, every department within the Commonwealth. We know that in the case of immigration there are a thousand people tied up with those sorts of employment arrangements. If you want to change them and move outside that directive, you actually have to go as far as the Australian Public Service Commissioner to get approval. She does not mention that in her answer.

She is disgracefully ignorant of her portfolio, frankly. She has had plenty of time to get on top of it, but she is not able to answer the questions that are put to her here today. She seeks to hide behind several simple devices—contemptuous devices. 'Oh, I'm not going to talk about operational matters. I'm not even going to tell you about health checks or security checks being performed. I'm not able to tell you, in fact, about the capacity of our detention system.' Simple staffing matters are, of course, a matter that eludes her. I would have thought any minister would know the consequences of a government direction to cease contracts of employment within her department. And she then tries to present to us the suggestion that any discussion of this matter is a device by which we are giving aid and comfort to people smugglers. The hypocrisy is breathtaking given the amount of energy you have spent on these questions in recent years.
We heard the Prime Minister echo these views. Just the other night on 7.30 he suggested: 'We're not answering questions which are for entertainment purposes. We're not going to allow for media purposes. We're not going to be able to provide any advice to the public on these questions,' because presumably there is some moral imperative here for people to remain in ignorance. That is essentially what is being said. Before the election the Prime Minister, as he is now—he was the Leader of the Opposition then—said, 'The last thing we want to do is to hide anything from the Australian people.' We know the truth in that regard now, don't we? This is not the government people elected. They are hiding behind this presumption that, if the question is not asked on a Friday, you do not get an answer. There is a presumption that you have to go to Sydney to some briefing provided by a general; and, if you cannot, you do not get told what is going on within this country. Hiding behind operational matters is a disgrace. It is the last refuge of a scoundrel to suggest that we are not entitled to know about 19 Somali refugees who turned up in Darwin Harbour on Monday night. We are not to know about that. You can tie up a boat at the wharf at Darwin Harbour, and we are not allowed to know about it. We are not allowed to have that sort of discussion.

We simply cannot reconcile the claims that the government is now making with the actions that they presented to the Australian people prior to the election. We know what has changed here: the government is now running a protection racket to save Mr Abbott the embarrassment of having to front up to the consequence of trying to suggest to the Australian people that complex problems can be solved by three-word slogans. The cost of it is clear. (Time expired)

Senator IAN MACDONALD (Queensland) (15:12): Strangely, I agree entirely with the first words that Senator Carr entered in this debate. I will repeat them: what a difference 2½ months make. One and one-quarter months before the coalition took over, some 2,311 illegal boat people arrived on our country, and in 1¼ months after—making a total of 2½ months—only 544 people entered Australia illegally by boat. So Senator Carr is absolutely right: what a difference 2½ months has made when you have a contrast between an incompetent, incapable Labor government and the Abbott government. I congratulate the minister on the work she and Mr Morrison have done in reducing that flow of illegal boat arrivals from 2,311 in 51 days before we started Operation Sovereign Borders down to 544 people since.

I can take Senator Carr's analogy further: what a difference six years makes. Six years ago in the last days of the Howard government the Australian taxpayer was contributing $85 million a year to looking after our borders and those who had arrived illegally. I repeat that: $85 million. It is a big amount of money. But under six years of Labor that annual figure has grown to $11 billion per year. Contrast $85 million to $11 billion. What a difference six years has made.

Also, six years ago under the Howard government there was not one child in custody as a result of illegal boat arrivals. In the last days of the Labor government there were some 3,000 children in detention, and 2,000 of those 3,000 children were actually locked up. Contrast that. So Senator Carr is definitely right—what a difference six years has made since the administration of the Howard government and the administration of various Labor governments. Again, I congratulate the minister in this chamber and the minister in the other chamber on the work they have done to stop this vile trade that costs the lives of so many people wanting to leave their country and settle in Australia.
I refer Senator Carr to another fact which the minister has mentioned and which I have been talking about for years. For all the bleeding hearts who say we are cruel to the illegal arrivals in our country, for every one of them that comes to Australia, we deny to those tens of millions of people who have been living in squalid refugee camps around the world for years their opportunity to come to our country. We deny them that because Labor simply allowed people in who attempted to get here illegally, who did not go through the UNHCR process, who did not do what every other of the tens of millions of refugees did around the world and who jumped the queue. Those who were waiting in those squalid camps for their turn to get into Australia were put back by your government because you allowed the queue jumpers in, and the people living in those squalid camps were forced to remain.

Opposition senators interjecting—

Senator IAN MACDONALD: What do you say to those people, Senator? 'Look, we are sorry about that, mate. What you should do is go and get on a boat and come in. Don't follow the UNHCR rules, don't get properly assessed through the UNHCR, don't wait patiently in these squalid refugee camps for your turn to get into Australia; go and jump on a boat and come in here and then you'll be right. Then we, the Labor government, will let you in.' I am delighted to say that regime has now finished. (Time expired)

Senator LUNDY (Australian Capital Territory) (15:17): I think it is critically important to point out at this time that Senator Macdonald is shedding crocodile tears for the humanitarian program—the offshore one that is guided by the UNHCR—because the coalition government is reducing our humanitarian intake from 20,000 to 13,750. This makes an absolute mockery of the claim that these people are somehow neglected. The opportunity is there for the coalition government to restore the increased numbers for the offshore humanitarian program. If they had any principles and if there were any substance to the claims we have heard in the chamber today, they would do exactly that.

I think it is worth taking a step back to remind people that, throughout Labor's term, we sought cooperation with the coalition to stop the deaths at sea because of people attempting to procure a people smuggler to bring them here to seek asylum. For every effort that we made the coalition took a step back and refused to agree with the Labor government on a strategy to do exactly that. Even when we made a very clear, overt and specific attempt to remove the party politics from this vexing problem by appointing an independent expert panel to advise on policy—and very tough policies they were—we saw the Liberal Party run a mile. We saw them oppose legislation that sought to put in place an arrangement with Malaysia. We saw them oppose our strategies, moves and efforts in this parliament to put in place an offshore processing regime that we believed would stem the flow of boats and undermine—in fact stop—the people-smuggling trade.

But today Senator Cash has belled what was not a very silent cat anyway. Senator Cash comes in here today and claims that this government is not about having shipping news and putting information out into the public domain. Senator Cash was the shipping news in opposition; that was her role. Every day in this place and through Senate estimates, Senator Cash's role was to put as much information in the public domain as she possibly could. Senator Carr referenced the Hansard, and I have many references here on Senator Cash's demands for further information and details about boat arrivals. It is quite intriguing when you go back over the Hansard—as I have—to see how explicitly she details the places where
the boats arrived, the costs associated with that, the logistic information associated with the way the boats arrived in Australia and the associated settlement services provided.

I am sure Senator Cash would have found herself to be the source of choice for people smugglers under the former government. So it is with a great deal of disgust and irony that when I asked a question today I found that Senator Cash was unable to provide the level of information that we were persistently placing on the public domain when we were in government. There is a hypocrisy in the conduct of the government on this matter, and it disturbs me greatly because it has played into the hands of the people smugglers. The motivation one assumes is indeed the politics of this matter.

The pejorative way in which Senator Cash and other members of the coalition have spoken about asylum seekers and this whole problem belies the politics and the way in which they were prepared to play this issue out for political gain. They now hide in the cone of silence—hiding behind briefings and with Senator Cash unable to give the parameters of what 'operational matters' were when I ask her quite specifically today. We do not even know the kind of information they are prepared to put into this place. This is contemptuous of the Senate's ability to extract information from the executive government, and it concerns me greatly.

We will of course have the opportunity, as the opposition has had before us, to explore these matters through the appropriate accountability mechanisms—Senate estimates, questions on notice, questions without notice and so forth—but I feel absolutely obligated to point out the hypocrisy of the situation, the tragedy that it has contributed to and the angst it has caused not only for the individual people and families involved but also for the sustainment of the deadly trade of people smugglers. I put that to those opposite.

Senator EDWARDS (South Australia) (15:22): It does strike me, as it did Senator Macdonald, as somewhat ironic that the very shrill Senator Carr was able to get up and remind us that in 2½ months there is indeed a great deal of difference. As Minister Cash outlined in her answers today, in 51 days of government there has been a 75 per cent reduction in the number of people seeking to arrive illegally into this country. That is a number that you do not have to have repeated, but I will repeat it for you: a 75 per cent reduction. How many times do you want to hear that this week? I know that it was your format in government to roll out an announcement every four hours, but the people of Australia understand a 75 per cent reduction. How many more times do you need to hear it? You over there, on so many occasions since you dropped those very effective Howard policies in 2008—

Opposition senators interjecting—

The DEPUTY PRESIDENT: Senator Edwards, address your remarks to the chair. And interjections are disorderly.

Senator EDWARDS: I will remind those over on the other side that since they dropped all of the border initiatives from the Howard days, which were working, and they have been dragged kicking and screaming—

Opposition senators interjecting—

Senator EDWARDS: I will remind you of where you have been dragged kicking and screaming. Since 2007 you have pursued 11 failed approaches to border protection, and I will
remind you of them. The Labor Party extended appeal rights and legal assistance in November 2008. Pay attention! Then there was the Afghan and Sri Lankan asylum freeze in April 2010. This is how you tried to address the asylum seekers coming to this country. There was the East Timor solution in July 2010. There was the Afghan return solution in 2011. You were reeling at this stage; you had no idea. You were the proverbial rabbits in the headlights on border protection in this country.

Then we had a new one. This was another approach. You said, 'We'll have a regional processing framework.' That was in March 2011. And we all remember this one: the Malaysian people swap in May 2011, when I think your Prime Minister announced it before anybody in cabinet knew about it. In fact, I think it was even before the Malaysian government knew about it. But that is okay: in the interests of getting out a press release every four minutes of that chaotic government that you once sat in and now try to defend, we had that.

I will keep going. This is your answer to border protection: Manus Island—we'll call it mark I, shall we?—in August 2011. Let me remind you. You are a bit quiet now; you are starting to think, 'This is starting to look like a fiasco.' Then we had the community release with work rights policy in November 2011. By this stage you have all lost a bit of interest, haven't you, because the budget has blown out. Eleven billion dollars—what the hell, we'll just borrow some more! Earlier today you saw us having to borrow more money, put another cap on so that we can try to fix the mess over which you all presided just 60 days ago. I have still got more. We got the full appeals to the RRT and the Federal Court in March 2012—that'll work! Then the Houston expert panel in August 2012.

Senator Sterle interjecting—

Senator EDWARDS: This is your record—through you, Mr Deputy President, to Senator Sterle—on border protection. You have got nothing to be shrill about.

Senator Polley: Mr Deputy President, I rise on a point of order. I understand the enthusiasm, but I would ask you to draw the senator to the topic of taking note. I think it is far-reaching but beyond the bounds of the issues that we are discussing this afternoon.

The DEPUTY PRESIDENT: There is no point of order, Senator Polley. You have the call, Senator Edwards.

Senator EDWARDS: Thank you, Mr Deputy President. On Senator Polley's point: there is much enthusiasm and there are no bounds to my enthusiasm, because the boat arrivals are 75 per cent less than what you presided over in your time. I want to finish this in the 18 seconds that I have left. We had the Houston expert panel in August 2012—that'll fix it! Then the finale, just before the election: the PNG arrangement in July 2013. Well done. Congratulations—not!

Senator STERLE (Western Australia) (15:27): May I just take time to reflect. Mr Deputy President, you and I came in here bright-eyed and bushy-tailed, along with Senator Polley, back in 2005. Goodness me, hasn't the standard dropped since then—and I am not talking about the group from 2005. Today it embarrasses me. I just hope there were not too many school children watching today's question time here in the Senate. I would like us to reflect on this. It is damned embarrassing. The standard is appalling. I am a mild-mannered man, as you know, Mr Deputy President, but should we be screamed at—with shrill screaming from

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CHAMBER
Senator Cash? I know Senator Cash is well above that. I actually sympathise a bit with Senator Cash and I will explain why. She is a very well-educated woman. There is no argument about that; she is, I think, a lawyer. In opposition a very topical political football was boats. We do not deny that it is a hot potato around the barbeques. It is a difficult issue for us, no argument. But when you are climbing that greasy pole to promotion at the thought of coming into government, to be given a political football like boats and asylum seekers is a wonderful opportunity to be seen and heard out there in the country. And Senator Cash grabbed that with two hands. But what we have seen is that it is very easy—as you and I both know, Mr Deputy President—in opposition to blame the government for everything. It is very easy to be negative on every single issue. But when you come to government—when you are given the grace of being given government by the people of Australia—it is time to act.

We should not be surprised about the silence that is coming from the government. The then opposition leader and now Prime Minister, Mr Abbott, was quoted in *The Australian* on 21 January 2012 as having said:

What counts is what the Australian government does, not what it says. It is time for Australia to adopt turning the boats as its core policy.

Hmm—okay. Then I want to quote another paragraph from Mr Abbott in a speech to the Institute of Public Affairs on 27 April 2012, in which Mr Abbott told the faithful gathered there on that day:

Within a week of taking office, I would give new orders to the navy that, where it is safe to do so, under the usual chain-of-command procedures, based on the advice of commanders-on-the-spot, Indonesian flagged, Indonesian crewed and Indonesian home-ported vessels without lawful reason to be headed to Australia would be turned around and escorted back to Indonesian waters.

This reminds me, as a kid growing up in the sixties, of that wonderful scene of the chief's office from *Batman*, where they had the bat phone waiting for the orders.

Phillip Hudson of News Limited on 16 October 2012 reported this about Mr Abbott's trip to Indonesia as opposition leader:

The people smuggling issue was discussed during Mr Abbott's meeting with Indonesian President Susilo Bambang Yudhoyono in Jakarta yesterday. However, Indonesian Foreign Minister Marty Natalegawa, who was at the meeting, said Mr Abbott did not raise the coalition policy of turning back boats where it's safe to do so.

What I am alluding to is that the Australian people and us, Her Majesty's opposition, should not be surprised by the veils of secrecy. We should not be surprised one little bit by the lack of information coming from the Prime Minister or from the foreign minister because the truth of the matter is that they do not want to tell us. They do not want to tell the Australian people that at all times while they were bleating about stopping the boats, turning the boats back and towing the boats, it was just politicising—taking the opportunity to make it a political football—because it sounded great around the barbecues. The truth of the matter is that they never, ever had a plan B.
What is more, not only have we insulted our closest neighbours and not only is our relationship with Indonesia seriously damaged but the people of Australia who walked into the polling booths in September and put a mark in the box were being misled. The people of Australia were not getting a government that had any intention of doing as it says. Time does not permit me, but I will be making further contributions on this. *(Time expired)*

Question agreed to.

**DOCUMENTS**

Tabling

*The DEPUTY PRESIDENT* (15:33): I table documents providing details of travelling allowance payments made by the Department of the Senate to senators and members during the period 1 July 2012 to 30 June 2013, and travel expenditure for the Department of the Senate during the same period.

I also present a corrigendum to the 2012-13 annual report of the Department of Parliamentary Services.

Ordered that the report be printed.

**Reserve Bank of Australia**

Tabling

*Senator SINODINOS* (New South Wales—Assistant Treasurer) (15:34): I table my response relating to the order for the production of documents concerning the Reserve Bank of Australia reserve fund.

**COMMITTEES**

Community Affairs References Committee

Report

*Senator KROGER* (Victoria—Chief Government Whip) (15:34): On behalf of the Chair of the Community Affairs References Committee, Senator Siewert, I present a report of the Community Affairs References Committee on matters referred to the committee during the previous parliament.

Ordered that the report be adopted.

**DOCUMENTS**

Tabling

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

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

**COMMITTEES**

Membership

*The DEPUTY PRESIDENT* (15:35): The President has received letters from the Leader of the Government in the Senate and the Leader of the Opposition in the Senate requesting changes in the membership of various committees.
Senator CORMANN (Western Australia—Minister for Finance) (15:35): by leave—I move:
That senators be discharged from and appointed to committees as follows:

**Community Affairs Legislation and References Committees**—
Appointed—Participating member: Senator Xenophon

**Economics Legislation Committee**—
Discharged—Senator Bernardi
Appointed—Senators Eggleston and Xenophon

**Economics References Committee**—
Discharged—
Senator Marshall
Senator Bishop, as a participating member
Appointed—
Senators Bishop and Xenophon
Participating member: Senator Marshall

**Education and Employment Legislation and References Committees**—
Appointed—Participating member: Senator Xenophon

**Environment and Communications Legislation and References Committees**—
Appointed—Participating member: Senator Xenophon

**Finance and Public Administration Legislation Committee**—
Appointed—
Substitute member: Senator Siewert to replace Senator Rhiannon for the consideration of the 2013-14 supplementary Budget estimates on 22 November 2013
Participating member: Senator Xenophon

**Finance and Public Administration References Committee**—
Appointed—Participating member: Senator Xenophon

**Foreign Affairs, Defence and Trade Legislation Committee**—
Appointed—
Substitute member: Senator McEwen to replace Senator Stephens for the consideration of the 2013-14 supplementary Budget estimates on 20 November and 21 November 2013
Participating member: Senator Xenophon

**Foreign Affairs, Defence and Trade References Committee**—
Appointed—Participating member: Senator Xenophon

**Legal and Constitutional Affairs Legislation and References Committees**—
Appointed—Participating member: Senator Xenophon

**Rural and Regional Affairs and Transport Legislation and References Committees**—
Appointed—Participating member: Senator Xenophon

**National Broadband Network—Select Committee**—
Appointed—
Senators Conroy, Ludlam, Lundy and Thorp
MOTIONS

Commission of Audit

Senator MOORE (Queensland) (15:38): I move:

That the Senate condemns the Government for its failure to rule out cuts to health and education programs, instead making it clear, when the Commission of Audit was announced by the Treasurer (Mr Hockey), that no area of the budget was ruled out, declaring that there are 'no restrictions' for the work of the commission.

