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**SITTING DAYS—2015**

<table>
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<th>Month</th>
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<td>February</td>
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<td>November</td>
<td>9, 10, 11, 12, 23, 24, 25, 26, 30</td>
</tr>
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<td>December</td>
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- **PERTH** 585AM
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FORTY-FOURTH PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

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

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

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

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

<table>
<thead>
<tr>
<th>Senator</th>
<th>State or Territory</th>
<th>Term expires</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abetz, Hon. Eric</td>
<td>TAS</td>
<td>30.6.2017</td>
<td>LP</td>
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<tr>
<td>Back, Christopher John</td>
<td>WA</td>
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<td>LP</td>
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<tr>
<td>Bernardi, Cory</td>
<td>SA</td>
<td>30.6.2020</td>
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<tr>
<td>Bilyk, Catryna Louise</td>
<td>TAS</td>
<td>30.6.2020</td>
<td>ALP</td>
</tr>
<tr>
<td>Birmingham, Hon. Simon John</td>
<td>SA</td>
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<tr>
<td>Brandis, Hon. George Henry, QC</td>
<td>QLD</td>
<td>30.6.2017</td>
<td>LP</td>
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<tr>
<td>Brown, Carol Louise</td>
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<tr>
<td>Bullock, Joseph Warrington</td>
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<td>Bushby, David Christopher</td>
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<tr>
<td>Cameron, Hon. Douglas Niven</td>
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<td>Canavan, Matthew James</td>
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<td>30.6.2020</td>
<td>LNP</td>
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<tr>
<td>Carr, Hon. Kim John</td>
<td>VIC</td>
<td>30.6.2017</td>
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<td>Cash, Hon. Michaela Clare</td>
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<td>30.6.2020</td>
<td>LP</td>
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<tr>
<td>Colbeck, Hon. Richard Mansell</td>
<td>TAS</td>
<td>30.6.2020</td>
<td>LP</td>
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<tr>
<td>Collins, Hon. Jacinta Mary Ann</td>
<td>VIC</td>
<td>30.6.2020</td>
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<tr>
<td>Conroy, Hon. Stephen Michael</td>
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<tr>
<td>Cormann, Hon. Mathias Hubert Paul</td>
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<td>30.6.2017</td>
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<tr>
<td>Dastyari, Sam</td>
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<td>30.6.2017</td>
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<tr>
<td>Day, Robert John</td>
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<td>30.6.2020</td>
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<tr>
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<tr>
<td>Fierravanti-Wells, Hon. Concetta Anna</td>
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<td>Fifield, Hon. Mitchell Peter</td>
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<tr>
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<tr>
<td>Gallagher, Katherine Ruth</td>
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<td>Hanson-Young, Sarah Coral</td>
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<td>Lambie, Jacqui</td>
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<td>Lazarus, Glenn Patrick</td>
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<td>Leyonhjelm, David Ean</td>
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<td>Lines, Susan</td>
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<td>Lindgren, Joanna Maria</td>
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<td>Ludlam, Scott</td>
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<td>Macdonald, Hon. Ian Douglas</td>
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<td>Marshall, Gavin Mark</td>
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<td>McAllister, Jennifer</td>
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<td>McEwen, Anne</td>
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<td>McGrath, James</td>
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<td>McKenzie, Bridget</td>
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<td>McKim, Nicholas James</td>
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<td>30.6.2017</td>
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<tr>
<td>McLucas, Hon. Jan Elizabeth</td>
<td>QLD</td>
<td>30.6.2017</td>
<td>ALP</td>
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<tr>
<td>Moore, Claire Mary</td>
<td>QLD</td>
<td>30.6.2020</td>
<td>ALP</td>
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<tr>
<td>Muir, Ricky Lee</td>
<td>VIC</td>
<td>30.6.2020</td>
<td>AMEP</td>
</tr>
<tr>
<td>Nash, Hon. Fiona Joy</td>
<td>NSW</td>
<td>30.6.2017</td>
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Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives:

<table>
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<tr>
<th>Territory</th>
<th>Senator</th>
<th>Party</th>
<th>Senator</th>
<th>Party</th>
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<tbody>
<tr>
<td>Australian Capital Territory</td>
<td>Gallagher, K.</td>
<td>ALP</td>
<td>Seselja, Z.M.</td>
<td>ALP</td>
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<tr>
<td>Northern Territory</td>
<td>Scullion, N. G.</td>
<td>CLP</td>
<td>Peris, N. M.</td>
<td>ALP</td>
</tr>
</tbody>
</table>

(1) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice R. Carr), pursuant to section 15 of the Constitution.

(2) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice J Faulkner), pursuant to section 15 of the Constitution.

(3) Chosen by the Australian Capital Territory Legislative Assembly to fill a casual vacancy (vice K. Lundy), pursuant to section 15 of the Constitution.

(4) Chosen by the Parliament of Queensland to fill a casual vacancy (vice B. Mason), pursuant to section 15 of the Constitution.

(5) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice C. Milne), pursuant to section 15 of the Constitution.

(6) Chosen by the Parliament of South Australia to fill a casual vacancy (vice P. Wright), pursuant to section 15 of the Constitution.
PARTY ABBREVIATIONS
AG—Australian Greens; ALP—Australian Labor Party;
AMEP—Australian Motoring Enthusiast Party; CLP—Country Liberal Party;
FFP—Family First Party; IND—Independent, LDP—Liberal Democratic Party;
LNP—Liberal National Party; LP—Liberal Party of Australia;
NATS—The Nationals; PUP—Palmer United Party