The reason this particular motion is on the agenda paper is that we believe we should start the way we are going to continue, and that is: when promises are put out, we are able to discuss them here, not in a way of yelling across the chamber and saying, 'You did wrong,' but by looking at exactly what the promises are and the context in which they are made. Members in the chamber and, I hope, members in the community would understand the interest there is around the ongoing issues of health and education. If there are areas in our budget that people who may not work through budget papers do understand, they are health and education, because those areas impact on them every day.

It is a common practice—and I think most people in the community understand this practice—that there can be a change of government as a result of an election. It happens. Some of us are very unhappy and actually question the role of democracy in this process but, nonetheless, governments change. Consistently over the last 20 years—and, yes, Mr Deputy President, I have checked to see that this is a fact—government changes across this country where a new government comes in and immediately there is concern about the budget they have inherited. Seemingly, all the questions and all the figures that have been given in the previous term suddenly have to be re-examined urgently because it is 'obviously worse than they were told'. This is not peculiar to any particular flavour of government. It is standard practice that when you come in you create some sort of review, and the term 'commission of audit' has become popular. It has not always been the term used, but it has become very popular in the last, say, 10 years.

With the new government that has come to power at the federal level in Australia there has been a determination that there will be a Commission of Audit to do 'a review', and I quote the Treasurer when he announced his Commission of Audit at the now-standard press conference, surrounded by worried-looking officials looking as though there is 'something here to be found'. They stand around the auditorium and they say, 'Yes, everything is on the agenda—we are appalled, devastated, amazed at what went on before,' despite the number of questions and debates that people have had in various fora. They are seemingly fearful about what is going to come out when they have this new look at a budget. In this case, talking about the federal government, I cannot remember a day when there was not careful investigation of the budget and the figures and what was going on. I know that, through the periods of Senate estimates, every single dollar was examined and looked at very closely to see exactly what was
happening. Nonetheless, I do not actually question the issue of having an investigation in the process, so we are doing that.

But on that day, throughout the widespread media coverage that was put through the community, it was clear that every element of government spending was going to be on the table, just in case anyone thought they were safe. There was an absolute commitment that that was going to happen. However, when you make that commitment you have to balance it against what was out there—you need to be very careful about what other commitments have been made. So you see the point of this particular motion: what we are saying is that there is already a commitment, a guarantee, a promise that was made by the then Leader of the Opposition, as the opposition went through the election process, that the areas of health and education would not be subject to any cuts. So it is very difficult when you have a promise made in an election process. We all know that many grandiose promises are made through election processes and then, when we come into parliament, we see what is going to happen and how we go through them. But when you have a promise that these two major components of our budget are going to be quarantined from expenditure cuts—that was the commitment to the Australian people—and at the same time you are implementing a Commission of Audit which has as its core function to the community that nothing is going to be quarantined, there is a bit of a dynamic there. I understand the tension, because as soon as you guarantee something you are making a commitment that you will have to keep on stating over and over again.

But the particular reason this motion is on the agenda today is that I, as a Queenslander, have a little bit of personal experience about what happens when an opposition promises there will not be cuts, when it guarantees to elements of the community that there will not be cuts in a particular area. I am an ex-public servant, though I still consider my job to be a public servant. But as an ex-member of the public service I know that in Queensland one of the promises and commitments that were clearly made was that there would not be any job cuts in the public sector as a result of the change of government. So we had that commitment and then, just after the Queensland state election, we had the dedicated press conference, with a number of very sad-looking people standing around looking worried and saying, 'Because of the awful position the budget is in, we will now have to institute our own commission of audit.' In that case the commission of audit was headed by someone who is very familiar to people in this chamber, and that is the ex-federal Treasurer, Mr Costello.

So after a period of time and, as with the promise that has been made by the federal government, quite a short period of time; it was not, for example, a six-month, careful way—and I am just losing the words that have been said about the way the current federal government is going to work; I think it is in a very 'staid and controlled way' but I do apologise, I should have those adjectives in my brain and I will get them, I feel sure—but in terms of the process we were going to have a relatively short investigation and then do what we had to do to save the budget.

In Queensland, despite those commitments before the election and in line with what was said that nothing was going to be quarantined in terms of what could be affected by the commission of audit, there have been massive cuts across the state. We could argue whether they were necessary or not because of the budget, and I am sure that there are people from across the chamber who would bring out arguments about the last 73 years of government in
Queensland and why there had to be this investigation. But nonetheless, the intent of this notice of motion is that when you say two quite different things to a community and to a parliament you have to understand that there is some confusion and some worry. What I can tell you is that in Queensland many, many people who actually believed the commitment that their jobs would be safe and that the areas in which they were working would be safe, many in the health and education departments across regional and rural Queensland and in the capital cities, do not have a sense of security now when they see identical promises made by the new federal government.

So why we need to ensure, as I said, that we start the way we need to go on is that there needs to be transparency. There needs to be a sense that we are sharing full and open information not just with the parliament, though of course we need it in the parliament, but also with the community. We have a book full of rules about the way this parliament operates, which determines that there will be complete transparency and free and open exchange and set periods about when a budget should be made public and what kind of questioning there can be. But it is not just to the parliament. The important thing is that transparency about what is going to happen and the intent behind commitments made are transparent, and that link is made with the Australian community. Guaranteeing that there will not be any reductions or cuts in the whole area of health or in the whole area of education is a very big call.

I fully understand that there have been comments made since the original statements that if any savings are found they will automatically be redirected within the portfolio area, and that is the current position. But similar statements were made in the Queensland area and I feel certain that similar statements were made in Western Australia and Victoria about knowing what was important. We need to understand that when you start cutting people and resources within agencies, such as we have seen in Queensland and already at the federal level in these very early days in terms of other statement we have heard—and there is a series of statements beginning to build up, and we have to carry around enormous files trying to remember who said what and when—there are serious consequences. Already we have had another statement by the new government talking about what they are going to do to the federal Public Service. This statement was made during the election but it is continuing to be made as we move through into the government taking up its responsibilities. We do not know exactly how many will be affected or where.

I particularly enjoy that wonderful statement about 'natural attrition', that there will not be compulsory redundancies or slashing service delivery. I consistently say—and I may have said it before in this place—that when I hear the term 'natural attrition' I consistently think of something going through the air conditioning, that it will go through these large empty buildings of public sector workers and there will no longer be workers there doing the jobs that they need to do to provide services.

That may seem frivolous, but in many parts of Queensland now if you go to buildings that are still under state government lease, you will go through floors and rooms and areas that still have desks and sometimes computers, but what they do not have are people. We say that promises have been made, however we need to see that service delivery continues, and so too commitment to the people of Australia in those areas. This particular motion is actually around the areas of health and education and we need to be absolutely sure, almost on a weekly basis, that if you are going to remove staff who are currently working in education, or
if you are going to remove staff or change the conditions of employment of staff who are currently working in the health area, either within delivery of health services or the extraordinarily important areas of supporting people who work in health developing their policies and their areas, how will that actually result in a commitment to no cuts in health and education?

So it is important that we understand what is happening—and I am just looking around to check on timing as I have a certain period of time, and I hope someone is watching! In terms of the motion, I think it is important that we have input from across the chamber. That is really the intent of this part of the afternoon in our parliamentary week, that we hear from people across the room—from government and the various people in opposition—who are looking at an issue of importance about how we are going to operate as a parliament together and maintain that trust with the community. In this first week of this current government when we already have, as I have said, a growing list of commitments that are being made not just in the election process when people do—and I use the word quite deliberately—have aspirational views about what they intend to do in government, we then have to cut to how people provide the services that our nation depends on. There are two areas, as I have said, on which that dependence is probably greater than any other—the federal government's role in education and the federal government's role in health.

I hope we will be able to have statements from the other side that will make not just me but all of those people currently working in health and education feel a little more secure. From the Queensland perspective, when the people who worked beside those who have already been impacted by the first wave of necessary Commission of Audit reductions—the people working in the Nambour hospital, the people working in the Toowoomba regional hospital and the people working in various schools in Queensland, where class sizes have now become a very important issue and the schools have been slated to close to help fund the necessary processes in education—hear again that there is to be a Commission of Audit that will look at everything to ensure that the budget is balanced, they will have necessary fear.

I am not saying that there should not be commissions of audit and I am not saying that there should not be reconsideration of programs under the process of a new government; what I am saying is that, if you have made a commitment that there will not be a reduction in services in health and education, that will be the expectation of people who rely on those health and education services. If you come back in the next three years and have had to make those cuts, you should understand that people will be upset. That occurs. I am not saying that that is not the process of government; what I am saying is that governments—particularly new governments that have come in after many years of throwing questions and considerations across the chamber to the previous government about how they were handling programs in the budget—should take their words extraordinarily seriously and try, every time there is a budget change, to ensure that people understand why and accept that their interests are being protected.

We will continue to go through the processes already set out in the parliamentary program. We have these opportunities in the Senate and the House of Representatives. We have the extraordinarily valuable Senate estimates program that goes for several weeks over the year looking at areas of the budget. On those occasions people will have the opportunity to ask questions and to hear where the budget is being spent and where services are being affected. I
am not saying that the current government will be automatically slashing services; I am saying that we will be able to find out through the processes of parliament where the amount of money has been amended, where the resources have been changed and what the impact will be on services.

I trust that there will not be any more limitation on when we will be able to have that exchange of information. It seems as if we should relocate the sitting of the Senate to Fridays so we will be able to get answers to questions in the immigration area. That seems to be the exchange of information that we have been having this week when we asked specific questions about what is happening in that department. When we are having open discussion, which is the basis of our parliamentary process, I hope there will not be restrictions on how information is exchanged. Clearly that is an issue that has been raised all the way through my time in this place, both on this side and the other side of the chamber. Issues of transparency and trust are paramount.

Where promises, commitments and guarantees have been made but have kind of been pulled back from a little bit, there needs to be a continuation of the ability to share information and to treat each other with a little bit of respect so we understand what the rules are and that the issue is not a personal attack on individuals but actually getting information. I hope that when not just we but other people ask questions through their community activities there will not be any restriction on the kind of information that they get as well. An absolutely important element of our parliamentary process is that through the freedom of information process, through the Senate estimates process and through ministerial briefings we are able to find out the detail and are not pushed aside and given reasons why the information cannot be shared. When people now seek information about what is going to happen in the areas of education and health there should be an absolute commitment that there will be open sharing of information. Whether the government wants that knowledge and whether it actually reflects its original guarantees is immaterial. The important thing is that the information exchange is clear. (Time expired)

Senator SMITH (Western Australia) (15:58): Sometimes in politics progress can be very slow, but I would like to congratulate the Labor Party on their contribution just then because we might have seen a glimmer—just a glimmer—of progress when it comes to reforming our nation's financial mess. I would like to start by talking about Senator Moore's contribution. It was very pleasing to hear Senator Moore suggest that the opposition is not necessarily opposed to the idea of a Commission of Audit. That is a small tick. We heard from Senator Moore that the Labor opposition is not opposed to reviewing programs to make sure that we do get better value for taxpayers' money, so that is a small tick. It was heartening to hear Senator Moore's contribution where she said that the Labor opposition is not alleging automatically that the new government will slash services to Australian taxpayers. So progress is slow in politics but I think, ladies and gentlemen, we might have had a glimmer of some progress in Senator Moore's contribution just a moment ago.

Senator Moore made the point, quite correctly, that we should start as we intend to finish. I think that is very, very important and I would like to come back to that point in a moment. However, what we did not hear from the Labor opposition was an admission that there is a problem. We did not hear from the Labor opposition that we have a problem in our country. I do not think Australian voters will accept that; I do not think Australian voters will buy that
particular suggestion. So do not believe Senator Moore, do not even believe Senator Smith; however I would like to quote from a number of eminent commentators in our country. I thought I might start with Paul Kelly from the Australian. He provided some commentary around the Commission of Audit when it was first announced by our Treasurer and by the Minister for Finance, my Western Australian colleague Senator Cormann. So do not believe me, do not believe the Labor opposition; instead let us hear what Paul Kelly from the Australian had to say. He said:

This was documented by Finance Minister Mathias Cormann, who said that in six years of ALP government the average annual spending increase was more than 4 per cent in real terms, irrespective of Labor's fiscal rules.

So irrespective of what the previous government had tried to do, average spending increased by four per cent annually.

This figure will haunt Labor.

Not my words, not Tony Abbott's words but Paul Kelly's words about the performance of the previous government.

In short, the fiscal stimulus from the 2008-09 global crisis created a new spending plateau—
under the former government. Mr Kelly said:

The daunting strategic task facing Abbott and Hockey now emerges: they seek to impose off the Audit Commission a vast fiscal and public sector efficiency reform on an economy that is fragile and facing great investment uncertainties.

There is a problem and it needs to be addressed, but we heard not a hint from the Labor opposition that this country might be facing some dark days. So that is Paul Kelly.

I would also like to quote Adam Creighton, the economics contributor to the Australian. Adam says, in a very, very informed article in the Weekend Australian on 26 October this year:

Australia's apparent immunity to the economic travails of Europe and the US rests mainly on China's powerhouse economy and its demand for our resources.

This conveniently papers over an economy beset by excessive regulation, public spending and federal dysfunction.

This is an economy that was presided over for six years by the now Labor opposition, and we heard not one word in the previous speaker's contribution that there was a problem. Adam goes on to say:

Resource revenues are tipped to recede, leaving Australian governments' growing structural deficits starkly exposed. The RBA is anticipating a slump in mining investment and early signs other sectors will take up the slack aren't promising.

Unemployment continues to edge towards 6 per cent and investment levels outside mining, as Reserve Bank deputy governor—

Senator Gallacher: Mr Deputy President, I rise on a point of order: may I ask that the senator address his speech to the chair.

The DEPUTY PRESIDENT: He has been largely addressing his speech to the chamber, and I noticed he is acknowledging the gallery, but Senator Smith you have the call.

Senator SMITH: I would be very, very pleased to share my contribution with you, Mr Deputy President. I will restart the quote:
Unemployment continues to edge towards 6 per cent and investment levels outside mining, as Reserve Bank deputy governor Phil Lowe pointed out this week, are at 50-year lows, despite rock-bottom official interest rates.

So we have inherited the frontbenches, the Treasury benches, and we know there is a problem. The Labor Party, the opposition—full credit to the small concessions that Senator Moore made in her contribution—are still blind to the fact that our country has a problem.

I just want to go back to Senator Moore's contribution where she reflected on the fact that we should start where we intend to finish. When we want to understand the motivation of our colleagues opposite, I think it is important to understand where they finished on 7 September. This might give some insight into their lack of willingness to understand and appreciate and acknowledge the serious economic predicaments they have left our country.

So where did the Australian Labor Party finish on 7 September? The coalition, in contrast to Labor, had swings towards it in every state and territory. The coalition finished well, achieving a majority of the two-party preferred vote in all six states for the first time since 1977. Where did Labor finish? Labor reported its lowest primary vote in 100 years. The Greens, Labor's friends in government, had their worst Senate vote in three elections. In my state of Western Australia, Labor's primary vote crashed to just 28.7 per cent. Senator Gallacher, are you grimacing?

Senator Gallacher: No, no.

Senator SMITH: Oh, right. The Liberal Party's primary vote in Western Australia, by contrast, was 47.3 per cent. I am proud to share that this was the highest across the country. When you look around electorates across the country, the coalition won 51 seats on the primary vote alone. Where did Labor finish? Labor won just seven seats on the primary vote. This resulted in a clear mandate for the Abbott-Truss coalition government, and I will come to that at another time in another debate in this place. So we can see Labor does not want to admit there is a problem, but it is making some progress minute by minute.