Heads of Parliamentary Departments
Clerk of the Senate—R Laing
Clerk of the House of Representatives—D Elder
Acting Secretary, Department of Parliamentary Services—D Heriot
Parliamentary Budget Officer—P Bowen
<table>
<thead>
<tr>
<th>Title</th>
<th>Minister</th>
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</thead>
<tbody>
<tr>
<td>Prime Minister</td>
<td>Hon Malcolm Turnbull MP</td>
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<tr>
<td>Minister for Indigenous Affairs</td>
<td>Senator Hon Nigel Scullion</td>
</tr>
<tr>
<td>Minister for Women</td>
<td>Senator Hon Michaelia Cash</td>
</tr>
<tr>
<td>Cabinet Secretary</td>
<td>Senator Hon Michaelia Cash</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Public Service</td>
<td>Senator Hon Michaelia Cash</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Digital Government</td>
<td>Senator Hon Michaelia Cash</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Counter Terrorism</td>
<td>Senator Hon Mitch Fifield</td>
</tr>
<tr>
<td>Assistant Minister to the Prime Minister</td>
<td>Hon Alan Tudge MP</td>
</tr>
<tr>
<td>Assistant Minister to the Prime Minister</td>
<td>Senator Hon James McGrath</td>
</tr>
<tr>
<td>Assistant Minister for Productivity</td>
<td>Hon Dr Peter Hendy MP</td>
</tr>
<tr>
<td>Assistant Cabinet Secretary</td>
<td>Senator Hon Scott Ryan</td>
</tr>
<tr>
<td>Minister for Infrastructure and Regional Development (Deputy Prime Minister)</td>
<td>Hon Warren Truss MP</td>
</tr>
<tr>
<td>Minister for Resources, Energy and Northern Australia</td>
<td>Hon Josh Frydenberg MP</td>
</tr>
<tr>
<td>Minister for Territories, Local Government and Major Projects</td>
<td>Hon Paul Fletcher MP</td>
</tr>
<tr>
<td>Assistant Minister to the Deputy Prime Minister</td>
<td>Hon Michael McCormack MP</td>
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<tr>
<td>Minister for Foreign Affairs</td>
<td>Senator Hon Julie Bishop MP</td>
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<tr>
<td>Minister for Trade and Investment</td>
<td>Hon Andrew Robb AO MP</td>
</tr>
<tr>
<td>Minister for International Development and the Pacific</td>
<td>Hon Steven Ciobo MP</td>
</tr>
<tr>
<td>Minister for Tourism and International Education</td>
<td>Senator Hon Richard Colbeck</td>
</tr>
<tr>
<td>Assistant Minister for Multicultural Affairs</td>
<td>Senator Hon Richard Colbeck</td>
</tr>
<tr>
<td>Attorney-General</td>
<td>Senator Hon George Brandis QC</td>
</tr>
<tr>
<td>(Vice-President of the Executive Council)</td>
<td></td>
</tr>
<tr>
<td>(Leader of the Government in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Minister for Justice</td>
<td>Hon Michael Keenan MP</td>
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<tr>
<td>Assistant Minister for Multicultural Affairs</td>
<td>Senator Hon Concetta Fierravanti-Wells</td>
</tr>
<tr>
<td>Treasurer</td>
<td>Hon Scott Morrison MP</td>
</tr>
<tr>
<td>Minister for Small Business</td>
<td>Hon Kelly O’Dwyer MP</td>
</tr>
<tr>
<td>Assistant Treasurer</td>
<td>Hon Kelly O’Dwyer MP</td>
</tr>
<tr>
<td>Assistant Minister to the Treasurer</td>
<td>Hon Alex Hawk MP</td>
</tr>
<tr>
<td>Minister for Finance</td>
<td>Senator Hon Mathias Cormann</td>
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<tr>
<td>(Deputy Leader of Government in the Senate)</td>
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<tr>
<td>Special Minister of State</td>
<td>Hon Mal Brough MP</td>
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<tr>
<td>Minister for Agriculture and Water Resources</td>
<td>Hon Barnaby Joyce MP</td>
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<tr>
<td>Assistant Minister for Agriculture and Water Resources</td>
<td>Senator Hon Anne Ruston</td>
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<tr>
<td>Minister for Industry, Innovation and Science (Leader of the House)</td>
<td>Hon Christopher Pyne MP</td>
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<tr>
<td>Minister for Resources, Energy and Northern Australia</td>
<td>Hon Josh Frydenberg MP</td>
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<tr>
<td>Assistant Minister for Science</td>
<td>Senator Hon Karen Andrews MP</td>
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<tr>
<td>Assistant Minister for Innovation</td>
<td>Senator Wyat Roy MP</td>
</tr>
<tr>
<td>Minister for Immigration and Border Protection</td>
<td>Hon Peter Dutton MP</td>
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<td>Assistant Minister for Multicultural Affairs</td>
<td>Senator Hon Concetta Fierravanti-Wells</td>
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<tr>
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<tr>
<td>Minister for the Environment</td>
<td>Hon Greg Hunt MP</td>
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<tr>
<td>Minister for Cities and the Built Environment</td>
<td>Hon Jamie Briggs MP</td>
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<tr>
<td>Minister for Health</td>
<td>Hon Sussan Ley MP</td>
</tr>
<tr>
<td>Assistant Minister for Health</td>
<td>Hon. Ken Wyatt MP</td>
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<tr>
<td>Minister for Sport</td>
<td>Hon Sussan Ley MP</td>
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<tr>
<td>Minister for Rural Health</td>
<td>Senator Hon Fiona Nash</td>
</tr>
<tr>
<td>Minister for Defence</td>
<td>Senator Hon Marise Payne</td>
</tr>
<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Hon Stuart Robert MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Centenary of ANZAC</td>
<td>Hon Stuart Robert MP</td>
</tr>
<tr>
<td>Minister for Defence Materiel and Science</td>
<td>Hon Mal Brough MP</td>
</tr>
<tr>
<td>Assistant Minister for Defence</td>
<td>Hon Darren Chester MP</td>
</tr>
<tr>
<td>Minister for Communications</td>
<td>Senator Hon Mitch Fifield</td>
</tr>
<tr>
<td>Minister for the Arts</td>
<td>Senator Hon Mitch Fifield</td>
</tr>
<tr>
<td>(Manager of Government Business in the Senate)</td>
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</tr>
<tr>
<td>Minister for Employment</td>
<td>Senator Hon Michaelia Cash</td>
</tr>
<tr>
<td>Minister for Social Services</td>
<td>Hon Christian Porter MP</td>
</tr>
<tr>
<td>Minister for Human Services</td>
<td>Hon Stuart Robert MP</td>
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<tr>
<td>Assistant Minister for Multicultural Affairs</td>
<td>Senator Hon Concetta Fierravanti-Wells</td>
</tr>
<tr>
<td>Minister for Education and Training</td>
<td>Senator Hon Simon Birmingham</td>
</tr>
<tr>
<td>(Deputy Leader of the House)</td>
<td>Hon Luke Hartsuyker MP</td>
</tr>
<tr>
<td>Minister for Tourism and International Education</td>
<td>Senator Hon Richard Colbeck</td>
</tr>
</tbody>
</table>

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases. Assistant Ministers in italics are designated as Parliamentary Secretaries under the *Ministers of State Act 1952.*
### SHADOW MINISTRY

<table>
<thead>
<tr>
<th>TITLE</th>
<th>SHADOW MINISTER</th>
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<tbody>
<tr>
<td><strong>Leader of the Opposition</strong></td>
<td>Hon. Bill Shorten MP</td>
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<tr>
<td><strong>Shadow Minister Assisting the Leader for Science</strong></td>
<td>Senator Hon. Kim Carr</td>
</tr>
<tr>
<td><strong>Shadow Minister Assisting the Leader for Small Business</strong></td>
<td>Hon. Bernie Ripoll MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Small Business</strong></td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td><strong>Shadow Cabinet Secretary</strong></td>
<td>Senator Hon. Jacinta Collins</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary to the Leader of the Opposition</strong></td>
<td>Hon. Michael Danby MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary to the Leader of the Opposition</strong></td>
<td>Dr. Jim Chalmers MP</td>
</tr>
<tr>
<td><strong>Deputy Leader of the Opposition</strong></td>
<td>Hon. Tanya Plibersek MP</td>
</tr>
<tr>
<td><strong>Shadow Minister for Foreign Affairs and International Development</strong></td>
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<tr>
<td>Shadow Minister for Women</td>
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<tr>
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<tr>
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<td>Hon. David Feeney MP</td>
</tr>
<tr>
<td><strong>Shadow Parliamentary Secretary for Foreign Affairs</strong></td>
<td>Hon. Matt Thistlethwaite MP</td>
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<tr>
<td><strong>Leader of the Opposition in the Senate</strong></td>
<td>Senator Hon. Penny Wong</td>
</tr>
<tr>
<td><strong>Shadow Minister for Trade and Investment</strong></td>
<td>Dr. Jim Chalmers MP</td>
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<tr>
<td>Shadow Minister for Defence</td>
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<td>Shadow Assistant Minister for Defence</td>
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<td>Shadow Minister for Veterans’ Affairs</td>
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</tr>
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<td><strong>Shadow Minister for Infrastructure and Transport</strong></td>
<td>Hon. Anthony Albanese MP</td>
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<tr>
<td><strong>Shadow Minister for Cities</strong></td>
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<tr>
<td>Shadow Minister for Tourism</td>
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</tr>
<tr>
<td>Shadow Minister for Regional Development and Local Government</td>
<td>Hon. Julie Collins MP</td>
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<td><strong>Shadow Parliamentary Secretary for Regional Development and</strong></td>
<td>Hon. Alannah MacTiernan MP</td>
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<td><strong>Shadow Parliamentary Secretary for Western Australia</strong></td>
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<td><strong>Shadow Parliamentary Secretary for External Territories</strong></td>
<td>Hon. Warren Snowdon MP</td>
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<td><strong>Shadow Treasurer</strong></td>
<td>Hon. Chris Bowen MP</td>
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<td>Shadow Assistant Treasurer</td>
<td>Hon. Dr Andrew Leigh MP</td>
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<td>Shadow Minister for Financial Services and Superannuation</td>
<td>Hon. Bernie Ripoll MP</td>
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<td><strong>Shadow Parliamentary Secretary to the Shadow Treasurer</strong></td>
<td>Hon. Ed Husic MP</td>
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<td><strong>Shadow Minister for Finance</strong></td>
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<td>Manager of Opposition Business (House)</td>
<td>Hon. Tony Burke MP</td>
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<tr>
<td>Shadow Minister for Environment, Climate Change and Water</td>
<td>Hon. Mark Butler MP</td>
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<td><strong>Shadow Parliamentary Secretary for the Environment, Climate</strong></td>
<td>Senator Hon. Lisa Singh</td>
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<td>Change and Water</td>
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<td><strong>Shadow Minister for Higher Education, Research, Innovation</strong></td>
<td>Senator Hon. Kim Carr</td>
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<td>Shadow Minister for Vocational Education</td>
<td>Hon. Sharon Bird MP</td>
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<td>Shadow Assistant Minister for Higher Education</td>
<td>Hon. Amanda Rishworth MP</td>
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<td>Michelle Rowland MP</td>
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<td>Hon. Kate Ellis MP</td>
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<td>Shadow Minister for Early Childhood</td>
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<td>Shadow Assistant Minister for Education</td>
<td>Hon. Amanda Rishworth MP</td>
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<td>Shadow Parliamentary Secretary for Education</td>
<td>Julie Owens MP</td>
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<td>Shadow Minister for Agriculture</td>
<td>Hon. Joel Fitzgibbon MP</td>
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<td>Shadow Minister for Rural Affairs</td>
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<td>Shadow Minister for Northern Australia</td>
<td>Hon. Gary Gray AO MP</td>
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<td>Shadow Special Minister of State</td>
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<td>Shadow Parliamentary Secretary for Northern Australia</td>
<td>Hon. Warren Snowdon MP</td>
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<td>Shadow Minister for Health</td>
<td>Hon. Catherine King MP</td>
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<td>Shadow Assistant Minister for Health</td>
<td>Stephen Jones MP</td>
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<td>Shadow Minister for Mental Health</td>
<td>Senator Hon. Jan McLucas</td>
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<td>Shadow Minister for Sport</td>
<td>Hon. Bernie Ripoll MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Health</td>
<td>Nick Champion MP</td>
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<tr>
<td>Shadow Minister for Families and Payments</td>
<td>Hon. Jenny Macklin MP</td>
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<td>Shadow Minister for Disability Reform</td>
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<td>Shadow Minister for Human Services</td>
<td>Senator Hon. Doug Cameron</td>
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<td>Shadow Minister for Housing and Homelessness</td>
<td>Senator Hon. Jan McLucas</td>
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<td>Shadow Minister for Carers</td>
<td>Senator Claire Moore</td>
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<td>Shadow Minister for Communities</td>
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<td>Shadow Parliamentary Secretary for Families and Payments</td>
<td>Senator Carol Brown</td>
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<tr>
<td>Shadow Minister for Immigration and Border Protection</td>
<td>Hon. Richard Marles MP</td>
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<tr>
<td>Shadow Minister for Citizenship and Multiculturalism</td>
<td>Michelle Rowland MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Hon. Matt Thistlethwaite MP</td>
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<td>Shadow Minister for Indigenous Affairs</td>
<td>Hon. Shayne Neumann MP</td>
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<td>Shadow Minister for Ageing</td>
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<tr>
<td>Shadow Parliamentary Secretary for Indigenous Affairs</td>
<td>Hon. Warren Snowdon MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Aged Care</td>
<td>Senator Helen Polley</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workplace Relations</td>
<td>Hon. Brendan O'Connor MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment Services</td>
<td>Hon. Julie Collins MP</td>
</tr>
</tbody>
</table>
CONTENTS

WEDNESDAY, 14 OCTOBER 2015

Chamber
DOCUMENTS—
   Tabling .................................................................................................................. 7557
COMMITTEES—
   Joint Standing Committee on Treaties—
      Meeting ............................................................................................................... 7557
BILLS—
   Social Security Legislation Amendment (Debit Card Trial) Bill 2015—
      Second Reading ................................................................................................. 7557
         In Committee ................................................................................................. 7565
STATEMENTS BY SENATORS—
   Coalmining ........................................................................................................... 7604
   Taxation .................................................................................................................. 7607
   Tasmania: World Heritage Areas ................................................................. 7608
   Western Australia: Kimberley Region ............................................................ 7610
   Urban Planning ...................................................................................................... 7612
   Freedom of Speech .............................................................................................. 7615
   National Australia Bank ...................................................................................... 7616
   Migration ................................................................................................................ 7619
   Anti-Poverty Week ............................................................................................... 7621
QUESTIONS WITHOUT NOTICE—
   Broadband ........................................................................................................... 7622
DISTINGUISHED VISITORS .................................................................................. 7623
QUESTIONS WITHOUT NOTICE—
   Malaysia Airlines Flight MH17 .......................................................................... 7623
   Public Transport ................................................................................................... 7624
   National Security .................................................................................................. 7626
   Economy ................................................................................................................ 7627
   Allied Health Scholarships ................................................................................... 7628
   Trade with China ................................................................................................... 7630
   Water ...................................................................................................................... 7631
   Register of Members' Interests ............................................................................ 7633
   Tasmania: Tourism ............................................................................................... 7633
   Research and Development ............................................................................... 7635
   Child Care ............................................................................................................. 7635
   Economy ................................................................................................................ 7637
QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS—
   Broadband ........................................................................................................... 7638
   National Security ................................................................................................. 7644
PARLIAMENTARY OFFICE HOLDERS—
   Temporary Chairmen of Committees .................................................................. 7645
NOTICES—
   Withdrawal .......................................................................................................... 7645
   Presentation ............................................................................................................ 7646
BUSINESS—
   Leave of Absence ............................................................................................... 7650
CONTENTS—continued

NOTICES—
Postponement ............................................................................................................. 7650
BILLS—
Defence Legislation Amendment (First Principles) Bill 2015—
  First Reading ............................................................................................................. 7650
  Second Reading ................................................................................................. 7651
MOTIONS—
  Goods and Services Tax .................................................................................... 7652
  Community Legal Centres .................................................................................. 7653
  Infrastructure ...................................................................................................... 7653
  Anti-Poverty Week ......................................................................................... 7655
MATTERS OF PUBLIC IMPORTANCE—
  Water .................................................................................................................. 7657
COMMITTEES—
  Finance and Public Administration Legislation Committee—
    Government Response to Report ........................................................................ 7672
DOCUMENTS—
  Consideration ...................................................................................................... 7672
COMMITTEES—
  Rural and Regional Affairs and Transport Legislation Committee—
    Additional Information ...................................................................................... 7672
  Scrutiny of Bills Committee—
    Report ............................................................................................................. 7672
  Parliamentary Joint Committee on Human Rights—
    Report .............................................................................................................. 7672
  Education and Employment References Committee—
    Report .............................................................................................................. 7674
COMMITTEES—
  Membership ...................................................................................................... 7676
BILLS—
  Customs Depot Licensing Charges Amendment Bill 2015—
  Customs Amendment (Fees and Charges) Bill 2015—
  Import Processing Charges Amendment Bill 2015—
  First Reading ........................................................................................................ 7677
  Second Reading ................................................................................................. 7677
  Social Security Legislation Amendment (Further Strengthening Job Seeker Compliance)
    Bill 2015—
    First Reading .................................................................................................. 7679
    Second Reading .............................................................................................. 7679
  Social Services Legislation Amendment (Cost of Living Concession) Bill 2015—
  Social Services Legislation Amendment (Low Income Supplement) Bill 2015—
  First Reading .................................................................................................... 7684
  Second Reading ............................................................................................... 7684
COMMITTEES—
  Membership ...................................................................................................... 7685
  Economics Legislation Committee—
    Report ............................................................................................................ 7685
CONTENTS—continued