Unfortunately, we have not seen much imagination from Labor in the past two days. In question time, this very issue was asked of our leader Senator Eric Abetz, the Leader of the Government in the Senate. He was asked this question by Senator Wong: 'I refer to the Prime Minister's election commitment and his absolute assurance to the Australian people that this government would not make cuts to health and education.' It sounds very familiar. It is what we are talking about today. But the Labor opposition was not satisfied with yesterday's answer and they have brought the same issue back to the chamber today. The message will get through over time, I am sure.

Senator Abetz's contribution in response to Senator Wong's question was: 'This government has every intention of abiding by its election promises.' Could it be clearer? 'This government has every intention of abiding by its election promises.' Senator Abetz went on to say: 'It really does come as a shock to those opposite'—those in the Labor opposition—that we can have a government in this country that has every intention of abiding by its election promises. In relation to health and education, which we are talking about here this afternoon, we have said that the totality of the moneys made available in those portfolios would remain. What we have also said is that we will look at the quality of the spend in areas to ascertain whether money can be redirected and as a result get even better results but within the parameters of those two portfolio areas. We were very specific in relation to that. If I might
go out on a limb, I think that Senator Moore might have heard the answer yesterday and that was part of her small concession this afternoon that we may actually be able to achieve better value for taxpayers' money without spending less. Senator Abetz did go on to say that the Labor opposition should be very cautious about judging us by their own standards.

So today we are talking about health and education cuts. I thought I might share the perspective of the previous government's health minister and bring to the Senate chamber some views, some learnings, that Senator Moore's esteemed Labor House colleague Nicola Roxon shared just recently at the John Button memorial address. This gives us a powerful insight.

Senator Cormann: Kevin Rudd didn't like the speech much.

Senator SMITH: That is exactly right, Senator Cormann; it is not a speech that would have been received by Kevin Rudd and his peers very well. I might share some of the attitudes of the former minister for health, given that today's discussion is about health and education.

Senator Gallacher: You must have run out of substance.

Senator SMITH: Please do not encourage me to rush to the part of my speech which talks about the parlous state of Labor Party finances. Would you like me to rush to that part of my speech now or are you happy to hear what the former minister for health had to say about the performance of the former Prime Minister and indeed the government? I am quoting from the John Button memorial address of 16 October 2013:

Kevin had a fatal attraction to everyone else's problems. He never saw a problem that he didn't believe he should try and fix.

She went on to say:

[Kevin] also had an overwhelming inclination to focus on minutiae as a way of avoiding the big, harder decisions.

So the Labor opposition would like to come to this place to talk about the spectre of possible health and education cuts when in actual fact their government was dysfunctional and full of waste.

Honourable senators interjecting—

The DEPUTY PRESIDENT: Order! Only one senator is entitled to speak and that is Senator Smith. Interjections across the chamber are disorderly. Also, Senator Smith, could I remind you to direct your remarks to the chair.

Senator SMITH: Mr Deputy President, just two more quotes and then I would like to get to the substance of what is a very important issue in correcting our nation's finances. This one is important because it goes to the heart of process and how the former government functioned. As a consequence of this poor process there was clearly waste. The former health minister said:

In addition to the lack of Cabinet engagement on some big strategic calls, Cabinet was also misused by being asked to deal in enormous detail with material it could never hope to be fully across. This meant that many Ministers managed to be both frustrated about a lack of attention to some key areas as well as being exhausted by huge amounts of energy required on less significant matters.

Nicola Roxon went on to say:
There were some contentious issues—

**Senator Carol Brown:** Mr Deputy President, I raise a point of order. The general business motion is that the Senate condemns the government—and I remind Senator Smith that he is now part of the government—for its failure to rule out cuts to health and education programs. That was the commitment that was given by Mr Abbott prior to the election, and now we see and we know that in relation to the Commission of Audit as announced by the Treasurer no area of the budget has been ruled out.

**The DEPUTY PRESIDENT:** You are starting to debate the issue. You have raised a point of order and I am happy to rule on it. Senator Cormann.

**Senator Cormann:** On the point of order, Mr Deputy President, the Labor opposition is clearly embarrassed by what Senator Smith is so eloquently—

**The DEPUTY PRESIDENT:** Senator Cormann, you are also debating the point of order.

**Senator Cormann:** Mr Deputy President, what Senator Smith is doing is comparing and contrasting the performance of the Abbott government with the dysfunctional, chaotic and incompetent performance in health and education by the Rudd and Gillard governments.

*Opposition senators interjecting—*

**The DEPUTY PRESIDENT:** Order on both sides! Senator Smith has been referring to the subject matter constantly throughout his speech. He is referring to other matters at the moment but he has been returning to the subject matter. You are in order and you can continue, Senator Smith.

**Senator SMITH:** Thank you, Mr Deputy President. I left to the last the quote in regards to health issues from Nicola Roxon in October this year:

There were some contentious issues and policy problems that ran for months, in some cases years, without there seeming to be a way to bring contentious issues to a head. There was no avenue for Ministers to bring genuinely difficult issues, where there were legitimacy tricky calls to be made, to Cabinet for a real discussion. Health and climate change were the two longest running 'non-discussions' for the first term of Government, with some other contentious policies getting only cursory Cabinet approval at the last minute. There was a reticence by the Prime Minister for big strategic calls to be made by Cabinet, or sufficiently in advance to prepare properly.

So it is no surprise that the Labor opposition in its contribution so far does not want to concede that there is a problem that needs to be addressed by a commission of audit.

I would now like to turn briefly to the Commission of Audit and why it is important. As many will know, the National Commission of Audit's role is to assess the role and scope of government—that is a timely and necessary activity—and to ensure, most importantly, that taxpayers' money is spent wisely and efficiently. Certainly my colleagues on this side of the Senate chamber regard that as a high and important priority of any government. In addition to that—and this is a topic of great interest to Western Australian senators and to me in particular—the work of the Commission of Audit will specifically address the division of responsibilities between local, state and federal governments. Again, this is a timely and necessary activity, one that could have easily been undertaken in the last six years but for the chaos and dysfunction and waste that we saw; in the former minister's comments, that was not taking place.
I would like to note a point that Senator Moore made in her contribution that is worthy of illumination, and that is that it will be, importantly, a public process as well as an internal government process. I would expect that the various stakeholders and interest groups across the country will make a sizeable contribution to that. Importantly, the discussion will be about how we can do more with less, because it is not necessarily correct to suggest that because you spend more you have a better outcome. I can point to no end of public policy areas in this country where taxpayers think, quite rightly, that huge sums of money have been spent with little or no positive outcome.

Importantly—and I think this speaks to the efficiency with which the government is embracing its new responsibilities—the initial report will be provided to government at the end of January 2014, at the end of January next year, so that the final report can be incorporated into this government's first budget. That is an important element in the progress of this important initiative.

I am also pleased to say that the Commission of Audit includes a prominent Western Australian in Mr Bob Fisher. I am sure that Mr Fisher will make an outstanding contribution in making sure that the issues and interests of Western Australia taxpayers are certainly front and centre in this review.

It is important to identify the fact that for the first time in 20 years we are having a commission of audit of this kind. The objective is a clear one: to deliver a surplus of one per cent of GDP prior to 2023. By any measure that is a noble objective and one that is in our national interest. I would like to hear my Senate colleagues on the other side embracing that as a sound objective for the Commission of Audit.

Before I move on it is important to recognise that there are 932—almost 1,000—federal agencies in our Commonwealth that will be part of this review. By any measure that sounds like a large number of bodies. It is worthy to undertake an inquiry into whether or not they are all necessary and whether or not they are all doing what is required of them in the most efficient and effective way.

We also need to recognise this fact: that 76 per cent of the budget is spent on health, welfare and social services alone. It is right to have a discussion, to have a process, where we say, 'Are we doing things as effectively and efficiently with taxpayers' money as we possibly could?' To suggest for a moment that the world in 2013 should be the same as the world that existed in 2007 to 7 September 2013 is absolutely ridiculous.

In the contributions that follow I hope there will be sensible, reasoned discussion and that people will be able to point to the merits of this particular process in reforming our nation's finances so that we can put ourselves in the best position to capture the opportunities which exist for us not only in the region but globally. I hope that as a parliament we will all be able to embrace that and, importantly, start to think out of our box, out of our ideological prisms, so that we can get the best for the Australian community through this particular process. I have every confidence that, when that interim report is provided to government in January, and when the budget is presented next year, even those— (Time expired)

Senator GALLACHER (South Australia) (16:20): When approaching this debate I took the liberty of getting my staff to get me the Commission of Audit terms of reference, which I think is probably a prudent starting point. Given Senator Smith's contribution that there are
nearly 1,000 bodies, organisations, Public Service entities in the review, it makes really interesting reading. According to the terms of reference for the Commission of Audit:

Accordingly, the Commission of Audit (‘the Commission’) has a broad remit to examine the scope for efficiency and productivity improvements across all areas of Commonwealth expenditure, and to make recommendations to achieve savings sufficient to deliver a surplus of 1 per cent of GDP prior to 2023-24.

... ... ...

Adequacy of existing budget controls and disciplines

- The Commission is asked to assess the adequacy of current budgetary practices and rules (including specified timeframes and targets) in promoting efficient and effective government, disciplined expenditure, long-term fiscal sustainability and budget transparency.

... ... ...

- The Commission will report to the Prime Minister, Treasurer and Minister for Finance with:
  - the first phase due by the end of January 2014; and
  - the second phase due by no later than the end of March 2014.

That is a pretty ambitious task. It is a monstrous and hugely ambitious task to examine just shy of 2,000 entities in a very short time frame over Christmas and to come back with a proper, prudent and due diligent examination of those areas. Good on them; it is an ambitious task, and if they are up to it that is fine. But what appears to be the case is that things are already on the target list. What appears to be the case is that savings have been predetermined and the authenticity of those may only be emphasised by this Commission of Audit. It does not appear to be a prudent thing to try and properly audit 1,932 government bodies between now and the end of January—but that is their call.

The guidelines are quite clear, and anyone listening to this debate will realise that there are guarantees in place. A cursory examination of The coalition's policy for schools: students first, shows in bold print, 'There will be no cut to school funding under a coalition government.' It is very clear. Similar undertakings have been made across other portfolio areas, including health. But what is a cut?

I was honoured to open an early childhood centre in Ceduna to further the early childhood health and welfare of Indigenous children, in particular. I opened another one in Whyalla, and there are a couple being built in the Anangu Pitjantjatjara Yankunytjatjara Lands. If one of those were to close, would that be a cut? It certainly is to the communities in which people seek these types of facilities and services. But hang on. In the coalition's world, that is not a cut, that is a saving, and they will simply direct that money somewhere else. It is a really big hard call: when is a cut a cut? Is it a cut when a school loses some funding for teachers and that funding is directed to another school? It certainly looks like a cut.

I had the opportunity to discuss with a regional school which 600 kids attend what they thought about the announcement of the increase in funding in South Australia through the old Gonski reforms. They said: ‘We need additional money to deliver the proper educational outcomes in this school. What we need is to be able to concentrate on those who need the most from the teachers in a smaller group, and having some additional resources will certainly help us to do that and we will get better educational outcomes.’ But what do we have in the coalition's policy? 'More money is not necessarily the only solution for better education...
I agree with that, actually. I do not think that money is the be-all and end-all, but in many cases there is not enough money in the system as it stands. Teachers are stretched, resources are stretched and services are not being delivered.

We have a new government that was strangely silent for a long period of time. We were recalled to parliament very recently and in the short period in which we have been sitting we have heard Senator Cormann say that he has never disputed the science of climate change. That was the biggest, most quickly eaten piece of humble pie I have ever seen. If there had not been a back on my chair I would have fallen off it. We have heard Senator Sinodinos twice—once yesterday and again today—say: 'The GFC is still here. That's why we've given billions to the Reserve Bank.' This afternoon we heard, 'There are problems with the economy' and, 'The GFC hasn't gone away.' For the 2½ years that I was on the other side of the chamber, all we heard from this side of the chamber was: 'The GFC was nothing. You were pulling the electorate's leg. All the moves that you made were unnecessary.' I cannot leave out Senator Cash, because she was 90 per cent on the mark when she said, 'We took a policy to the electorate and we are sticking to it.' Anybody who saw question time can see that she is sticking to her lines—there is no doubt about that. I do not think that they ever told the electorate that they would only talk about their immigration policy once a week—I do not think they ever told anybody that.

What we have here is the capacity for this new government to carefully reposition itself. Coming back to education and health, we are told that there will be no cuts, that more money is not necessarily the best answer and that 1,932 bodies are to be examined, with an initial report by the end of January and a final report by the end of March. I think that perhaps there is an agenda afoot.

A casual observer of the internet who might receive some paraphernalia from Essential Vision finds, lo and behold, a survey. The Commission of Audit will be reviewing up to 2,000 public entities. As we know, it has not made any recommendations yet, but it is reporting in January and again in March. In a survey, Essential Vision poses the following question: The Federal Government has established a Commission of Audit to review the Federal Government’s functions and expenditure. Would you support or oppose the following possible recommendations the Commission could make?

I accept that this is all conjecture, but it is really quite interesting.

I have been a member of Medibank Private for a long time, and I read in the newspaper that it is up for sale. I am a senator in parliament and no-one talks to anybody in here about it being up for sale—you read it in the newspaper.

Senator Cormann: On a point of order, Mr Deputy President, Senator Gallacher is misleading the Senate in saying that he had to find out about in the newspaper—

The DEPUTY PRESIDENT: No, that is not a point of order, Senator Cormann.

Senator Cormann: because there is actually a Medibank sale act that has been on the books since 2006, which his government never repealed.

The DEPUTY PRESIDENT: There is no point of order. Senator Gallacher, you have the call.

Senator Gallacher: Thank you for that, Senator Cormann. I will go and have a look at it. But the message that I am trying to place on the record in this debate is that there is one
process which is very clear: 'There are the 1,932 bodies. Report to me in January, and no later than March.'

But there is another process that seems to be going on, with or without the assistance of the government, and it is really interesting. The federal government has established a commission of audit—that is a fact; everybody knows that—to review the federal government's functions and expenditure. It is very clear. In a poll by Essential Vision people were asked, 'Would you support or oppose the following possible recommendations the commission could make?' Essential Vision have given their Essential Report. 'Privatise Australia Post'—63 per cent oppose it. 'Reduce duplication between the states (especially in education and health)'—73 per cent support it; it sounds like a good idea. 'Reducing welfare benefits'—a total of 60 per cent oppose. 'Means testing all welfare benefits'—a total of 63 per cent support. 'Hand control of DisabilityCare to Medibank Private (which would then be privatised)'—a total of 59 per cent support. 'Privatise HECS debt'—59 per cent oppose.

So what we have is a very clear set of statements taken to the electorate. We have heard all week about the mandate: 'Yes, we have a mandate to do this and we will not take one backward step on any of our policies.' We now see a commission of audit across all areas of government. The Treasurer, the Hon. Joe Hockey, said:

You've got to have a credible plan to bring the debt down. And that's what we're developing. That's why we're having the Commission of Audit

Every area of government will be examined. There are no restrictions.

So we put that back in place with the election mandate: 'Yes, we have a mandate to do this and we will not take one backward step on any of our policies.' We now see a commission of audit across all areas of government. The Treasurer, the Hon. Joe Hockey, said:

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So I put it forward in this debate that we have a situation where all is not what it seems. Those who are now in government have the capacity to change their rhetoric, their words and their positioning to suit their objectives now, and clearly their objectives now are vastly different from what they were in opposition. All of a sudden they recognise there was a GFC, and all of a sudden they are saying it is still hanging around and there still could be problems from it, something that we said day in and day out but were derided for saying. All of a sudden there has to be a multibillion-dollar injection into the Reserve Bank. All of a sudden there has to be a new debt ceiling. All of these things come about because they are now in a position of responsibility and having to make decisions.

I am very fearful that there will not be a good outcome in health or education. I have been fortunate enough in the short time I have been here to officiate at many infrastructure improvements and, in the education compartment, to interact with principals and students, including student councillors. I firmly believe that they will see a cut to their school communities. We have a Treasurer who is very clear and on the record: a cut is not a cut if the funding is redirected somewhere within the budget. So if there is a cut, for argument's sake, in any of the areas of my duty electorate of Grey—a cut to health or education services to the Anangu Pitjantjatjara Yankunytjatjara Lands that means a school or early childhood centre is closed or there is no funding for nurses or whatever—then they are expected to say, 'Oh, no, that's okay, because that's not a cut, because the money's going to be spent in another town or another place.' If any of the schools in the electorate of Grey or in any part of regional or city
South Australia do not have enough in their education budget to deliver the outcomes that all South Australians and indeed all Australians require, they are expected to believe it is not a cut because someone in New South Wales is getting that money.