BILLS—
Social Security Legislation Amendment (Debit Card Trial) Bill 2015—
  In Committee................................................................. 7685
  Third Reading.......................................................... 7695
Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015—
  Second Reading....................................................... 7696

ADJOURNMENT—
Environment.............................................................. 7713
  Carers ........................................................................ 7716
  Tasmania: Gas Prices ................................................ 7718
  Middle East................................................................. 7720
  Papua New Guinea and Solomon Islands: Climate Change........... 7720

DOCUMENTS—
  Tabling.................................................................. 7723
  Tabling.................................................................. 7723
  Tabling.................................................................. 7723
Wednesday, 14 October 2015

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

DOCUMENTS

Tabling

The Clerk: I table documents pursuant to statute and returns to order. Lists are available from the Table Office or chamber attendants. 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

Joint Standing Committee on Treaties

Meeting

The Clerk: A proposal has been lodged by the Joint Standing Committee on Treaties to hold a private meeting on Thursday, 15 October from 3.30 pm.

The PRESIDENT (09:31): Does any senator wish to have that question put? There being no request to do so, we will proceed to business.

BILLS

Social Security Legislation Amendment (Debit Card Trial) Bill 2015

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator CAROL BROWN (Tasmania) (09:31): I rise to speak on the Social Security Legislation Amendment (Debit Card Trial) Bill 2015. The bill seeks to amend the social security law to enable a trial phase of new cashless welfare arrangements in response to the 'healthy welfare card' recommendation from Mr Andrew Forrest’s review of Indigenous jobs and training.

The trial is proposed to be conducted in three locations, involving up to 10,000 people. Locations will be selected on the basis of high levels of welfare dependence; where gambling, alcohol and/or drug abuse are causing unacceptable levels of harm within the community; and where there is a level of community support. The participants in this trial are people who reside in the trial locations and who are on working age payments, including Newstart, disability support and carer payments. Age pensioners and wage earners can volunteer.

In rising to speak on this bill I acknowledge the significant harm caused by alcohol abuse and the related violence. The Community Affairs Legislation Committee inquiry into this bill heard from residents about the devastating impacts that alcohol abuse and violence have in communities across Australia, in particular the committee heard about the destructive impact they have on Ceduna, the first trial site for this initiative, and the surrounding communities.

I had the pleasure yesterday of having a delegation from Ceduna come and meet with me to talk about this piece of legislation. Labor understands the need to take action to address these
problems. However, in seeking to do so, this debit card legislation should not be rushed or avoid proper scrutiny. Indeed, the Labor senators’ report from the Community Affairs Legislation Committee goes to this very point. The proposed trial will have significant implications for the lives of those living in the trial sites and, if it is planned and implemented well, these implications will be positive. However, if the proposed trial is rushed and implemented without the appropriate supports, the trial will not only likely fail but will also have a negative impact on people’s lives. Unfortunately, this is what Mr Tudge has sought to do. The bill was introduced without important details being worked out, and we heard that concern in some of the contributions to this bill by other senators yesterday. This concern was evident throughout the Senate committee inquiry process, with the department being unable to explain crucial details about the trial, particularly the supports that would accompany this.

Rushing proper consideration of this legislation and its impacts is nothing more than irresponsible and could potentially undermine the very outcomes that the trial seeks to achieve. I acknowledge that Mr Tudge has provided further detail about the trial in a letter to our shadow ministers, Jenny Macklin and Shane Neumann. However, significant issues remain unresolved. In fact, this additional information was provided by Mr Tudge only on Sunday afternoon and only after the shadow ministers wrote to him expressing Labor’s concerns. Mr Tudge used his response as an opportunity to attack Labor and question our commitment to supporting community leaders to respond to the harm caused by alcohol in their communities. Mr Tudge must realise that this is not about playing politics, it is not about scoring cheap shots; this is about making long-term change. This type of long-term change will be possible only if this trial is implemented properly, and this can happen only through proper consideration of the debit card trial legislation and its implications.

Labor will not be badgered into rushing its consideration of the legislation. Labor wants to ensure that the debit card trial achieves the best outcomes for participating communities, and this will happen only if we properly consider the proposal. The proposal in the bill stems from the healthy welfare card recommendation from Mr Andrew Forrest’s review of Indigenous jobs and training. The trial, which has been designed in response to the report’s recommendations and would be established through this bill, intends to test whether significantly reducing access to cash can reduce the habitual abuse and associated harm from alcohol, gambling and illegal drugs. Under the trial, access to cash for income support recipients would be limited by placing a significant proportion of a person’s welfare payments into a restricted bank account. The bill will also enable a community body to be involved in determining welfare arrangements within a trial location. We note that the bill does not include where these locations will be and that, instead, these trial areas will be specified later through legislative instrument. We do know, however, that the bill allows the trial to be conducted in up to three locations for up to 10,000 people.

As my colleagues have mentioned, a memorandum of understanding has already been signed for Ceduna and the surrounding area to be the first trial location. The trial sites are to be determined on the basis of need—selected on the basis of high levels of welfare dependence, where gambling, alcohol and drug abuse are causing unacceptable levels of harm within the community. The bill establishes that in these locations 80 per cent of regular payments and 100 per cent of lump sum payments received by people on a working-age income support payment will be placed in a restricted bank account. The remaining 20 per
The cent of payments will be put in the bank account of the recipient's choice. This money will be available for use at the individual's discretion. Trial participants will include people in receipt of Newstart allowance, parenting payment, disability support pension and carer payment. Age pension recipients will not be part of the trial automatically, but they could volunteer to be included. A trial participant will not be able to use the debit card linked to the restricted account to access cash or purchase gambling products and services, alcohol or illegal drugs.

I think it is important to note that the new debit card arrangements are very different from the income management program. Unlike with income management, participants on the new debit card will receive no assistance from Centrelink workers with budgeting and to make sure that the income support payments are directed to life's essentials, like rent, food and items of clothing. The new debit card will ensure only that the majority of income support payments cannot be spent on alcohol or gambling products. For this reason it is critical that the trial include the appropriate support services to ensure that the proposal can support people to tackle the very complex and often intergenerational problems that confront these communities.

The need for a comprehensive package of support to accompany the debit card was raised in a number of the submissions to the Senate inquiry. The submission from Empowering Communities put it clearly when they stated:

The card alone will not solve the underlying factors which lead to drug, alcohol and gambling abuse, or the harm they cause.

The submissions highlighted that supports and services had to be part of any effort to meaningfully respond to the harm caused by alcohol abuse. In their submission to the Senate committee inquiry, Yalata Community Incorporation states:

It is the strong view of Yalata and other Aboriginal leaders that the cashless debit card by itself will not address the problems caused by alcohol. The success of the trial will be determined by the other support measures that are implemented at the same time.

If these accompanying supports and services are not provided, this trial is surely bound to fail and to merely act to penalise income support recipients in trial sites. As such, this new card should not be seen as a solution for all the problems in these communities.

Labor is unwavering in its commitment to helping communities tackle alcohol and drug abuse and the harm it causes. Labor is firm in our commitment to protecting individuals, particularly women and children and those who are most vulnerable within our community, from these harms. Frankly, it is appalling that Mr Tudge has sought to colour Labor's insistence on appropriate oversight and consideration of the trial as anything but a commitment to making certain that the proposed debit card trial will help these communities and protect vulnerable people.

Labor wants to ensure that the trial is sufficiently comprehensive to drive the long-term positive change needed for all communities that may be impacted. Labor knows that alcohol abuse and the harm it causes is having a devastating impact on the lives of people in some communities. However, Labor is concerned that the proposed debit card trial and related bill is not sufficiently comprehensive to meet its stated aims—to tackle alcohol, drug and gambling abuse and the harm it causes to particular communities. We are also concerned that insufficient evidence was provided about how the bill will operate and note that many of the details are yet to be worked through.
As I previously indicated, during the Senate committee inquiry we heard that there was a level of confusion about what had been agreed for the proposed trial. I share the concerns expressed during the inquiry that the consultations on the trial have been unsatisfactory to date. This does not undermine Labor's commitment to addressing alcohol abuse and harm. It does not undermine Labor's understanding of the desperate need for action to support long-term change. I completely reject Mr Tudge's characterisation that Labor is turning its back on what community leaders are saying or that we are placing the trial at risk by asking additional questions about the trial. This is scaremongering and avoidance of fulsome scrutiny of the legislation.

Rather, it is Labor's commitment to addressing these issues and our understanding that action is needed that drive our consideration of this bill. Labor is committed to supporting community leaders in responding to the harm caused in their communities through fulsome consideration of the legislation and its implications. We believe that this will ultimately support a better long-term outcome for people living in the proposed trial communities. As I have already stated, Labor is working hard to make sure that the trial is robust and will support its stated aims: tackling alcohol abuse and the harm it causes. That is why we are working hard to make sure that additional supports will be in place for participating communities, like drug and alcohol services, family violence services and financial management programs. I welcome the commitment of these supports to Ceduna, but this trial will impact on other locations and it will be critical that they receive similar adequate supports and services.

Another important element of the proposal, that Labor supports in principle, is the community panel model. However, it was clear from the evidence to the Senate committee inquiry that there is a lack of shared understanding about how a community panel could operate and when it might commence. This is largely due to the fact that there has been insufficient information from the government about the role and responsibilities of such a panel. The lack of detail and public information about exactly how the trial would operate was a consistent theme throughout the submissions to the Senate inquiry. Submissions from organisations such as Financial Counselling Australia, Consumer Action Law Centre and the National Welfare Rights Network highlighted a number of details and issues that they believed had not been worked out or made public.

These submissions raised concerns that many of the details about how the debit card will operate are yet to be finalised or sufficiently worked through, including how funds were to be managed, by which financial institution, privacy considerations and compliance monitoring. Submissions also raised concerns with the fact that the debit card trial would apply to all people on a working-age payment, with no mechanism for people to come off the debit card.

Many people in receipt of income support payments are responsibly managing their payments and in the interests of their family and children. These people may not individually benefit from the debit card. For this reason Labor would support further consideration as to whether people should be able to come off the debit card if they meet certain criteria. A mechanism like this would also act to encourage positive change for people who may be on the debit card. And while I welcome Mr Tudge's belated efforts to provide some of the details about the trial, it is simply unacceptable that the government thinks that the Senate should
pass this legislation without having properly considered the detail and implications of the proposal.

Another significant issue which Labor is seeking assurances from the government on is the trial evaluation. Ahead of the commencement of the trial it is vital that a robust evaluation framework is in place. Without this type of evaluation any trial is pointless and we will not develop the evidence on the impacts. This is precisely the reason for having a trial.

Labor will continue to hold the government to account and to make sure that any outstanding details are worked through and agreed prior to a trial commencing. Once the government has provided the additional information sought we will be prepared to vote on the bill.

The trial of the proposed debit card is a significant measure that has implications for communities across Australia, beyond those where the trial will proceed. Labor acknowledges that it could have benefits for communities affected by alcohol abuse. It is important that the legislation is developed robustly and not be rushed. Labor, in government, followed a far more comprehensive and detailed process in developing substantive welfare reform measures of this type. Labor hopes the government will work hard in the coming months to rectify the shortcomings so that we can reach agreement on this bill.

We look forward to the government providing a full and detailed response on the outstanding issues that will then enable an informed debate on the bill. Again I note that the concern about the lack of detail that has been expressed by other senators in their contributions is, I believe, widespread in groups that are interested in this trial. I recommend that the government take up the Labor senators' recommendation in terms of the Senate community affairs inquiry into this bill, which asked that the bill not be progressed until there are sufficient consultations carried out in all the possible trial communities and a consultation report with proposed trial communities is made public.

There are a number of other points that the Labor senators on the committee made in their recommendation 2 on this bill. We again ask the government to make public the details of consultations, exactly how the debit card will work and the operations of the bill—including possible community involvement; income quarantining decision making; how people will transition from income management; agreement on the financial institutions; and, as I and other contributors to this debate have already mentioned, privacy considerations. Of course, very importantly, the compliance monitoring is to be made public.

I think it is quite clear from the contributions to this debate—not just from Labor senators but from other senators—that there are a number of concerns that a lot of details on how the debit card will work in the trial areas are not in this bill. A lot of questions have been asked that are currently unanswered, and the government needs to provide those answers to enable a robust and fully-informed debate to take place.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (09:51): This is a very important piece of legislation and I know that is appreciated by all colleagues in this place. I thank them for their contributions not only to this debate but also to the Senate committee process that has looked at the legislation. I particularly acknowledge at the outset the incredible work of Mr Alan Tudge, the Assistant...
Minister to the Prime Minister and also Assistant Minister for Social Services, for whom this has been an area of great interest not just professionally in his ministerial capacity but also in his previous role as deputy director of the Cape York institute as Noel Pearson's deputy.

This bill when enacted will enable a trial phase of new cashless welfare arrangements and a cashless debit card. The main objective of the trial is to test whether restricting discretionary cash can reduce the overall social harm which is caused by welfare-fuelled alcohol, gambling and drug abuse, particularly against women and children. This is an important social reform and, importantly, it is one that the community is calling for. Excessive alcohol consumption, drug use and gambling are—as you know, Mr President, from your previous incarnation as a senior police officer—harmful and costly to the broader community and are a cause of health problems, high crime rates, domestic and community violence, family breakdown and social dysfunction. Alcohol-related harm results in 3,000 deaths and 65,000 hospitalisations every year in Australia. The total cost of alcohol-related problems in the nation is estimated to be between $15 billion and $31 billion per year. Problem gambling is associated with a range of health, social and economic problems. Problem gambling costs the Australian community an estimated $4.7 billion per year, and individuals with gambling problems lose, on average, $21,000 per year—a third of the average Australian salary. These are significant social issues.

The trial will be conducted in up to three locations and will be limited to 10,000 people. Trial locations will be selected on the basis of high levels of welfare dependence and where gambling, alcohol and illegal drug abuse are causing unacceptable levels of harm. Community interest and willingness to participate will also be a factor.

We have undertaken an extensive community consultation process. Consultations to date have included community leaders, proposed trial participants, state and local governments, industry, merchants and welfare groups. These genuine community consultations are enabling a better understanding of local needs and help to gauge the interest in a trial in several communities. The consultation process has provided government with valuable feedback and insight into the issues these communities face.

Ceduna in South Australia will be the first site under the trial to commence. Ceduna signed an MOU with the government on 4 August to participate in the trial, and the leadership in the community have publicly called for this trial and see it as a mechanism to address some of the welfare-fuelled alcohol and drug abuse that is devastating the community.