So this is going to be a very problematic hard sell for this coalition government. There is no way that the electorate is going to accept their argument. There is just no way that parents, students and teachers will accept that a cut to their community is not a cut to education, because the money will be spent somewhere else. I have to say that, as a parent and a grandfather, I think there are a lot of things that could be improved in education. I think parents need to buy in more and I think everybody in the community needs to buy in more in schools. They need to get stuck in and deliver outcomes that are sensible. But the difficulty we have is that you have this spectre of a commission of audit. You have another spectre, which is that the GFC has not gone. We need to be very careful. The real economy, as Senator Sinodinos says, has not been swimming along. We need to be careful there. The mining economy is going okay, but over there it is not so good.

So in that environment we have to trust and believe that a new government is not going to make cuts to education and health. I personally hope their word is going to be kept. All things being equal, I do not have any great angst with a government that is delivering proper education and proper health, but I do have angst with a government that may well be setting us up for a bit of a fall, that may be setting up local communities for a bit of disappointment—in fact, for some bitter outcomes.

As I have said, there are some challenging places to deliver health and education. Those challenging places, well known by those on the other side, are also extremely vital in gaining outcomes which are fundamental to the Australia we live in. I would be extremely disappointed if some of the initiatives we have made, particularly in some of the outback areas of South Australia, were not followed up on or funded properly and did not get to their full potential because the Commission of Audit said 2,000 people lived there and the money could be better spent here. Therein you have the real difficulty of the Hon. Joe Hockey's predicament: moving money within a health budget or education budget is not a cut. I have said repeatedly and will take after Senator Macdonald's modus operandi: repeat, repeat, repeat. If a cut in health or a cut in education is simply moving something in the budget away from one community to another and that is not a cut, I say that is wrong because that community rightly will say it is a cut. I do not care that the community over there has got an extra teacher; you have taken one off me. I do not care that they have extra dollars in New South Wales; you have taken some off South Australia. I do not care that you have less money in the Northern Territory. And the saga goes on.

We need to watch this space and be extremely vigilant. In the couple of days that I have had here I have seen a change in tone and rhetoric. If we come back in February, March or June of next year—whatever the sitting schedule is—and we start to see cuts appear, we will be holding you to account as we rightly should. Your documents and your leader say that he will not break a promise and he will carry out all his mandates. It says: There will be no cut to school funding under a coalition government.

Those are the words of the document. Those are the words of the Prime Minister of Australia. We will be watching those on that side of the chamber for any cut which contradicts that clear and unequivocal position. These are the points that we need to be very clear on. You have
your Commission of Audit. You will get your recommendations. You will have to make the tough decisions. We will be over here watching to make sure that you honour your word, that you carry out what you took to the Australian people and that you deliver on your commitment of no school funding cuts.

Senator McKENZIE (Victoria—Nationals Whip in the Senate) (16:41): I want to thank Senator Moore for bringing this particular topic for debate to general business, because health and education spending by federal governments have been increasing over time but are important aspects of government's contribution to the social fabric of our nation and, indeed, a core function of democracies such as Australia, particularly with our franchising of mass education and our commitment to that by various governments.

I was drawn by one of her statements. She said we should not be having a commission of audit, because 'we need to start as we mean to finish.' I do not think there is any greater statement that any of us on this side would disagree with. If you wanted a debating point, that was it. 'We need to start as we mean to finish;' therefore, do not have a commission of audit. Those of us on this side—the government of Australia—want to not finish where we have started. That is precisely why we have instigated a commission of audit. We do not want to finish with $300 billion worth of debt. This is a handicap that even Phar Lap would have struggled under. We are committed. This government and the Australian people both hope we do not finish where we have started in winning this election.

It does make a lot of sense that the very definition of a commission of audit is a full-scale review of the activities of government. I think it is quite useful to reflect on the Labor Party's approach, when coming to government, to assessing the state of play, the state of the budget and the state of the government's response to the people's wishes. I think there is no greater contradiction than the Rudd government's 2020 Summit approach to a whole-of-government response. It was going to shape a long-term strategy for the nation's future—kind of similar to what the coalition government has instigated but a very different approach: 10 working parties, 100 participants, a lot of celebrities and not too many women all got together with white paper, whiteboards, some sticky notes probably and some white board markers. What a success that approach that started off the Labor Party's time in government in early 2008 turned out to be.

But it is either a case of ignorance from the opposition or, more likely, political game playing. Why does Labor just want to exclude health and education from the full-scale review? It sounds like their approach to the Henry tax review and so many other of the reviews that they instigated in their time in office, churning up a lot of public money without actually adopting any of the recommendations. The Labor Party's own internal review into its own business in 2010—the Bracks-Faulkner-Carr report—did not exclude anything. In fact, Labor at the time boasted that it would be a warts-and-all review, yet many of the report's recommendations were kept secret and only 42 per cent of them were implemented.

Senator Moore's motion may be spurious, but it does give me the opportunity to explain for those watching and listening to this scintillating debate, firstly, what the Commission of Audit is and how it will work; secondly, why the Nationals support the initiative; and, thirdly, why Labor hates the idea. The commission will deliberately and methodically review the scope, efficiency and functions of government. The previous government was fond of making costly policy announcements for which most of the funding was conveniently allocated just beyond
the forward estimates so that it did not have to be measured or accounted for. We now are dealing with that budget time bomb.

The Commission of Audit will look at the adequacy of existing budget controls, Commonwealth infrastructure—a health check on government assets—and the public sector's performance and accountability. Maybe that is where Senator Moore's concern is—the public sector's performance and accountability. This is about making sure that we have the most effective and efficient public service possible to deliver not for themselves—churning around paperwork on their own work agendas—but for the agenda of the Australian people, as evidenced in the government they elected and as outlined in the Governor-General's speech to this chamber earlier this week.

The Commission of Audit was a coalition election promise, made with the full support of the Australian people, and the government intends to abide by its election promises, which is something Senator Abetz made very clear when answering questions earlier today. I know that is a unique and recent political experience for most of us in this chamber—having a government that plans to deliver on its election promises and that has, from day one, set about implementing that plan in a very calm, effective and methodical manner. There is no sense in the erraticism that has typified the Australian government's approach over the recent past. There is going to be a very stark contradiction between the approach of the Abbott-Truss government to the responsibilities the Australian people have given it and the approach of the previous government.

The idea of understanding independent research to ensure the government adheres to these sound principles is not something new. In fact, it is something that the Victorian National Party MP John 'Black Jack' McEwen spoke about 76 years ago. He said, 'It is the task of government to discover the basic facts upon which our national economy is founded, and to search there for the root causes of the problem.' There are some real structural issues with our budget, and we need to get to the heart of that. That requires some serious work, not just looking at the regulatory burden that has been placed on our national economy in the recent past but looking over the longer term at the impacts of previous governments' decisions. It requires taking a holistic view of the whole economy and devising ways that are going to actually deliver results and make it easier for people to get on with the business of doing business.

I want to touch briefly on aspects of the education and health spend. Some really interesting research has been done. I am sure Senator Moore agrees with me that, when looking at public spending in the health and education spheres, we need to be concerned about outcomes. We do not want spend money just for the sake of spending money. The recent Deloitte report into the UK education system highlighted the fact that more money spent in education does not mean higher grades, more educated students and better results on PISA, and it does not mean better results on NAPLAN.

Senator Polley: You do not get better results by cutting funding either.

Senator McKENZIE: But, Senator Polley—

The ACTING DEPUTY PRESIDENT (Senator Boyce): I beg your pardon, Senator McKenzie.
Senator McKENZIE: Sorry, Chair. But it does not mean better results. It does not mean a better educated child at the end of the system, because what actually counts is the relationship and the education that goes on within the classroom, not how much money we are throwing at the classroom, not how many classrooms we have. What is occurring within the classroom is something that money does not necessarily buy and that cannot necessarily be increased by throwing more money at it. So we are not ashamed that we are abiding by our election promises and that we are starting as we mean to finish.

Why does Labor hate it so much?

The ACTING DEPUTY PRESIDENT: Senator Polley, stop your interjections, please.

Senator McKENZIE: Why does Labor hate the Commission of Audit? Because they are worried it might expose the ineptitude of the previous government—like we need any more litany of information on that. I am quite looking forward to next week's Senate estimates, where we will investigate the previous government's poor record right across the board. The truth is that Labor hates the idea of a national commission of audit because of what it is likely to uncover. It will cover the full extent of the Rudd-Gillard-Rudd Labor-Green-Independent— I am sure there is an acronym in there somewhere that could be useful—government's dreadful mismanagement and massive waste of taxpayer funds over the past six years.

The Commission of Audit will be a core function and is to drive efficiency. We should not back away from that. We should not back away from the fact that we need to get more productive as a nation to compete internationally. That means that if we were really interested in education outcomes and health outcomes we would want to work out how to better use the pot of money we have with a better focus so that we do not have laptop overlap and so that we do not have hall overhauls. The litany of waste under the previous government is record breaking. We have recognised that and we are going to go about examining it and ensuring that it does not occur again.

It is very offensive that you do not want to use the bucket of money that taxpayers have given us to spend on education and health in an appropriate way to get the best bang for our buck, because we all know in this chamber that it does not always get spent in the best way. I think we are clutching at straws to argue otherwise. Labor is telling us we should continue to throw money out the window by saying no to fair income support for students in regional Australia. Let's face it: if we found some savings, a better way to use the taxpayers' dollar and a better way to structure our system, then we might have some money to do some really good stuff that we need—greater income for students from regional Australia. We could offer better support for remote Indigenous schoolchildren. You are saying no to a Gonski that we can afford. You are saying no to fixing the rural doctor shortage, because we only have X number of dollars.

Senator Gallacher mentioned the classic Labor Party approach to budgeting when he talked about the axing of the schoolkids bonus. I guess the reason the government have to axe the schoolkids bonus—

Senator Polley interjecting—

Senator McKENZIE: is because, Senator Polley, we want to live within our means. We actually want to ensure that the promises we make, as the government of Australia, are fully
funded. They are not like the rural and regional development promises that were made, that were not funded because they were based on a tax—the minerals resource rent tax, which was projected to raise $4 billion. We are silent on the other side of the chamber now, are we? That tax was projected to raise $4 billion, but how much did it raise? Let me just check the figures. That would be $200 million. There are not too many funds going out into regional Australia on the back of that tax. This side of the chamber is actually interested in ensuring that our—

Senator Bilyk interjecting—

The ACTING DEPUTY PRESIDENT (Senator Boyce): Senator Bilyk, please stop interjecting.

Senator McKENZIE: Government senators and members are keen to ensure that we can fulfil our election promises, that we can provide certainty to the Australian people when they look to their federal government for leadership—particularly around the national economy. That means ensuring that every promise we make is fully funded from a source of revenue that we can control and that we actually know what is going to be delivered. Ninety-five per cent below target, by the way—but it is nothing new for the Labor Party to be missing out on targets, skipping out on budget constraints and skipping out on surplus projections. A target missed here, a target missed there—no wonder we need a commission of audit.

Labor is focusing on health and education because Labor wants to revive a scare campaign which would claim that the government is going to sack teachers, doctors and nurses. The problem with that is that the federal departments of health and education employ thousands of public servants—but no teachers, no doctors and no nurses. I think the conversation that we need to have as a nation, and that the Abbott-Truss government is going to face up to, is to articulate areas of responsibility within our federation so that we get some clarity around budget areas, so that we are not all paying for the same things and so that we get rid of the overlap.

What is the Commission of Audit going to discover about Labor's multibillion dollar school halls fiasco? What will the commission discover about Labor's cruel abolition of the Chronic Disease Dental Scheme? What really is the value for money, rather than throwing money at state dental programs which do not have the dentists to do the job? These and many other questions will be dealt with by the Abbott-Truss government's National Commission of Audit, and Labor is not going to like the answers.

Labor have been attacking the government's very well-planned approach to how we are going to get this country back on track and how we are going to deliver on the surpluses that you never could because you were not prepared to take the hard decisions. You were not prepared to say no. Like the dealer to the junkie on the corner, 'We just kept handing it out.'

Opposition senators interjecting—

The ACTING DEPUTY PRESIDENT (Senator Boyce): Senator McKenzie, it is preferable not to use the second person.

Senator McKENZIE: My apologies, Chair. The former government were very lax in their approach to budgetary constraints. They always chose the political approach; they always chose the quick vote-buy over the tough decisions. This government is not going to shy away from the tough decisions, because being in government requires balancing the privilege that comes with it with the responsibility of making the hard decisions and taking
the community with you. We were very, very clear as a government about our plans to get this budget back on track and to get our national economy moving forward post the mining boom, and that is going to require looking beneath the surface. It is going to require digging a little deeper under the budget figures instead of looking at what the boom is delivering and saying, 'Oh, it's okay.' I can tell you that right across regional Australia it is not okay. There are two job losses in this small business here, there are three over there—and that adds up to a community that is losing the capacity to stand up for itself, losing the capacity to pay its mortgage, losing the capacity to purchase goods from families down the road in a similar small business et cetera. Small business is feeling the pinch, and we are going to have to face up to the fact that it is not going to last forever and we need to look a little deeper. And that is exactly what the coalition government expect to do. We expect to reduce the debt and the deficit we have been left with, and that is going to take years. That is going to take years but we are prepared to do the hard yards.

In terms of education spending, wasn't it a classic that we set up a demand-driven system in higher education and said, 'We'll pay for it. No worries; bring it on.' I just noticed Senator Mason is entering the chamber. I hope Senator Mason is going to say something on this, because we are not quite sure how sustainable that particular policy setting was as a measure to build a budget on. That is because the former government took a siloed approach to their policy announcements, or should I say a thought bubbles/media release/vote-buying exercise. We are going to take a holistic view, because, hey guys, it is interconnected and you cannot make a decision in this part of the economy without it flowing through. So yes we want more young people in Australia to attain higher education. Yes we want a smarter citizenry that is able to take on all the challenges that the 21st century is going to bring our nation and all the opportunities to maximise that space.

But that is actually not a good reason to say that anyone who wants to go to university should go to university and we will all pay for it, when you also combine that with all the other promises that were made and, at the end of the day, it becomes an unsustainable mess—and that is exactly what we have inherited as a government.

The Australian people made it very, very clear a few months ago where they wanted this nation to head and who they wanted to be in charge of the Treasury benches, and that was Mr Hockey and Senator Sinodinos; it was the Abbott-Truss government. They needed us in the room because they know that we are prepared to do what is in the national interest, not what is in our own political interest, and I look forward to watching that occur.

I just want to make some closing remarks on Labor and efficiency. After wasting billions of taxpayers' funds, Labor half woke up to the need for efficiency as the budget plummeted deeper and deeper into the red. And—instead of using a mechanism like the Commission of Audit to have a look and ask, 'Where we can get rid of waste, and how can we be more efficient without diminishing crucial services?'—they thought they would go for the central planning modus operandi: the efficiency dividend right across the board. That actually did result in services being cut, and in $2.3 billion being cut from education, from Australian universities, in a very blunt, Soviet style. So I would much prefer the Commission of Audit.

Senator MADIGAN (Victoria) (17:01): I rise today to speak to Senator Moore's motion. I believe we need to spend more on education, and on health—doctors, allied health et cetera. I really do wonder if we are just going to have another razor gang, in some ways. I
acknowledge that you cannot spend what you have not got, but you do need to invest for the future. There is a lot of concern out there, and there has been money badly spent, but all governments spend money wisely and unwisely, and we have to acknowledge that no side gets everything right.

In my travels around Victoria I have visited secondary schools, primary schools and kindergartens, and a few come to mind. In Donald I visited the Donald Primary School and saw that the walls are riddled with white ants, and they cannot open the windows in the school. The teachers have to come in and paint the classrooms during the school holidays to hide the borers in the walls. I can recall visiting Kyabram Secondary College, where the borers are so bad that you actually fall through the floor and the sheet-metal class teachers have to cut sheets of steel to screw over the holes in the floor. Then there is North Geelong Secondary College where it is obvious that there are major problems with the maintenance of the buildings—and all credit to the new principal for the improvements that he has made to the school, but there are still huge gaps in the budget. Close to home, near my workshop in Daylesford, at the Daylesford Secondary College you can see enormous problems there with the gap in the budget. Then I spent some time at Easter up in western Victoria in a town where a friend of mine's daughter is a nurse, and she said: 'If you get sick here, don't bother going to the local hospital; drive the 2½ hours back to Ballarat because you're not going to get any assistance here because there's no money for doctors and enough staff and facilities to treat people. So drive back to Ballarat.'

So I think that there has been money not appropriately spent but I do fear that we are falling behind the rest of the world when I see some of the projects that are happening overseas in education and public health. Possibly we are falling behind, and I fear we may fall even further behind. I do not want to see a situation where we have a lot of consultants brought in with, possibly, preconceived outcomes, as has happened in the past. There is never any query on the cost of consultants and what they bring.