In Ceduna the statistics are pretty stark. In 2013-14, presentations to the hospital emergency department due to alcohol or drug use exceeded 500—that is more than one per day. The local sobering-up facility had a staggering 4,667 admissions that same year from a regional population of 4,425. The Ceduna community heads group, a key leadership group in the community, had endorsed the reform and said:

We want to build a future for our younger generation to aspire to and believe we cannot do this if our families are caught up in the destructive cycle of alcohol or drugs that destroys our culture, our lands and our communities.

At the heart of this reform, is a change that is being shaped specifically to meet our local needs. It has been a true collaboration to ensure that we can give our mob and our Communities every chance to create real and genuine change in their lives.
We have grasped this initiative; we have helped shape this initiative; and we are confident that this initiative is for the betterment of all people within our region.

We are also in advanced discussions with the leaders in the East Kimberley region. Key leaders in the region, led by Ian Trust of the Wunan Foundation, Ted Hall Junior of the MG Corporation and Desmond Hill of the Gelganyem Trust see the trial as a worthy idea to address many social issues facing their communities. The three leaders wrote to the government saying: ‘We acknowledge that agreeing to the East Kimberley being a trial site for the restricted debit card may seem to some a rather drastic step. However, it is our view that continuing to deliver the same programs we have delivered for the past 40 years will do nothing for our people and, besides wasting more time and money, will condemn our children and future generations to a life of poverty and despair. As leaders in the East Kimberley, we cannot accept this.’ The leaders also urged federal members of parliament from all sides to: ‘Listen to us on this matter and take a non-partisan position in order to allow this trial to proceed. We believe that this trial could be the catalyst for breaking the cycle of poverty and despair in the East Kimberley.’

When local leaders stand up and call for reform, parliamentarians should listen and respond, and that is what we are seeking to do here. The community harm statistics from the East Kimberley are also shocking. In a place such as Kununurra, the hospitalisation rate from assaults is 68 times the national average.

To effectively test whether a reduction in cash leads to a reduction in harm, 80 per cent of payments received by all people in the community receiving a working-age welfare payment such as Newstart allowance will be placed on the cashless debit card. The trial aims to support income-support recipients and is not Indigenous-specific. People who receive the age pension and veterans pension will not automatically be placed on the trial; however, they will be able to volunteer to participate in the trial if they wish.

Recognising that we do not live in a cashless society and that people need cash for minor expenses such as children's lunch money or bus fares, the remaining 20 per cent of the payments will be available for use at the person's discretion. The figure of 20 per cent cash was decided through consultation with communities.

The cashless debit card will work as similarly as possible to any other bank card. The card will work at all shops except those selling alcohol and gambling products. The only difference between this card and any other bank product is that it will not support cash withdrawals or allow the purchase of those products contributing to community harm. Restrictions on the withdrawal of cash will also help combat expenditure of welfare dollars on illicit drugs like ice which we know are devastating many communities across the nation. Participants in the trial will automatically receive an everyday mainstream debit card. Participants will have access to online banking, a mobile app and a customer call centre; this will give participants easy access to their bank balance and transaction histories and a simple way to report lost or stolen cards.

Participants will also have the option of receiving SMS alerts or mobile phone push alerts. These alerts will notify participants when money is received in their account, provide an updated balance after purchases over a particular amount and warn participants when their bank balance is getting low. All of these services will be available at no cost to the participants.
Community education workshops will be held before the trial commences in each location. At these workshops participants will be provided with information on how the card will work and how to use online services. These workshops will ensure participants are supported during transition to the trial. Because the card will work everywhere except at shops selling alcohol or gambling products, most merchants will not have to do anything to accept the new card. Retail staff will not require any additional training, and there will be no extra paperwork. If there is a business that sells alcohol or gambling products as well as other goods, they may still be able to enter into a contract to accept the card. This will involve agreeing to ensure their customers cannot use the card to buy these products. If a business only sells alcohol or gambling goods and services such as poker machines, sports wagering, keno and casino games, they will not be able to take part in the trial.

Government and the cashless card provider will work closely with merchants prior to and during trial implementation to ensure a smooth transition to the trials for merchants. The bill also empowers the minister to authorise community bodies in trial locations. An authorised community body will be able to reduce the percentage of a person's welfare payment that is placed on the cashless debit card. This recognises that the community has an important role to play in the trial and in encouraging socially responsible behaviour. It also supports community autonomy and reinforces that the trial is being community led.

An evaluation of the trial will be undertaken. The evaluation will contribute to a robust knowledge base and will explore the impact on levels of community harm following implementation of the trial. The evaluation will also canvas the opinions of trial participants, service providers and individuals in the community in order to develop our understanding of the influence of the trial on broader community functioning. Findings from the trial will make a vital contribution to future options for reducing community harm and dysfunction exacerbated by welfare fuelled alcohol and drug abuse at both individual and community levels.

The income management program and the BasicsCard in place across a range of locations throughout the nation is another valuable tool which helps to support individuals and families. It will continue for an additional two years, maintaining support for vulnerable people. Income management and the trial, however, will not be run in the same locations in Ceduna and any other trial site that is an existing income management location. Income management will be switched off before the trial starts.

We acknowledge that, for some people, using a debit card rather than cash to pay for everyday items will be an initial inconvenience. We do not underplay that. However, the potential upside is a transformed community where people are safer; less money is spent on alcohol, gambling and illicit drugs; and more money is available to support children and families. This trial has the support of communities which are desperate to try to curb the impact of alcohol and drug fuelled violence. For these reasons the government is very strongly of the view that it is a concept worth trialling. I think there is broad support for this concept around this chamber. I think colleagues around the chamber know that that which has been done before has not worked. We know what the outcomes will be if we just continue more of the same. It is important that we do test and trial another approach. I commend the bill to my colleagues.
The ACTING DEPUTY PRESIDENT (Senator Lines): The question is that this bill be now read a second time.

The Senate divided. [10:08]

(AActing Deputy President—Senator Lines)

Ayes ...................... 38
Noes ...................... 10
Majority ............... 28

AYES

Abetz, E
Brown, CL
Canavan, MJ (teller)
Collins, JMA
Dastyari, S
Edwards, S
Fifield, MP
Ketter, CR
Lazarus, GP
Lindgren, JM
Ludwig, JW
Marshall, GM
McGrath, J
Moore, CM
O’Neill, DM
Reynolds, L
Seselja, Z
Smith, D
Wang, Z

Back, CJ
Bullock, JW
Colbeck, R
Cormann, M
Day, RJ
Fawcett, DJ
Gallacher, AM
Lambie, J
Leyonhjelm, DE
Lines, S
Madigan, JJ
McEwen, A
McKenzie, B
Muir, R
Peris, N
Ronaldson, M
Singh, LM
Xenophon, N

NOES

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

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

Question agreed to.
Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:11): I have a series of questions that I would like to ask, and I know that Senator Xenophon does to, so perhaps we can explore things topic by topic.

The government has committed $1 million in additional funding—as I understand it through the letter that has gone to Ms Macklin, the opposition shadow on social services—specifically for the trial in Ceduna. My first question is: will there be similar levels of funding for the other trial sites, such as in the East Kimberley, and whatever other towns the
government manages to get to agree to this process? Will there be similar levels of funding, or is it just because this one is the one that the government needs to get over the line to get this legislation over the line?

Senator MOORE (Queensland) (10:12): I also have a question. Minister, if you remember, at the Senate inquiry we asked questions about the availability of funding for wraparound services. At that time the department said there was no designated amount and that there was no cap, that it would actually be worked out with the community at the time. I am very interested to hear whether there has been any further discussion beyond those generalisations that we received at the committee stage, because now we are actually talking about specifics.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:13): Thank you, colleagues. In relation to other communities, there will be support packages that will be developed in a similar way as the one for Ceduna. But the first thing that has to happen is that the government needs to announce the intention for a trial in a particular location. Once that announcement has been made the government will work with local communities through a co-design process on the support package for the trial location.