I also do not want to see any further selling of public assets. Medibank Private has already copped it—shall we say, the former government took a dividend from the members of Medibank Private.

So I see there has been fault on both sides of the equation and by successive governments of all persuasions. Ultimately, whatever decisions we make here affect people. And we are elected by Australians; we are not elected by corporations; we are not elected by ideologies, whatever they may be—we are elected by people, to do what is in our country's interests and to build our country up for all Australians, no matter who they are or where they live.

So I would urge the government to think very seriously about how this commission of audit is going to carry out its work. I urge them to remember that, ultimately, it is about people, and that, no matter what government it has been, they have all made mistakes. But these mistakes affect people.

For our young people to take advantage of the jobs of the future and what opportunities may present themselves, they need to have good health, and they need good education so that more of them can be engaged in the workforce and be better equipped to take advantage of those opportunities when they present themselves.
Senator STEPHENS (New South Wales) (17:07): I too rise to contribute to this debate in relation to the Commission of Audit and the scope and expectation that this audit might deliver. I thank Senator Madigan for making the point so clearly that really, as legislators, we do our utmost to ensure that those who are coming ahead of us, our young people, do have the opportunities that they have in education and in access to health. And of course, as an advocate for the regions, Senator Madigan makes the point so clearly that too often it is the bush, it is rural and regional health, that really gets a whack because it is a small voice; it is not a squeaky wheel. Those regional services step up above and beyond the capacity of most providers in the cities and do amazing things with very little, and we should not be expecting them to do an amazing lot with a lot less.

But, just coming back, I think it is really important to go to the issue of what the coalition's Commission of Audit actually has been established to do. Let us just put aside what happened under the Kennett regime and what happened in Queensland and think for a moment. It is quite a daunting task for the commissioners to deliver the outcome that has been proposed to them, and that worries me in many respects. There is a massive wish list. With a lack of information, of course people start to speculate and get very anxious. We have already heard the discussion about Medibank Private. We have seen the cuts to AusAID and the dismissal of next year's graduates, who had all made arrangements to start in that program, who have been fired, basically, by email. We start to think about what the rolling implications are, where this wish list might end up, and what the consequences of going for low-hanging fruit in the first instance will be. I think that is where people are really worried. They are worried about the commitments that have been made.

I had a meeting in my office yesterday with an organisation who are party to an intergovernmental agreement, which is about access to disability services. The finances have not been signed off by the Commonwealth for this financial year, and they are waiting in desperate anticipation for those unexpended moneys to be delivered to their state government so that the program can be delivered—and half the year is gone. They were really concerned that that is quite a large amount of money for disability services that might just get evaporated as unexpended funds and be clawed back because they did not get the money in time to spend it.

So there are really realistic concerns in the community about health, education, disability services, aged-care services and community services, as well as the commitments to infrastructure. We have had the discussion too about the RDAF funding, round 5 of funding, to all of those local government organisations which had made commitments—contracts had been signed with their partners, which is part and parcel of the RDAF process—and, when it came to the government signing off on the contracts, they were all written off. Just in my home town, that is a significant amount of money, several millions of dollars, that local government had committed to partner in projects that now have gone by the by. Some of them were very significant community infrastructure projects, and that seems to be another one of the local government concerns about what this Commission of Audit might actually do.

But the first part of the audit, which is a huge challenge in itself—and they have to report by January—covers the scope of government, the efficiency and effectiveness of government expenditure, the state of the Commonwealth's finances, the medium-term risks to the integrity
of the budget position, and the adequacy of existing budget controls and disciplines. That is by the end of January, and we are at the end of November now.

Phase 2, which is by the end of March, will examine the Commonwealth infrastructure and Public Service performance and accountability. I make that point because a lot of the discussion—and realistically, because we are here in Canberra, we hear the discussion—is about Public Service job cuts, but in fact that is one of the lower-order priorities. It is the very last thing on the list, and that is the thing we see. The very visible, tangible thing is job cuts, but what we do not see is changes to machinery of government; the impacts that might have; the announcement that was made last week by Senator Abetz about non-ongoing staff; how the public sector actually works; and what the role of non-ongoing staff and contracted staff is. Unless you are immersed in public sector management, you do not really get to understand that those non-ongoing staff can be quite critical linchpins between government programs and service delivery. If you do not have someone to manage the grants program or you do not have someone to ensure that the training is being rolled out for some kind of health program, the program does not happen. The program becomes underexpended, and the money is wrapped back into consolidated revenue.

I think that Senator Gallacher, from South Australia, belled the cat because he said exactly what we are seeing is happening: if funding is taken in an umbrella program, if one childcare centre closes because there is underenrolment or underparticipation, that money is clawed back. It is not seen to be a cut; it is seen to be a reassignment, but in fact on the ground, in that little community, it is a cut. A cut is a cut is a cut. A service is gone. Re-establishing that service, trying to recruit people into those services, just exacerbates the challenge.

When we are trying to think about the issues of early childhood education, when we are thinking about child development, occupational therapy, playgroups—those kinds of things that are all immersed now in a kind of seamless way in which we are looking at our early childhood development framework—these things do not just come systematically as school education or community education. A lot of it is integrated. A lot of it is community fundraising, with the participation of local organisations ensuring that a service can exist and can be supported in a small community—life education, for example. It does not happen unless there is local community support and engagement. It is funded partly by state government funding through the Commonwealth, but if that money is not taken up and is not matched, it is lost. That is the critical thing we have to think about in this commission of audit.

There is a lot of angst in communities, in organisations and in the Public Service about the commitment they have to very significant research which may no longer be continued. We have international longitudinal studies involving students in schools, health departments, research institutes and international organisations. None of these things are out of the ball game; everything is up for grabs. The anxiety we have is that the kinds of things the government will look to cut, the low-hanging fruit, are the critical voices. That is what they did very effectively in 1996 when they basically cut out the advisory groups. They stopped funding the organisations that were trying to give fair, free, frank and fearless advice, contrary to government policy explaining what the impact of changes might be. That was very low-hanging fruit. Hundreds of millions of dollars went from supporting advisory bodies and advocacy bodies.
Let us have a think about the things that are proposed because people are speculating in the absence of any kind of detail. Maurice Newman, close confidant to the Prime Minister, speaking only last week at a dinner, raised the flag about the Gonski reforms—that we cannot afford them. Basically he said we are overcommitted, that we do not need to have this investment in our schools. If you had been listening to the first speeches of many of the new members of the House of Representatives, you would have heard many of them talking about the impact of our Better Schools program and the investment in schools over the last six years, and the commitment we had to future changes.

The Catholic education system can tell you how important the Gonski reforms are and the agreements that they signed up to for improving access to education for children, particularly those with disabilities and special needs and gifted children. These are the kinds of programs which very clearly might be under the gun if the advice of people like Mr Newman—as I say, a close confidant of the Prime Minister—is heeded. We think about his concern about the NDIS—that it is too expensive a system, that we should be looking for something cheaper. We do not want a cheap and nasty dependency scheme; we want something that gives dignity to people with life-long care needs and to their parents, families and carers. We do not want a cheap and nasty version of the NDIS just to save some money in the short term. We do not want to think that a government will holus bolus decide to slice 225 research positions from the CSIRO because climate change is a nonsense, which, again, is Mr Newman's view. He does not believe in climate change and he does not believe in funding climate change research. When you think of the anxiety about how this rolls out, those three things—the Gonski education reforms, the NDIS and climate change research, highlighted in that seminal speech by Mr Newman—immediately send signals because they have impacts right throughout our social services system and our education system, into our higher education system and into our research capability. We want to be an innovative, forward-thinking, 21st century creative nation. How can we be if we clamp down on so many of those things?

Look at what is happening in AusAID. I am appalled by that decision, which was taken unilaterally, without any consultation and without any notice. Talk about no surprises; it was a big surprise that the government would do that unilaterally to that whole organisation. AusAID is a proud organisation, admired around the world for the way it integrates our foreign investment, our foreign development, our diplomatic relationships especially with developing countries, and leverages our goodwill by investing in aid projects. We are going to see very different investment in future. The graduate program harnesses the enthusiasm, the commitment and the idealism of young people to work in the AusAID programs, to be engaged in a post working on development projects. I have lots of them as interns in my office and they come back having transformed the world, in their eyes. You have to allow them that enthusiasm and sustain them by giving them the opportunities which now, sadly and desperately, will just disappear, and we will lose the intellectual development they bring with them as well.

Senator Madigan says he does not want to see public assets sold—one of the things widely speculated. We could sell off defence assets, we could sell off land, we could sell off buildings, we could privatise the HECS debt, the $40 billion. That would be a very effective saving. We do not know what that might do to any student who is unable to meet the private sector conditions of repaying their HECS debt, who would suddenly have a credit-rating
problem. How could that possibly work? We could consider the contestability of services, as we have seen in Queensland where the government have gone right down deeply into community services. They have looked at contestable community health services, at disability support services. They have closed schools and preschools and childcare centres. They have increased class sizes—something that we know can have a really damning effect on education outcomes.

We can look at cuts to funding for support programs that are non-ongoing—pilot programs. Sometimes the criticism from a government coming in is: 'Well, you know, the previous government had more pilots than Qantas.' I have heard that so many times, but in fact you are testing ideas. You are actually saying that one size does not fit all. That is exactly what Warren Mundine is saying and it is exactly what Noel Pearson was saying: you have to have fit-for-purpose programs, particularly in the social services area. We would want to see that those kinds of commitments are not going to be the low-hanging fruit that the Commission of Audit brings.

We could look at means testing. There are several people saying, 'Let's have a look at means testing our welfare and social security payments much more closely.' There are those, of course, who say, 'Let's go to the issue of corporate welfare and the substantial subsidies and provisions that are being given to a range of industries.' We could sell off the NBN. That is on the cards. We know that is probably going to happen. What is happening about the privatisation of Australia Post? That is an issue of huge concern to people and one we know will be identified in the list of things. What happens if you sell the local post office? We know already what is happening there.

We have had suggestions that maybe this government might like to think about revisiting the Australia Network contract that was given to the ABC. We know why they might want to be interested in going down that path because we know who owns the alternative network providers. We can think about the issue of reviewing the DGR status of NGOs that are providing dissenting voices. That was proposed several times. In particular, we know that that proposition has been put around in relation to human rights organisations and environmental organisations that are critical of the government. In many ways it is about silencing dissent.

Let us think about industry assistance packages. We heard from the other side yesterday that they do not want to support the Australian automotive industry, but what about the mining industry or smelting or gas production or the futile research that is being promulgated around the place? Let us think about the support we give to first home buyers. We could take that away. How about we revisit the issue of negative gearing for investment properties? That is going to affect a whole lot of different people in the scheme of things.

The Commission of Audit might go one step further. We have heard the Prime Minister say, 'We have a whole federal Department of Health and Ageing that does not deliver one health service.' Why not go the whole hog and axe the whole department? That could be the path that we are travelling down.

At the time that the Commission of Audit is having an unmanageable and unprecedented challenge for them—I wish them luck in their endeavours to do this—we have talked about the 12,000 public servants. I know that Senator Seselja is going to speak in a moment; I guess he will have some concerns about that. But let me first put something on the record. The
machinery of government changes that are bringing together to the Department of Prime Minister and Cabinet everything around Indigenous Australian service provision are going to quadruple the number of staff in that central agency and create a range of problems. It is going to bring together services provided by nine agencies in a new model that is going to be incredibly challenging to manage. In those machinery of government changes, what do we see? We see that the services we want to get to those Indigenous communities and those Indigenous people are all in hiatus. They are all kind of hanging. Nobody knows what to do or where to go. Money is not flowing; issues are not happening. This is the real challenge for the Commission of Audit. If we want our Public Service to be lean and mean and effective we have to make sure that we are not putting around mixed messages and weird challenges, and we definitely have to ensure that the unintended consequences, or the unstated consequences, are not cuts to the critical issues of health and education.

 Senator SESELJA (Australian Capital Territory) (17:27): It appears that not much changes. Some things in fact never change. There are some things that are absolutely constant. We know that the sun rises in the east and sets in the west and that night follows day. Just as sure as those things is that Liberal-National coalition governments have to pick up the pieces from the financial mismanagement of Labor governments. That is what the incoming coalition government is dealing with right now. We saw it in 1975 at the end of the Whitlam government; we saw it in 1996 at the end of the Hawke-Keating government; and we are seeing it again now in 2013 as the legacy of the Rudd-Gillard government.

 What is breathtaking is that, just as sure as it is that the Labor Party always wrecks the finances of our nation, it gives no assistance to governments coming in to clean up the mess that it has left. We well remember the massive Labor debt that the Howard government were left when they came in. As they set about the task of picking up the pieces the Labor Party opposed them at every turn. Every economic reform, every privatisation was opposed by the Labor Party at every turn as the coalition got about the business of fixing the mess that they had inherited. Unfortunately, we see that nothing has changed. We see that history is repeating itself, and the Labor Party now, having trashed the joint, is coming in and telling us that they do not like the way that the coalition are cleaning it up.

 I say that we have a different approach and we are not going to follow the Labor approach to economic management or to managing the budget, because we have seen where that leads. Labor governments always leave things this way. You hear it in contributions from Labor senators; you heard it from the former government when it made announcements. It is this never-ending focus on outputs rather than outcomes. The measure of success for the Labor Party is always about how much they spent on any given area. It is not about outcomes. We used to hear it at the territory level and we see it right across the board. If you apply the Labor Party logic of outputs versus outcomes, every Labor blow-out of course represents an extra investment—whether it is the NBN or the school halls. If you take the logic of the Labor Party—which is not about the achievement or the outcome for the community but about the outputs—then every blow-out represents an extra investment in a particular area. The coalition takes a very different approach.

 What we are debating here today is the Commission of Audit. It was interesting to hear the contributions of a number of senators. Even amongst Labor senators there seemed to be a difference in approach—from Senator Moore in the first instance, when she acknowledged
that perhaps a commission of audit is not such a bad idea. But the tenor of most of what we have heard from most of the Labor Party is that a commission of audit is a bad idea. So, let's look at the intent of the Commission of Audit. The commission is reviewing the activities of the government to ensure taxpayers are receiving value for money to eliminate wasteful spending; to identify areas of duplication between the Commonwealth and other levels of government; to identify areas where Commonwealth involvement is inappropriate; and to improve the overall efficiency and effectiveness of government services.

I ask: what is there to object to in those goals or in ensuring that taxpayers receive value for money? What is there to object to in a government seeking to eliminate wasteful spending? This should be the goal of every government; it should not be just the goal of coalition governments. Why was the Labor Party not taking measures to make government spending more effective and to give taxpayers better value for money? Why were they not doing it? We heard earlier in the exchange that you need to start as you finish. The point was made very well by Senator McKenzie when she said that we do not want to finish where Labor has left it. But it is worth asking the question: how did we get to this point? After just six years of Labor government, how did we get to this point? I go back to Senator Moore's contribution at the start, where she suggested that oppositions often make grand promises but when they get into government they walk away from them. She seems to be confusing the current government for the former government. She seems to be confusing the attitude of this government with that of the previous Labor government.

We have heard so much about the carbon tax promise, but, while we are dealing with issues of public finances, let's go back to one of Kevin Rudd's first promises in opposition—many here may remember it—was to be an economic conservative. As opposition leader Kevin Rudd promised to be an economic conservative. He said that he wore it as a badge of honour when people referred to him as an economic conservative, but in government something completely different happened. In fact, we saw the most rapid turnaround by far in the nation's finances in its history. We had deficits as far as the eye could see—$27.1 billion, $54.8 billion, $51.5 billion, $44.5 billion and $23.5 billion. Those are not the acts of an economic conservative. That is not the delivery of a government that is committed to wisely spending taxpayers' money. We so often heard from the former government that it was in fact a revenue problem that was leading to the massive deficits. But if we take a look at the actual revenue during that period, the revenue went up quite considerably from the first budget to Labor's last budget—to the tune of around $60 billion. We saw revenue going up—there were some dips occasionally—and yet the deficits kept mounting.

The coalition is saying that we want to see taxpayers' money respected; we want to see it wisely spent. I do not think any senators in this place who would object to an approach like that. As we go about the task of examining areas where we can do things better, it would be far more helpful for the opposition to embrace that task and support the government in its efforts to do that instead of playing this role of opposing everything the government is seeking to do for what can only be called rank political opportunism.

The Labor Party claimed to be economic conservatives and they were not. That is one of the major reasons why they are no longer in government—people could not trust them to look after the nation's finances. They promised to be economic conservatives, but we saw in budget after budget after budget that they were not. They did not honour the taxpayers' dollar. There
are a number of examples of that. We can look at the way the NBN was put together. There was no cost-benefit analysis, and we saw the results—the time line slipped, the budgets blew out and we saw mounting debt. I think it was Senator Stephens who seemed to be suggesting that it would be a bad thing to sell the NBN. If my memory serves me correctly, I think the Labor Party had planned to eventually sell the NBN—I can be corrected in this place if my recollection is wrong. We as a nation should not in the long term be seeing this kind of monopoly asset in government hands. We saw that with Telstra many years ago, the sale of which the Labor Party opposed. I do not think anyone would want to go back to the national ownership of things like Telstra.

The coalition clearly has a very different way of doing things. We have inherited a significant challenge from the Labor Party. The Labor Party cannot blame anyone else for the state of our nation's finances. Some of the tough decisions that will be made in the coming years will be as a result of the fact that the Labor Party did not make tough decisions, that the Labor Party often took the easy way out and that the Labor Party did not control spending and often tried to buy their way back into office. When you do that, eventually there is a bill to pay and the nation now faces that bill.

The coalition's approach is to face this situation in a calm and methodical way; in a way that builds confidence. We want people in the community to have confidence in our government; we want the business community to have confidence to invest; we want consumers to have confidence to spend. They can only have that confidence when they believe that the government knows what it is doing, when the government has a clear plan and when the government implements that plan. The government should be applauded for its efforts to bring the budget back into the black. It needs to do that responsibly and I trust that it will. As Senator Sinodinos said earlier today, we are not going to just slash and burn. We are going to make structural medium-term changes that will help deliver fiscal sustainability, in stark contrast to what we have seen over the past six years of Labor government.

Question agreed to.

DOCUMENTS

Departmental and Agency Appointments and Vacancies, and Grants

The Clerk: Letters of advice are tabled in response to the continuing orders relating to departmental and agency appointments and vacancies, and grants.

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

Department of Foreign Affairs and Trade—Report—Australia in the Asian Century: towards 2025—Country strategy

Debate resumed.

Senator IAN MACDONALD (Queensland) (17:43): I refer to the Department of Foreign Affairs and Trade report Australia in the Asian Century: towards 2025—Country strategy. In particular I want to refer to the country strategy in relation to Japan and then South Korea. Can I start by acknowledging the birthday of His Majesty the Emperor of Japan, which occurs on 4 December next. Many senators have received an invitation to a reception. Our relationship with Japan is important. Japan is our closest and most mature friend in the region,
and the partnership between Japan and Australia is a model for Australia's wider engagement with Asia. Trade with Japan has been the mainstay of our economy for decades and in this day and age, with the focus all on China, China, China, people forget just what a significant part Japan has played in the development of Australia over the last three or four decades.

Japan is our second-largest trading partner and accounts for just under one in four of all export dollars Australia earns, with total goods and services trade amounting to some $71 billion in 2012. Australia is Japan's number one source of coal, iron ore, liquefied natural gas, uranium, beef and dairy products. I mention those in particular as a Queenslander, Mr Acting Deputy President Furner, and you as a Queenslander would understand this: most of those significant exports actually come from the state of Queensland or the Northern Territory or Western Australia.

Japanese investment has been a key to Australia's past economic development and has continued to grow in recent years, almost doubling since 2007 and reaching $126.4 billion in 2012. Japan is currently our third-largest source of foreign investment, after the United States and the United Kingdom. So it is a very significant player and partner with Australia.

I had the privilege of visiting Japan with a parliamentary trade committee just a couple of years ago, and was very, very impressed with the Japanese economy, the Japanese government and the Japanese people. That parliamentary delegation also visited South Korea and I again indicate how important South Korea is to Australia. It is a country that has successfully transformed its economic landscape in the last 50 years from the devastation of that country between 1950 and 1953 in the Korean War. It has now developed into the 12th-largest economy, based on purchasing power parity, with a gross domestic product of some $1.6 trillion.

We have very good relationships with South Korea. Indeed, again, it is a country that is often overlooked in the current China focus of our nation in recent years, but it is important to build on and to recognise that very close relationship. I always mention in every comment I make every time I visit the South Korean embassy that my wife drives a Hyundai motor vehicle—a little Getz. It is one of their cheapest but it is a fabulous little car, and it is typical of the South Korean manufacturing industry these days. They build the biggest ships that ever floated to the smallest cars. They are very industrious people.

I was very pleased to see that the new government is focusing on completion of the free trade agreements with both Japan and South Korea. That is important, they have floundered for far too long, and I certainly encourage the government to give them the priority that they appear to be giving them. I look forward to a continuation of good relationships between Australia and Japan and South Korea. I seek leave to continue my remarks later. (Time expired)

Leave granted; debate adjourned.

Moorebank Intermodal Company

Debate resumed on the motion:
That the Senate take note of the document.

Senator IAN MACDONALD (Queensland) (17:49): This statement of corporate intent is an interesting document. The Moorebank Intermodal Company is a significant infrastructure
development in the area of Western Sydney near the very significant base of the Australian Army.

The idea of the intermodal is to bring together different forms of, particularly, freight transport—rail, road and access to the ports. There has been quite a deal of comment on the Moorebank Intermodal over the years of the Labor government. There was at times a thought, and it is a thought that I subscribe to I might say: why was the government getting involved in this transport hub when right next door private industry were at one stage proposing to do the same thing?

I must confess that in the last few months I have not quite followed the Moorebank Intermodal progress as much as I did sometime last year, and perhaps things have moved on. But I would urge the current government to have another look at that whole Moorebank proposal. There was a private group involved in a similar type of activity, and it seemed to me at the time—and we canvassed this through estimates on many an occasion—that the private group could have done what the government ended up doing through this Moorebank Intermodal Company. It may be too late. I speak, obviously, not as an expert on this but simply as one who had a view and wondered why it was that a government was getting involved in a private activity that private enterprise was wanting to do at the same time. Because it was a Labor government in charge, and I suspect because of their broad socialist view that governments do things better than others, that is why this proposal went ahead.

I do think there is an opportunity for the new government to have a look at the Moorebank Intermodal. I am not suggesting for a moment that the board and directors of the company are anything but very proficient. I am sure they are carrying out their terms of reference—if you might call it that—very well, but I think there is an opportunity for another look at the whole proposal. The shareholder ministers in the company are the Minister for Finance and the Minister for Infrastructure and Regional Development. I would urge those ministers to have a look to see if it is not too late to incorporate this proposal with what I think is still—I am not absolutely certain but I think is still—the proposal of private industries in the immediate vicinity to do much the same thing. I think it would be a bad use of scarce assets if we had a government and a private industry sort of competing in the same sort of general operation. Someone who knows a lot more about this than me may well challenge some of my detail, and I would accept that easily. But as a broad general principle it is an area where perhaps the government does not need to be involved, taxpayers' dollars do not need to be spent and there may be a better way of doing what was intended by this Moorebank Intermodal proposal.

Question agreed to.

Australian Broadcasting Corporation

Debate resumed on the motion:

That the Senate take note of the document.

Senator IAN MACDONALD (Queensland) (17:55): In resuming debate on the motion to take note of the Australian Broadcasting Corporation's report for 2012-13, I point out that we are coming up to estimates again and I am curious to see just how the interaction between Mr Mark Scott and the estimates committee members continues. Certainly over the last several years there has always been an entertaining exchange between senators, particularly from my side of the political fence, and the ABC. But I only say that by way of introduction to a
comment that is increasingly said to me, and that comment is: ‘When are we going to privatise the ABC?’

I am not one of these political conspiracy theorists but, quite clearly, the ABC in its head office configuration—I will make that distinction and come back to it later—its news broadcasts and its television broadcasts are no longer in the way of dissemination of fact; they very much are the case of the opinions of the particular announcer or particular presenter which are distributed to the public at large. As I say, I am not a conspiracy theorist, but you only have to look at any current affairs program to see it has a left-wing bias. I know Mr Scott will always deny it and he valiantly defends his people. He is very, very good at that and I congratulate him for doing it. But I think there was a survey taken before the election, and not every employee of the ABC completed the survey, I acknowledge, and I do not have the exact figures, but it was something like 60 per cent of those who answered the survey indicated they were going to vote green at the next election and another 20 or 30 per cent were going to vote Labor at the next election. Mr Acting Deputy President, you have only got to look at any of their current affairs programs and it is always the green type agenda that comes up or the ultra-left-wing social agenda.

Same-sex marriage is an important issue, I acknowledge that, but you do not have to have it on every news program for the last 12 months. The ABC seems fixated on it. I have to say the other news disseminators do not seem to be quite so fixated on it. There are a lot of lovely people in the ABC and I am sure they are very good at their work—I was going to say very professional, but if you are professional you do not start giving over your views. I often feel jealous of them—as a politician, I only wish sometimes that I could have that sort of opportunity of spreading my views to the voting public. I do not have that opportunity, but these people have that opportunity.

Senator Mason: You’re on broadcast now!

Senator IAN MACDONALD: I am on broadcast now but I would like to be there on prime time, at the seven o’clock news, Senator Mason

Seriously, a lot of people are starting to say: should we privatise it? Why does the taxpayer have to fund this? It is not as if the ABC is now a balanced disseminator of news.

As I always do, I have almost run out of time. But I do want to make a distinction. I come from regional Australia and I have a lot to do with regional ABC radio. And as I always say, I am sure that a lot of the people in the regional offices do not agree with me politically—and they probably do not vote for me—but I have always found them to be very, very balanced. They will always give everybody a run and they will not editorialise when the interviews are over. So I do have a great regard for the work that the rural ABC radio in particular does. They are a great public service in rural and regional Australia. But I am sorry that I cannot say the same for the capital city news disseminators. I seek leave to continue my remarks.

Leave granted; debate adjourned.

**Australian Research Council**

Debate resumed on the motion:
That the Senate take note of the document.
Senator IAN MACDONALD (Queensland) (18:02): There has been a lot about the Australian Research Council over time and, generally speaking, I think that they do a good job. The money that the Australian Research Council receive, used properly, can be a great benefit to Australia. Australia punches above its weight in research. We need to fund the research properly and, whilst private industry does contribute significantly to all forms of research, most research funding comes from governments, and principally from the federal government.

I have been concerned over the last five or six years about the number of grants from the Australian Research Council that go to climate change issues. I once did get on notice an answer to just exactly what percentage, or how many grants, went from the Australian Research Council to researchers dealing with climate change. From my interaction with them, it came to me that unless you indicated in your application for a research grant that you were doing something with climate change then you were unlikely to get a grant, with the result that if you applied for pure and applied research in areas that did not relate to climate change you were, as I say, unlikely to receive funding.

I went to the 40th anniversary of the opening of the Australian Institute of Marine Science where my colleague from North Queensland was officiating—thank you, Senator—and I was amazed at that time that as Senator McLucas was speaking and as the director was speaking that the Australian Institute of Marine Science, which used to do pure and applied science on corals and on cures for cancer and all the other different things that you can do with coral in the Great Barrier Reef, that it seemed that every project since the Labor government has been in power was about climate change. They might have thought climate change was important for the Australian Institute of Marine Science to do—but who am I to argue with that—but not nearly all the grants. Where were the grants for the research into how corals might help human beings with health problems, and there was at one stage excitement about some relief from cancer that might have come from that. Many scientists said to me that they gave up applying for grants because they wanted to look at things that were not related to climate change.

I also know that a number of scientists—and I have had personal interaction with some of them—who wanted to do research that did not follow the then government's view of climate change would never ever get a grant from the Australian Research Council. That seemed to me, if that were the case—and I accept what was told to me—that the Research Council was actually following a dictum from the then government about climate change and climate change research.

There is a body of opinion that does not accept the IPCC's on climate change. I am one of those who is an agnostic. I always confess that I know nothing about science but I do always acknowledge that there are eminent scientists who have a different view and some of them have applied for research grants but none of them have ever received one in recent years in Australia. I think that is appalling and I really think that the Australian Research Council needs to be more balanced in the way it does it and does not run to the ideological direction of the government of the day. I seek leave to continue my remarks.

Leave granted; debate adjourned.
The following orders of the day relating to government documents were considered:

Gene Technology Regulator—Quarterly report for the period 1 January to 31 March 2013. Motion of Senator Boyce to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Department of Foreign Affairs and Trade—
Australia in the Asian Century: towards 2025—Country strategy—
- China.
- India.
- Indonesia.
- Japan.
- South Korea.

Australian Human Rights Commission—Audit report—Review into the treatment of women at the Australian Defence Force Academy, dated July 2013. Motion of Senator Boyce to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Department of Immigration and Citizenship—Access and equity in government services—Report for 2010-12. Motion of Senator Boyce to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Australian Institute of Health and Welfare—Australia's welfare 2013—Eleventh biennial report. Motion of Senator Boyce to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.


Productivity Commission—Report No. 63—Safeguards inquiry into the import of processed tomato products, dated 18 September 2013. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Productivity Commission—Report No. 64—Safeguards inquiry into the import of processed fruit products, dated 18 September 2013. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Australian Postal Corporation (Australia Post)—
- Statement of corporate intent 2013-14 to 2016-17.
Thursday, 14 November 2013

—Motion of Senator Boyce to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Tertiary Education Quality and Standards Agency (TEQSA)—Report for 2012-13. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Australian Centre for International Agricultural Research (ACIAR)—Report for 2012-13. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Health Workforce Australia—Report for 2012-13. Motion of Senator Boyce to take note of document called on. On the motion of Senator Edwards debate was adjourned till Thursday at general business.

Australian Pesticides and Veterinary Medicines Authority (APVMA)—Report for 2012-13. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Bushby debate was adjourned till Thursday at general business.

Independent Hospital Pricing Authority (IHPA)—Report for 2012-13. Motion of Senator Boyce to take note of document called on. On the motion of Senator Boyce debate was adjourned till Thursday at general business.


Department of the Prime Minister and Cabinet—Report for 2012-13. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Urquhart debate was adjourned till Thursday at general business.

Australian Renewable Energy Agency (ARENA)—Report for 2012-13. Motion of Senator Stephens to take note of document called on. On the motion of Senator Urquhart debate was adjourned till Thursday at general business.

The following orders of the day relating to government documents were considered:

COMMITTEES

Cyber-Safety Committee

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (18:10): I move:

That the Senate take note of the report.

I would like to take a few minutes to talk about the Senate Select Committee on Cyber Safety's report entitled *Options for addressing the issue of sexting by minors*. The Australian Communications and Media Authority defines 'sexting' as 'the sending of sexual messages, photos or videos online or using a mobile phone'. As the chair of the previous Joint Select Committee on Cyber-Safety and of the former Senate Select Committee on Cyber Safety I am extremely aware that sexting is an issue of extreme concern for Australian parents. This concern is increasing as the prevalence of smart phones and web connected devices grows. We need to note also that children are becoming younger when they first have access to or even ownership of these devices.

In its first report *High-wire act* the previous Joint Select Committee on Cyber-Safety made recommendations relating to cyberbullying and cybersafety generally, including enforcement and educational strategies; however, it made no recommendations specifically in relation to sexting and the then Labor government felt that the issue deserved further investigation by the committee. Although sexting can equally occur between two adults, the terms of reference for
this inquiry focused on the issue of sexting by minors. Sexting by minors raises some specific concerns that do not apply in the context of peer-to-peer sexting between adults. This is because sexual content depicting minors can often constitute child pornography under existing Commonwealth, state and territory laws, leading to potentially severe consequences for minors involved in the creation, possession or communication of such content. The committee found that sexting can occur in a variety of contexts and through a variety of media, ranging from relatively benign consensual behaviours to situations in which sexting is coerced or exploitative.

The Australian Psychological Society gave evidence to the committee that there are a number of dimensions to different behaviours broadly categorised as sexting which need to be considered when examining a specific behaviour. The dimensions are: the content of the communication, including whether the communication includes text, images or video, and the degree of sexualisation present in the content; the use of the communication, including the number of people depicted in the content and the number of people with whom the content is shared; the role of participants, including the producer, the sender or senders and receiver or receivers of the material; the intent of the communication, whether benign or harmful, and whether it was sent with or without the consent of the subject; and the age of the participants.

In addition to legal concerns relating to child pornography offences, ACMA noted that young people may be subject to heightened levels of peer pressure to create or forward sexual images and that the impact of the subject's loss of control over private images may be more serious and lasting for young people than adults.

Research shows that sexting is reasonably prevalent. In a survey conducted in 2012 by ACMA 13 per cent of respondents aged 16 to 17 years reported that either they or someone within their group of friends had sent and 18 per cent had viewed sexually suggestive, nude or nearly nude photos or videos of themselves to someone else. BoysTown highlighted to the committee some of the impacts of sexting and said:

Young people can find themselves the victims of humiliation, bullying, harassment, threat, punishment (from school and/or parents) and criminalisation. The flow on from these events can also be severe, impacting young people's wellbeing, health, school, employment, family and peer relationships.