It is important to see this as enabling legislation. We are in a position where we can confirm Ceduna and where we have announced the support package arrangements for that. But once other trial sites are finalised and announced, then there will be a similar process that will be gone through with those communities to work out similar support arrangements. In relation to Senator Moore's specific question about funding and whether there is a pot of money, we will find the resources that are needed for these support packages.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:14): That leads me exactly on to my next question: where is this funding coming from? There was $270 million cut out of the DSS budget in 2014-15 and by subsequent MYEFO cuts. Where is the money coming from? Is it new money, or is it money that is coming from other programs?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:15): I am advised that it will come from the Indigenous Advancement Strategy and also from funding in the Department of Social Services.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:15): Could you tell me which programs in the IAS it is coming from and how much is coming from there, and how much is coming from DSS and where that money is coming from? What program has not been allocated money, or what has been cut to provide it there?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:16): I will take that on notice in relation to the Department of Social Services. The Department of Social Services, as I know from a previous incarnation, is a large portfolio, and there is ample opportunity to find the appropriate funding from within it. In relation to the Indigenous Advancement Strategy, I will seek further advice from officials as to whether I can give a more specific answer.
Senator SIEWERT (Western Australia—Australian Greens Whip) (10:16): I think that a lot of social service organisations would be fascinated to hear that there is a lot of money in DSS that can be suddenly found just like that for these sorts of services. You cut $270 million out of the budget for this sort of thing, and all of a sudden we can find more money? Not that I am opposed to finding more money, but I am just fascinated that we can suddenly find money for these services when you cut some of them previously. Could you please give us a bit more detail about where the money is coming from?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:17): The Department of Social Services has a budget of $100-plus billion per year, and what we are talking about here are important amounts of money but relatively modest amounts of money, so I am confident that it is within the capacity of government to ensure that there are the funds that are required for what will need to be done to support these communities.

Senator MOORE (Queensland) (10:18): Minister, in the committee hearing we were told that this particular funding would come out of a contingency fund. I have a long history of not understanding contingency funds; I have had them explained to me a number of times. But in terms of the process, I am interested in the last letter from Minister Tudge, which arrived yesterday, I believe. It listed the number of services that would be enhanced by the $1 million payment. It also listed the number of services that were already in place. We were told there was a mapping exercise within the community, working with the community to see what services would be needed. I am very keen to know whether that is going to be the ongoing process, should there be other trial placements, and whether there would be any attempt to say that, because $1 million was appropriate to a trial in Ceduna, there could not be greater or lesser amounts in other trial sites, should such trials happen. What I want to find out is whether the process that we have seen in Minister Tudge's letter, which is working with the community to do a gap analysis and then looking at what other services there could be, would be the model and whether there would be any link between the amount of funding that has been given to this trial and the other trials having to have a similar amount of funding. It would be a similar model, but with no linkage to the amount of funding?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:19): It will very much be a co-design process, and the amount of money will be that which is negotiated and determined with local communities. I have no doubt at all
that those funds are available. The funds that will be required are available in the relevant portfolios.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:21): Does that mean that services that should be available to other towns that would be paid for from the money that pays for these types of supports will not be available to other communities that require them? What happens if other communities put up their hands and say, 'Hey, we need a detox centre, we need a rehab centre, we need these wraparound services'? Does that mean that the trial sites will be prioritised and they will not get those things? How will that decision making occur? Secondly—this relates to evaluation, and I will go to evaluation later, but it does relate to budgets too—the evaluation will need to compare this approach, because it is a trial supposedly, to a centre that does not have the debit card. Will similar services be provided to another regional centre that does not have the debit card, to differentiate the debit card process and effect from the sorts of wraparound services that we all know are needed—in other words, comparing like with like? At the moment what you will be doing is looking at the trial and comparing it with the provision of the debit card and the services, whereas it is a lot of our contention that if you provide some of these early intervention services, rehab services, detox services and wraparound services it will in fact help tremendously to address issues around substance abuse and the sorts of things you say you are aiming for in this trial. That is a series of quite large questions. I appreciate that. Will other towns get this? Will you be specifically investing in these sorts of services in another town in order to be able to carry out a proper trial?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:23): In what we have before us and in the correspondence which has gone from Assistant Minister Tudge to Ms Macklin and is also available for other colleagues, we are talking specifically about the support arrangements for these trials. I do not think anyone should think support arrangements for these trials would be to the detriment of any other community in the nation. If there are propositions that are put to government for support in other communities then they will be considered through the usual government processes. So I do not think anyone should see what is proposed here as being at the expense of other communities. There will be an evaluation of these trial sites. The community will be heavily involved in that evaluation process, and if there are other inputs that communities or colleagues in this place think should be looked at in that evaluation process then I am certain that Assistant Minister Tudge would be only too happy to sit down and talk to colleagues to explore these matters.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:25): I am fascinated by that response, in that I know through the IAS process—and we have a Senate inquiry into this—that applications that were made for these sorts of joined-up wraparound services we are talking about now did not get funded, and there were some in the Kimberley that did not get funded. So, I think a lot of the communities that put in applications through the last round of IAS funding will be (a) fascinated by this debate and (b) coming back to government to ask, 'Can we now have access to these services, given that other communities now seem to be able to get these services'.
My question there is: will the government now be willing to take applications from other communities for these sorts of services? It is a straightforward question: are you opening this process now to applications from other communities who want similar sorts of services for which you have now come up with funding all of a sudden? It is not that I think it is a bad idea to give them services. Will other communities now be able to put up their hand and say, 'We want some funding the same as Ceduna is getting'?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:26): I am not announcing a new process today, but obviously it is always open to communities and senators and members to put propositions to government.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:26): I want to go, then, to the other part of the question that you did touch on, which is the evaluation process. I take it from your answer—and this came up during the inquiry—that the government has not given consideration to how you do a proper trial and evaluate it and what you are evaluating it against. Is that correct?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:27): I might just take Senator Siewert through the advice that has been given to me on the evaluation process. It is expected that the evaluation will involve comprehensive analysis of multiple datasets from both qualitative and quantitative sources. The government is working closely with the Ceduna District Council and the South Australian government and will do so with local and state governments in other trial sites to build a comprehensive community baseline dataset before the trial commences early next year. This is critical for measuring community-level change during the trial. The Premier of South Australia has specifically committed to cooperating with state based data. This data may include state and territory collections, such as alcohol related hospitalisations, emergency department presentations and child protection data; Commonwealth collections, such as Centrelink administrative data related to drug and alcohol dependence, homelessness and housing, employment, recent trauma and domestic violence; local services data, including admissions to drug and alcohol services, mental health services, homelessness services and Aboriginal health services; and local merchant data, such as demand for alcohol and gambling products.

The government is working hand in hand with the Ceduna Community Heads Working Group, which will perform an important role in monitoring the trial and providing advice to government in relation to any unintended consequences or findings whilst the trial is on foot. In terms of the evaluation framework, the cashless debit card evaluation will have three components. The first will be the community change evaluation. An independent organisation will conduct interviews with trial participants and a wide cross-section of the community to explore the impact of the trial on levels of community harm, community functioning, alcohol consumption and rates of gambling, among other key issues relating to community safety. Second is the data monitoring project, where the government, in consultation with local and state governments, will collect data to monitor the effect of the trial in making communities safer on alcohol consumption and its wider negative effects in the community. A specialist with expertise in statistical methods will analyse the changes in these datasets during the trial.
Thirdly, specialised product analysis. Recognising the debit card is a new innovation the government will engage a specialist to monitor and analyse the effectiveness of the card during the trial, and the evaluation will be made public.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:30): Thank you for that additional information. There was some of that in the exchange of letters with the opposition. Thank you for outlining the additional data sets.