The permanence of digital content is a pressing concern in relation to sexting, as it can be almost impossible to retrieve and destroy that content once it is shared. This is compounded by the ability to be widely circulated in a very short period of time. The Law Council noted that there are currently no legislative provisions at the Commonwealth, state and territory levels that specifically deal with an offence of sexting; however, several criminal and civil laws may apply to sexting behaviours depending on the circumstances. The committee notes that these laws were designed to deal with activities associated with child pornography.

Commonwealth offences in relation to child pornography are found in the Criminal Code Act 1995. The practice of sexting may be captured by offences contained in 474D of the Criminal Code, which criminalise a range of conduct relating to the use of a carriage service, such as the internet or mobile telephone, for child pornography. The Attorney-General's Department stated that while these offences may be applicable to some sexting behaviours between minors, they are rarely used in such cases.

Each state and territory has separate criminal legislation that may be used to regulate sexting, with the Victorian parliament report noting that 'since 2005, no two jurisdictions in
Australia have had the same child pornography laws’. As a consequence, there are significant differences in relation to the definitions, interpretations, elements of the offences and age of the relevant child contained in each jurisdiction's legislation.

In almost all Australian jurisdictions, individuals over 18 years of age who are convicted of specified offences, including child pornography offences, must automatically be registered on the relevant sex offender registry, while the registration of offenders who are under 18 years of age is generally at the discretion of the courts. Registration on a sex offenders' registry requires the individual to undertake mandatory reporting for a period of up to eight years depending on the jurisdiction, as well as limiting the individual's ability to take up employment in areas involving young people.

Various stakeholders expressed the view that the scope of the existing Commonwealth child pornography offences needs to be altered in order to exclude non-harmful sexting behaviour between minors, so that young people do not unwittingly commit a serious and punishable offence. Several submitters argued that sexting behaviour should not be treated in the same way as the creation or distribution of child pornography. For example, the Australian University Cyberbullying Research Alliance noted that minors can currently be charged under child pornography offences which contain little recognition by the law of the 'inherent differences between their image sharing, and either those of paedophiles sharing and distributing images or adults sharing intimate images of partners'.

They also argued:

… the laws which we currently have are being outstripped at a rapid rate. They have been written for a previous era, by adults who have never experienced being adolescents surrounded by this avalanche of technology which is changing the ways they think, operate and relate.

Youth Off The Streets argued it is that absurd that two consenting teens can text each other and end up on the registered sex offenders list for the rest of their lives as a result of conviction under child pornography offences. A representative from the Department of Broadband, Communications and the Digital Economy informed the committee that the potential liability of victims of non-consensual sexting under child pornography offences can act as a disincentive to reporting harmful incidents to the relevant authorities. They said:

… if they know that they might actually be liable to be prosecuted themselves if they want to take action in relation to the non-consensual on-sending of their images, that is a disincentive.

The evidence provided to the committee during this inquiry indicates that sexting has become a regular activity for many young people aged less than 18 years. The emergence of new technologies has facilitated the creation and transmission of sexual content through electronic media, and much of this activity takes place between consenting young people and they believe it to be relatively benign. However, in some instances, sexting activities are coercive, exploitative or undertaken with malicious intent. It was argued by many submitters that the current legislative framework requires review to ensure that consensual sexting is not captured by those laws targeting child pornography.

Given the short time frame it had to undertake this inquiry, the committee was unable to fully explore all the issues raised in the evidence. In particular, the committee considers that the suggestions made in relation to changes to Commonwealth laws, including amendments to the child pornography laws and the introduction of a new offence for non-consensual sexting,
require further in-depth consideration. In addition, some submitters called for the creation of a national digital communications tribunal.

The committee considers that further work is necessary to determine whether such a body could effectively provide access to remedies other than those that are already available under the current regulatory framework. The committee therefore considered that an inquiry into options for addressing the issue of sexting by minors be re-referred by the Senate to this 44th Parliament in order to investigate and deliberate further on the matters raised in evidence, and I look forward to continuing working on the Joint Select Committee on Cyber-Safety and hope that its work is taken up.

In closing, I would like to thank the secretariat for all their hard work on this inquiry and report. I would also like to thank my parliamentary colleagues from both sides of the parliament who were on this committee. It worked really well. We managed to reach consensus on a number of issues, and I think the agreement to recommend that further work be undertaken was a really wonderful outcome.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

COMMITTEES

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Environment and Communications References Committee—Interim (2) and final reports—Recent trends in and preparedness for extreme weather events. Motion to take note of reports moved by Senator Urquhart. Debate adjourned till the next day of sitting, Senator Urquhart in continuation.

Community Affairs References Committee—First and final reports—Involuntary or coerced sterilisation of people with disabilities in Australia. Motion to take note of reports moved by Senator Urquhart. Debate adjourned till the next day of sitting, Senator Urquhart in continuation.


Rural and Regional Affairs and Transport References Committee—Interim reports (2)—Ownership arrangements of grain handling. Motion to take note of reports moved by Senator Urquhart. Debate adjourned till the next day of sitting, Senator Urquhart in continuation.

Community Affairs References Committee—Interim report—Care and management of younger and older Australians living with dementia and behavioural and psychiatric symptoms of dementia (BPSD). Motion to take note of report moved by Senator Urquhart. Debate adjourned till the next day of sitting, Senator Urquhart in continuation.

Finance and Public Administration Legislation Committee—Interim and final reports: The performance of the Department of Parliamentary Services—Government responses. Motion to take note of documents moved by Senator Polley. Debate adjourned till the next day of sitting, Senator Polley in continuation.

Orders of the day nos 1 and 2, 4 and 5, 7 to 9, 11, 13, 15, 17 to 21, 23 to 25 and 28 and 29 relating to committee reports and government responses were called on but no motion was moved.

AUDITOR-GENERAL’S REPORTS

Consideration

The following orders of the day relating to reports of the Auditor-General were considered:

Auditor-General—Audit report no. 3 of 2013-14—Performance audit—AIR 8000 Phase 2 – C-27J Spartan battlefield Airlift Aircraft—Department of Defence. Motion to take note of document moved by Senator Macdonald. Debate adjourned till the next day of sitting, Senator Macdonald in continuation.

Auditor-General—Audit report no. 8 of 2013-14—Performance audit—The Australian Government Reconstruction Inspectorate's conduct of value for money reviews of flood reconstruction projects in Queensland—Department of Infrastructure and Regional Development. Motion to take note of document moved by Senator Macdonald. Debate adjourned till the next day of sitting, Senator Macdonald in continuation.

Orders of the day nos 1 and 2, 4 to 8 and 10 relating to reports of the Auditor-General were called on but no motion was moved.

ADJOURNMENT

The DEPUTY PRESIDENT (18:22): Order! I propose the question:

That the Senate do now adjourn.

Abbott Government

Senator SMITH (Western Australia) (18:22): I rise this evening to speak about some of the opportunities that now lie within Australia’s grasp. As the Prime Minister said on election night in claiming the strong mandate his government has received from the Australian people, Australia is open for business. Indeed, the first few weeks of the Abbott government have clearly demonstrated that this is the case. Yesterday, in the other place, the government introduced legislation to abolish the carbon tax and the mining tax. These two pieces of rampant economic vandalism will forever mark the grave of the Australian Labor Party’s economic credibility. They will forever be reminders of a Labor Party that walked away from the Hawke and Keating legacy of reform and returned to old-guard, class-warfare style Labor. The fact that Labor is still defending these two taxes, still doing everything it can to retain them, just goes to show you that Labor has learned nothing from its defeat.

We have also seen early in the life of this government a concerted effort by the new Prime Minister to restart the free trade agenda, most particularly moving to establish free trade agreements with our key Asian trading partners in China, Japan and Korea, a process first begun under the previous coalition government of John Howard. For all the former government’s talk, for all its supposed Asian expertise and for all former Prime Minister Rudd’s jetsetting, this is a process that had completely stalled under the former Labor government. These moves from the new government have been welcomed in the wider community. The Australian Financial Review, in its editorial on 9 October, had this to say:
'Tony Abbott has made a very good start to cutting through the thicket of vested interests holding up trade agreements with Australia's biggest Asian export markets.'

Of course, this government will not be proceeding with the former government's fly-by-night proposals for changes to fringe benefits tax arrangements in relation to car leasing. This job-destroying policy approach, which was apparently dreamed up with very little consultation by the former Prime Minister and the former Treasurer, would have had a devastating impact on Australia's automotive industry, which all senators are aware is facing difficult times. Yet Labor—the alleged party of the workers—was perfectly happy to threaten their jobs to try and plug holes in its budget. This is after they had already increased manufacturing costs through the imposition of a carbon tax.

And, of course, the Prime Minister's first trip to Indonesia delivered a deal to assist the live cattle export trade that was so badly damaged by Labor. Thanks to the efforts of this government, now an additional 53,000 beasts have been added to the December quarter quota of 46,000. I know this is particularly welcome news for those producers in regional Western Australia—and there are many of them—who have still been suffering from Labor's hysterical, panicked decision in 2011 to suspend live exports. The incompetent way that the former government dealt with that matter has been devastating for many regional communities, and it is not surprising that the coalition received such strong support across regional areas, especially in my own state of Western Australia, on election day on 7 September.

We know that many in Australia's agricultural sector are facing challenging times, not just those involved in live exports but more broadly. Yet Australia's agricultural sector is also on the threshold of enormous opportunities, and we cannot squander these. The process of globalisation, the great opening up of the international economy to Australian markets and the phenomenal growth of Asia's middle class, which is set to continue, set to grow, is unambiguously good news for Australia's agricultural producers. Australia is presently the world's 12th largest economy, even though by population we are only the 52nd largest country in the world. In terms of size relative to economic activity, Australia is punching well above its weight. Our small population relative to our land mass means that Australia's agricultural sector is able to produce far more than we need to feed ourselves. Thanks to the diligence and ingenuity of Australian producers, our agricultural output is of an extremely high quality. This is where the opportunity lies for Australia, as the burgeoning middle class throughout Asia seeks high-quality products, in agriculture and in other areas. Yet we cannot assume that just because Australia's product is of a high quality and because of our proximity to Asia that means the benefits will automatically flow. We have overseas competitors who have watched Australia's agricultural success carefully and have learned from it. Those lessons are now being applied, and the competitive pressures on our exporters will only increase.

To remain competitive, Australian agriculture—as with other parts of the economy—must commit to a process of continuous improvement. And, as we all know, these improvements will require an influx of capital—and, yes, some of this investment will need to come from sources outside our own country. There has been a good deal of public discussion over recent weeks about the role and nature of foreign investment in Australian agriculture. I take the firm view that foreign investment in our agricultural sector is not something to be feared. It
represents an opportunity, not a threat. I accept that there are those in the community who find the notion threatening. For some, the process of change and modernisation is too difficult to adjust to. But Australia does not have the luxury of turning inwards, or standing apart from these global processes, not if we want our agricultural sector to remain viable in the long term. We cannot turn our back on progress.

I am not here this evening to offer anyone gratuitous advice but I did want to place on the record a few observations. In some respects, I come to this debate with a sense of deja vu. It is approaching 12 months since this parliament passed the Wheat Export Marketing Amendment Bill, which fully deregulated Australia's wheat export marketing arrangements. I have been interested to note that some of the same arguments that were used by those opposed to the deregulation of wheat exports a year ago are being used again in this debate. Indeed, those arguments are coming from many of the same organisations and individuals. In my view, those arguments were not supported by facts last year, and they are not supported by facts today.

The debate about foreign investment should not be used as a Trojan horse by those seeking to reverse the strong and obvious benefits that have resulted from the deregulation of wheat export marketing in our country. It was a one-time Prime Minister of Australia, 'Black Jack' McEwen, who said it was up to government 'to discover the basic facts upon which our national economy is founded.' I am all for that. So let's look at the basic facts around grain exports.

Opponents claim that this takeover should be opposed on the basis that GrainCorp has a monopoly on the east coast. This is simply wrong. Over 50 per cent of Australia's average east coast crop production bypasses GrainCorp's export supply chain altogether. Five years ago, there was just one export buyer for wheat. Today, there are over 20. Likewise with ports, there are four competing bulk terminals on the east coast, three of which are unregulated, competing with GrainCorp's seven ports, all of which are regulated by the ACCC and thus must provide open access. Indeed, only around 30 per cent of the grain passing through GrainCorp's ports is its own product. Far from a monopoly, competition is thriving.

The ACCC has itself found that this takeover would not have a negative impact on competition. In any case, talk of ADM blocking access to GrainCorp ports is counterintuitive. This feeds into another claim—that ADM will seek to close or run down GrainCorp's assets. Why on earth would ADM spend $3.4 billion, its largest overseas investment ever, to acquire GrainCorp only to see its newly purchased export infrastructure used inefficiently? Having made such a large investment, common sense tells you ADM will be working to attract more growers to the GrainCorp supply chain by improving it, not limiting access to it. ADM is committed to investing between $40 million and $60 million on infrastructure each year, improving the efficiency of grain exports from Australia. This is far larger than the investment GrainCorp is otherwise able to make on its own. A GrainCorp that lacks sufficient capital, scale and global market reach will not put Australian growers in the best position to ensure new market opportunities, low-cost infrastructure and the best prices for their products.

Then there are claims that this takeover would hand control of Australia's largest agricultural company to foreigners. In fact, ADM has committed to keeping GrainCorp's...
management team and CEO based in Australia and to retaining the vast majority of GrainCorp's current staff.

I close with the words of Chris Kelly, a wheat farmer from the Mallee in Victoria, who said this of ADM's move to purchase GrainCorp:

This deal, it ticks a lot of boxes for the 21st century. And we're a big exporting country and we need the absolute best infrastructure and we need the best global connectivity and we need competition - this is the absolute imperative that underscores everything.

Grey Electorate: Labor Government Achievements

Senator GALLACHER (South Australia) (18:32): I rise tonight to make a contribution in the adjournment debate on my favourite subject: the electorate of Grey. I would like to place on the record at the commencement of the 44th Parliament the achievements of Labor government in the 43rd Parliament. This will provide a short synopsis, if you like, of something that can be visible across a number of electorates in Australia—in fact, probably all electorates.

During Labor's time in government we ensured that regional Australia was not left behind. Labor recognised the important link between regional communities and the rest of the country. It is why Labor invested heavily in Grey. A Labor government understands the importance of investing in regional communities around the country. Contrary to what Senator Ian Macdonald often repeats in this chamber, Labor does understand the regions.

During our time in government, we worked hard to ensure the gap between regional Australia and the rest of the country was closing instead of widening. We need to connect Australians all around the country and understand that the work that Australians in regional areas do is essential to the rest of our country. A genuine concern of mine is that Grey will be forgotten by this Liberal government and it is already showing signs, pulling the NBN out of Port Augusta. It is important that investment into regional communities continues under this coalition government.

During my time as a senator I have been fortunate to travel to my duty electorate of Grey on many occasions. Each time my preferred method of travel through the electorate has been by car. Anyone who knows the electorate of Grey knows just how vast the area is. It is one of the largest electorates in the country, covering more than 90 per cent of South Australia. Travelling by road gives you the opportunity to explore much more of the area and to meet more of the local people. I am of firmly of the belief that unless you get out there and talk to people you cannot really be aware of what is going on. You cannot know or understand the issues that are affecting people or what their concerns are unless you hear or see it firsthand. There is no better way of finding out how the electorate is faring.

I have visited the APY Lands twice since being elected as a senator for South Australia and I am committed to visiting there each and every year of my term for a minimum of a week. I was fortunate enough on my first visit to represent the then minister for education, the Hon. Peter Garrett, at a trade training centre opening; and visit arts centres which received funding through the Regional Development Australia Fund under the Hon. Simon Crean's carriage. I have seen firsthand what can be done. With a modest amount of investment we can have some real outcomes and real achievements.
People of the APY Lands, like all Australians, want the opportunity of a fair go. To stand here today and say with confidence that Labor has invested in those outcomes which hopefully will deliver a fair go in the Anangu Pitjantjatjara Yankunytjatjara communities.

Thanks to Labor, we saw around $46.2 million go into 11 trade training centres across the electorate of Grey. Thanks to Labor, $165.9 million was provided for 340 projects at 133 schools across the Building the Education Revolution Program. Thanks to Labor, there was $13.76 million allocated to 176 projects under the Regional and Local Community Infrastructure Program. Labor provided $24.5 million through the Regional Development Australia Fund.

Labor’s investment in Job Services Australia saw around 15,000 people in Grey placed in work since the program began. I stand here today to reiterate the importance of continuing to invest in regional communities. Grey and other regional electorates and communities should not be left behind. The Hon. Tony Abbott and the member for Grey should be put on notice to not leave Grey behind. Services and programs which Labor has worked hard to deliver for the good of regional communities should not be slashed. We have heard today about the Commission of Audit; let us hope that the Commission of Audit does not come back with an impact on regional and rural Australia.

Two months after the election, we can already sense a bit of uncertainty about which services the residents of Grey and other regional communities will have and which ones they will miss out on. It has not taken long, as I have said, for the coalition to swing the axe and cut the NBN in Grey—mainly in Port Augusta, which was set to be connected in the upcoming months. For people who suffer the tyranny of distance, the NBN is critical. The NBN is e-health, e-education and e-learning, No more five- or six-hour trips to the specialist—you may be able to do that with a proper fibre connection, but that has gone. About 70 per cent of Australians support the NBN, which shows that the government is not listening to what people want, and I think that will become clearer and clearer throughout the term of this government. The decisions that are made should be right for and should benefit all Australians.

Another big cut, which we have already seen, is to the Regional Development Australia Fund. Labor had announced earlier in the year that there would be funding of around $150 million in grants for round 5 of the Regional Australia Development Fund. Now we hear that the coalition will only give funding to contracted projects in the RDAF round 5 funding, which could seriously hurt some of the RDAF applications in Grey. What the coalition government fails to recognise is that the Regional Development Australia Fund was designed to stimulate regional economies and create jobs. We also know that there will be a detrimental effect on the residents of Grey if other services and investments made in Grey are scrapped by the coalition government.

It comes down to this. Who loses out in Grey under the Hon. Tony Abbot? Around 9,950 eligible families—around 17,550 children—lose the schoolkids bonus, and 36,500 people in Grey will lose years of super savings. For a 35-year-old plumber, the superannuation guarantee increase under Labor adds up to $74,000 by the time they retire. For a 22-year-old hairdresser, that increase adds up to almost $100,000 by the time they retire at 67. Around 21,800 people in Grey—mostly women—will lose up to $500 if the low-income superannuation contribution is slashed; 9,452 young people, single parents and unemployed in
Grey will lose the extra help they need to meet the costs of essential services like electricity, gas and water, which is $210 less for eligible singles and $350 less for couples; and 17,300 small businesses will lose the $6,500 instant asset write-off.

The people of Grey and the people who live in regional electorates around this country should not be left behind by government, which may well happen if the government does not make regional Australia a priority. I am hopeful the government will think carefully about any cuts they make and that they understand the negative impacts cuts will have on the residents of Grey.

Mr President, you might have gathered that I am passionate about the electorate of Grey. It is a wonderful electorate to travel around, and it is wonderful to represent its Labor voters and to take every opportunity to advance the cause of regional Australia. It is exceedingly clear to me that the picture of Grey is probably the same as the picture of a number of electorates around Australia. The 43rd Parliament, under the Gillard-Rudd government, delivered for regional Australia. I, and many other senators and members of the House of Representatives, I am sure, have attended many functions in the bush. Not one community has ever said, 'We don't want your school hall', 'We don't want your program,' or 'We don't want your health centre.' No-one has ever said that. They have applauded the Labor government's commitment to regional Australia, which has underpinned rural economies, the employment of apprentices and growth in employment, and it has made those communities much better than they were prior to the Labor period in office.

Let us hope that there is no diminution in that effort or in the recognition of regional Australia and that the coalition continues to build on our advancements.

Sri Lanka

Senator RHIANNON (New South Wales) (18:42): Two years ago, when the Commonwealth Heads of Government Meeting was being held in Australia, the campaign to stop Sri Lanka hosting the next CHOGM kicked off. This campaign commenced because of concern about the ongoing human rights abuses associated with the Rajapaksa regime in Sri Lanka. Although CHOGM is now being held in Sri Lanka, the call for an international investigation into war crimes and crimes against humanity has been taken up more broadly, and increasing numbers of prime ministers from Commonwealth countries are now not attending the CHOGM event.

It was the Canadian Prime Minister who first took a stand. The Canadian Prime Minister, Stephen Harper, actually walked out of the summit being held in Perth when the Sri Lankan President, Mahinda Rajapaksa, was invited to speak to the assembled leaders. Media reports said that Prime Minister Harper was thinking of boycotting Sri Lanka's meeting if human rights abuses linked to the end of the civil war in 2009 were not investigated. Now we know, because it was reported in October this year, that Prime Minister Harper decided that he would not attend this summit. He cited Sri Lanka's failure to investigate human rights violations during and after the end of the civil war and the continued erosion of democratic freedoms under the government of President Rajapaksa as the reason for his nonattendance.

I was in Sri Lanka last week, and at about the time a New Zealand MP and I were detained by the Sri Lankan immigration authorities the news broke that the Indian Prime Minister, Manmohan Singh, was also boycotting CHOGM. Since then we have learnt that the Mauritius
Prime Minister, Dr Navinchandra Ramgoolam, and also Trinidad and Tobago's Prime Minister, Kamla Persad-Bissessar, will not be attending the Commonwealth Heads of Government Meeting. I think these are brave actions, and it sends a powerful message about the situation in Sri Lanka today. It should also be noted that the British Prime Minister, David Cameron, in the last week has said that while he will attend the summit:

I will raise my concerns when I see President Rajapaksa next week in Colombo. And I will tell him that if Sri Lanka doesn't deliver an independent investigation, the world will need to ensure an international investigation is carried out instead."

This was shortly after he had watched Channel 4's chilling documentary No Fire Zone, which shows horrifying images of war crimes committed by the Rajapaksa government.

This then brings us back to Australia. The determination of the Australian government, first under Labor and now under the coalition, to defend the Sri Lankan government's line that there are no human rights and legal rights abuses taking place in that country is astonishing and is losing credibility. This has been the case since the final stages of the war in 2009, with this unhealthy relationship between our government and the Rajapaksa regime. Four years after the end of the war, even though international human rights organisations like Human Rights Watch and Amnesty International and media outlets like Britain's Channel 4 and the BBC continue to inform us of acts of torture, rape and crimes against humanity occurring under the rule of President Rajapaksa, Australia still turns a blind eye.

So we have to ask why. The answer, sadly, lies with how this country is treating the asylum seeker issue. What we have seen with Labor and now with the coalition is that they have turned it into an electoral issue. It is about trying to manage what they see as damaging headlines about boats coming here. Instead of showing compassion and abiding by our international obligations, there is an ugly relationship playing out here. Many people I met in Sri Lanka expressed concern and surprise that Australian ministers and shadow ministers who visit their country do not give a fair account of what they are shown and what they hear when they return to Australia. They used to say to me: 'At least it should be balanced. They just ignore what they see when they come to the north.' Many believe that deals have been done between the Sri Lankan government and the Australian government. The Australian government, they believe, does not criticise the Sri Lankan human rights record, and in return Australian officials like those in the Australian Federal Police and ASIO work out of the high commission assisting the Sri Lankan government to stop the boats. I cannot confirm if that deal has been done or what form it takes, but there is certainly that growing perception, which one can understand when you look at how CHOGM is playing out and how other countries are refusing to stand with President Rajapaksa, smile with him, shake his hand and sit down for talks, as the Australian Prime Minister, Tony Abbott, is about to do.

So it is for all these reasons that I went to Sri Lanka to be the voice the Australian government has refused to be to help amplify the voice that speaks of the horrendous human rights abuses that the Sri Lankan government is involved in—the voice that is part of a growing international call for an independent investigation into the war crimes committed during the brutal civil war in which more than 40,000 Tamils were killed in just five months in 2009. I have campaigned on these issues for many years now, but seeing them firsthand elevated my concerns about the worrying situation so many people live in in that country, particularly the women. I travelled widely and met a range of people, particularly members of
parliament, members of provincial councils, religious leaders and community leaders. I am not giving the names of all these people, because after I was detained I became more concerned about people's safety, even though many of the people said they were happy for me to use their names.

One of the Catholic fathers that I met does extensive work on the disappeared people. He has identified 2,301 people who have disappeared. He has found that 90 per cent of these went missing in government-controlled areas in the north and east of Sri Lanka. He explained that there is extensive evidence from photos and videos showing that people who the government said had died in combat were actually alive when they were caught and they were killed after they were captured. One of the church's own priests is still missing. The father gave great emphasis to the need for an independent international investigation into war crimes and crimes against humanity and particularly emphasised the need for a witness protection program to be part of the process. He also explained that crimes that have been committed and those that continue to be perpetrated amount to genocide against the Tamils.

A provincial minister spoke about how the government was failing to implement the recommendations of the Lessons Learnt and Reconciliation Commission, which the Sri Lankan government set up itself. He raised the point that he and his colleagues are asking how the government will negotiate in good faith with Tamil representatives if it will not implement its own report—a report that many saw as very lacking because so many people would not give evidence to it because they were so fearful, but not even those recommendations have been adopted. The minister explained how insulting many Tamils find the rehabilitation programs, where they have to salute the Sri Lankan flag and are forced to work on farms that have now been taken over by the army; the profits go to the army. The army runs rehabilitation programs for Tamils, and then it gets paid for these programs by the government. So people thought that whole situation was very compromised in how it was working.

I found the situation that the media operate under particularly concerning. I visited the offices of a newspaper called Uthayan. It has been operating since 1985 and has a huge circulation. What I found extraordinary was that in the reception room there are still bullet holes in the wall. I saw the printing press that had been shot up in a night raid. Journalists have been killed. There were tragic photos that I found very disturbing where they have been killed. There were computer hard drives with bullets in them. Some of these attacks occurred earlier this year.

So these are real issues that so many people live with today. The human rights abuses, the failure to follow the rule of law and the violations of media rights continue today. These are issues that our Prime Minister, Mr Tony Abbott, on this visit should be at least speaking to the President of Sri Lanka about. The Senate passed a motion requesting he do that, and I certainly hope that he does it and reports back so we at least see that there is some balance starting to return in the relations between our countries and so we can add our voice to the call for an international independent investigation into war crimes and crimes against humanity in Sri Lanka.

Aviation

Senator FAWCETT (South Australia) (18:52): I come to the Senate following a career largely in the military and aviation over a number of hears. Having flown aircraft ranging
from the venerable DC3 or C47 Dakota through to the most modern military helicopters and GA aircraft and flown all around this country, I am aware of the importance of aviation to Australia and to Australia’s community.

In South Australia alone there are some 400 regional airports and airstrips enabling passenger transport, freight and important services such as the Royal Flying Doctor Service to communities. Mount Gambier in South Australia, for example, is one of our busiest regional airports. It directly affects the employment of over 230 people and contributes some $29.7 million to the gross state product. Adelaide Airport employs over 16,500 people and adds $1.6 billion to the GSP. Nationally, the impact is even greater: some $13.5 billion directly to the economy, some 149,000 jobs, a further $11 billion into the economy because of the supply chain and another 97,000 jobs through that. So it is a significant contributor to our economy and to the way our society runs.

But it is a sector that is under some stress at a range of levels. Certainly for the larger operators—the high-capacity regular public transport operators—the global factors are having a huge impact. We have seen just this week, in fact, Qantas making decisions about maintenance that have affected many people here in Australia and also affect our sovereign capability to retain an engineering capability in country. Domestically we also see pressures—and not only upon the GA sector. You need to realise that aviation is a broad scope of people from your ag operators who spray crops to your aerial firefighters; your rescue services and air ambulance operators; the people who do the coast watch operations, the mail runs, the bank runs—there are a whole range of people who contribute to our society through aviation.

Many of them are under significant pressure, whether that be through excessive regulation or through the application of regulation that makes life difficult for them. Significantly, we saw that earlier this year with the release of the report into the Pel-Air accident at Norfolk Island, where we saw a number of issues with the regulator and ATSB that need to be addressed.

So it is a vital part of our economy, and I am pleased to say that the coalition has been listening to industry both prior to and post the election. We have had a number of meetings with industry, ranging from the one-man workshops through to larger engineering firms, smaller flying operations and large corporate organisations, to understand the pressures on them and how we as a government can try to take some of those pressures off. In the aviation policy put forward by the coalition there are a number of points that go to this. Certainly the topic of this week has been a lot about the abolition of the carbon tax and its impact on aviation fuels and businesses—and we are talking hundreds of millions of dollars of impact on the aviation sector here in Australia—but some of the other key points in the policy include looking at establishing a high-level external review of aviation safety and regulation in Australia which closely maps one of the recommendations coming out of the Pel-Air report. There is support for regional aviation, including new and better targeted en-route rebates. There is also an increased focus on recognising the importance of airports in Australia. Not only do we have to focus on things like Sydney’s second airport; but the government is also very aware of the fact that the airport infrastructure we have has its primary use as an airport. Whilst the commercialisation and leasing of some of the secondary airports has meant that there are non-commercial activities there, the key focus must remain on the aviation capability that that represents and the potential for that to grow to meet future
demand in coming years. The government also has a priority on revitalising the general aviation sector through an action agenda and making sure that things like security measures, which can be an onerous imposition on airlines and airport operators, are in fact risk based and only to the extent necessary.

There are other aspects to the policy, but one of the key ones has been the review of regulation. I am pleased to report to the Senate that today the Deputy Prime Minister and the Minister for Infrastructure and Regional Development, the Hon. Warren Truss MP, who has responsibility for aviation, announced the independent review of aviation. He announced the terms of reference and the expected outcomes as well as the panel.

I want to pick a few of the outcomes that this review seeks to achieve and to deliver to the sector. The review will examine and make recommendations as required on the aviation safety roles of CASA, the Australian Transport Safety Bureau and other agencies. It will examine and make recommendations on the appointments process and criteria applied for key aviation safety roles within CASA and ATSB, again stemming back from some of the recommendations coming out of the Pel-Air report about making sure we have the right people with the right competence. That is task-specific competence. People may be very good and very competent, but for a particular task they need both qualifications and experience in that task to do the role.

It is also looking to review the implementation of the current aviation regulatory reform program, which has been going on an awful long time and has been creating much uncertainty in the sector. In South Australia, for example, as operators for the state government's emergency medical service contract look to bid for that new tender, they are uncertain which rules they need to bid for. If the state government is not going to allow for regulatory change as part of the contract, it makes it very difficult for a company to bid—not knowing the standards to which they have to provide aircraft, numbers of aircrew, rosters et cetera.

The review will also look at the cost impacts on industry. That is one of the most important points. The government is looking to make sure that the aviation industry is not just safe but sustainable—that it is a viable industry sector for the future of Australia. Importantly, the review will also provide options to government for improving the oversight and enforcement of aviation regulations, including the rights of review, because we do see cases—some running right now—where companies have been shut down and, months after that, are yet to have their opportunity in the Administrative Appeals Tribunal to put their case as to why they believe that decision was unfair. So there is a requirement to make the application of regulation appropriate.

The government's whole focus on deregulation means that we have the regulation we need to be safe but that we make sure that it is quality, that it is informed by people who understand the industry so that it is best practice and, importantly, that its application not only maintains safety but also makes sure that, where there is an equal safety case but one has a more commercially viable application, that is the one that the regulator should be looking to implement so that the industry is sustainable.

I am pleased that Mr David Forsyth AM is going to be chairing the review panel. He is well-known in the aviation industry in Australia as the chair of Safeskies and the former chair of Airservices Australia and has some 30 years experience in safety management. He will be joined by Mr Don Spruston, a former Director-General of Civil Aviation at Transport Canada.
and Director-General of the International Business Aviation Council and Mr Roger Whitefield, former Head of Safety at British Airways, adviser to Qantas and former UK Civil Aviation Authority board member.

One of the important things that we are aware of is that aviation is not just the large airlines and the high-capacity operators. It also includes, as I said before, people right through the gamut of aviation. So I am very pleased to see that Mr Phillip Reiss, President of the Aircraft Owners and Pilots Association, will be involved in the review to make sure that the views of the general aviation sector are going to be taken into account.

The panel will be providing its report to the minister in May 2014, and there are opportunities for the industry at all levels to make submissions. I am pleased to see that the minister's release talks about the fact that, while the review will seek the views of the CASA board and senior management staff, they will consult closely with industry. I encourage anyone involved in the aviation industry to take this opportunity to have their say to shape the future for a viable and safe aviation industry for Australia.

The PRESIDENT: I remind honourable senators that legislation committees will meet next week to consider estimates commencing on Monday at 9 am. Program details will be published on the Senate website.

Senate adjourned at 19:03

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:


Statements under section 33—1 January to 30 June 2013 [1].

**Departmental and Agency Appointments and Vacancies**

Tabling

The following document was tabled pursuant to the order of the Senate of 24 June 2008, as amended:

Departmental and agency appointments and vacancies—Budget (Supplementary) estimates—Letter of advice—

Foreign Affairs and Trade portfolio.

Treasury portfolio.

**Departmental and Agency Grants**

Tabling

The following document was tabled pursuant to the order of the Senate of 24 June 2008:

Departmental and agency grants—Budget (Supplementary) estimates—Letter of advice—

Employment portfolio.

Organ and Tissue Authority.

Treasury portfolio.