With all due respect, I appreciate the information but you did not actually answer my question, which was: will there be the ability to compare like with like? What you are doing is putting in place the debit card process and you are pouring in $1 million worth of additional services. I will repeat again that I think the additional services are really important, so I am not saying—and I do not want anyone for one second to say that I am saying—that those services are not important, because they are. But you have the debit card and the additional services. How are you going to differentiate the impact of the debit card from the additional services? In other words, you need another, similar community to be able to compare it. If you put in $1 million worth of services to a similar community, given the evidence base that we have seen before you are going to see a damn sight better response in that community than if those services were not there. So how are you going to differentiate the impact of the services and of the debit card?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:31): You are right, Senator Siewert. I guess there are two broad elements to an evaluation. One is comparing the circumstances in the given community, looking at what the baseline was and how things have improved or otherwise. The other is comparing a trial site to a similar community, and that will be part of the trial. There are other communities that would be receiving some equivalent forms of community support and that is what the evaluation will look at.

Senator LINES (Western Australia) (10:32): I have a couple of questions around the evaluation. Has the government considered running the evaluation in a culturally appropriate way and, if so, what are those considerations? Secondly, what direct involvement—if any—will Aboriginal people who are part of organisations which are participating in the trial have in the trial? Sorry, I meant in the evaluation.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:33): The whole approach—and Ceduna is a great worked example—has been to work up the design of the trial and also the evaluation in consultation with the community, and how organisations which may be involved in the trial can have input. The Ceduna Community Heads Working Group is such a mechanism. In terms of being culturally appropriate, the local community has been involved and will continue to be involved in every step of the way.

Senator LINES (Western Australia) (10:33): I asked specifically how the evaluation will be conducted and if it will be conducted in a culturally appropriate way, and if it is to be done that way if you could step me through that. Secondly, although I did certainly confuse the minister, I asked about the involvement of Aboriginal people in the evaluation process—not the design of it, but the actual delivery.
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:34): That precise input is to be determined. Obviously, we are open to that and we want that. Again, I emphasise that at every step this has been done in a collaborative way, recognising that the trial can only succeed with strong community support—and not just strong community support but also strong community involvement.

Senator LINES (Western Australia) (10:34): Thank you. I do not want to press the point, but there is a difference between collaboration and cultural appropriateness. I am really trying to get to whether the evaluation will be done in a culturally appropriate way. If so, what is that? I do not think it is acceptable to say to me, 'Trust the government. We'll do it in a way that is.' Well—I have not heard the minister say it will be done in a culturally appropriate way, but just saying that it will be done 'collaboratively' is not saying that it will be done in a 'culturally appropriate' way. They are—or they can be—entirely different concepts. I asked about cultural appropriateness.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:35): I have a few points. The legislation has not passed and the trials have not started. We need the legislation to pass so that we can continue with the work of working with the community. Being culturally appropriate will obviously be an important part of the work that takes place.

Senator MOORE (Queensland) (10:36): Minister, following up on Senator Lines's questions, it would not seem to me to be too difficult for the government to commit to saying that the contract for the evaluation process—and we have already had the letter from Minister Tudge saying that it is a very important part of the process—could include culturally appropriate methodology.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:36): Sure, absolutely.

Senator LINES (Western Australia) (10:37): Getting back to the trial itself and gathering the baseline data you spoke about, what is the interface between these trials and the truancy program?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:37): I will have to seek advice from officials about that particular interface.

Senator LINES (Western Australia) (10:37): If you are seeking advice, could you particularly seek advice on what data is being collected, how the baseline will be established and what the key outcomes are? Presumably, in putting the card in place, school attendance is one of the outcomes you are looking at, so where is that data currently being collected and how will you determine a baseline?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:37): That would be data held by the South Australian government,
given state governments are responsible for schools and school attendance. The South Australian government has agreed to share its data. While to some extent the range of things that will be looked at to determine the benefits of the card have been laid out, that is not to say that they will not be adjusted in light of community consultations.

Senator LINES (Western Australia) (10:38): My apologies in advance if this is being explored through the Senate inquiry. Does that mean that truancy is or is not one of the measures you will be looking at?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:38): It is one of the measures being taken into consideration.

Senator LINES (Western Australia) (10:38): Given that the concept of a trial in Ceduna has been agreed to, I do not understand the words, 'It is under consideration.' Are a range of determinants being considered, and will you come up with three or four? If we are withholding people's income, it seems to me that getting children to school should be one of the measures. How do we get confidence that it will be one of the measures, or is that still to be determined by the community? What is happening?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:39): Let me put it this way: all of us want kids to go to school; all of us want to take the availability of any information that we have as to which programs and which government arrangements demonstrate an improvement in kids getting to school. We know that the federal government has a strong interest in this area more broadly as well. We have the broad outlines of the evaluation, but these things are not absolutely set in stone. If there are additional things which the evaluation should look at which the community think need a stronger focus, then obviously that is something the government can look at.

Senator LINES (Western Australia) (10:40): Is attendance at school part of the broad outline?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:40): I am advised it is, yes.

Senator LINES (Western Australia) (10:40): The minister's second reading speech stated that an authorised person can reduce the percentage on the card. Has the concept of an authorised person or authorised persons been developed? Is it someone nominated by the community or is it someone nominated by the department? Can you provide more detail on that, please?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:41): It is something that is being shaped by the community, that will be worked up in consultation with the community. It will not be the government making a declaration; it is something that will be worked through together with the community.

Senator LINES (Western Australia) (10:41): What considerations have gone into that shaping? Will this be a paid position and will there be training for the authorised person? What elements have made up that shaping so far?
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:41): What different communities want may well be different. Communities may have different concepts as to how they want to do that.

Senator LINES (Western Australia) (10:42): What has been explored so far in Ceduna?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:42): It could be a community panel; it could be a Centrelink officer. These are things that are still being explored with the community.

Senator LINES (Western Australia) (10:42): What is the concept? If it is a panel, would they be paid attendance fees, and what are the training obligations? If it is a Centrelink officer, I imagine that would not be culturally appropriate. It could be, but I am saying firsthand that it is possibly not.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:42): This is a degree of granularity which is obviously not in the legislation. It is a degree of granularity which will be worked up with the community. It is not something that you would want me to make declaratory statements on. If I did, I would then be accused of having government determining these things rather than working them through with the community, as is the appropriate way to go.

Senator LINES (Western Australia) (10:43): I appreciate that, and I was not necessarily going to say that government was dictating how this would work. I appreciate that it is at a local level, but these are important considerations and I am mindful that we need to ensure that this process is culturally appropriate. Particularly in Western Australia, where I know the trial is not up, given the shocking history of intervention, of non-Aboriginal people dictating to Aboriginal people what will happen, of many Aboriginal people being part of the stolen generation and living on reserves and so on in Western Australia, I would be very concerned about how we roll out this authorised person.

It is not appropriate for somebody to have to go into a Centrelink office and speak to someone, with a glass panel between them, and present some evidence that they want to reduce the percentage on their card. Whilst it is a local level thing, for me it is a very important issue. We have to have confidence in this trial. If there are four or five people on a panel, it is intimidating to have to sit before them and outline your most basic need. That in and of itself does not seem to me to be appropriate.

Is it going to be a collaborative arrangement where an authorised officer works with that person? To have to front a panel and present some evidence to show that you should be entitled to a smaller percentage on your card is almost like begging. I appreciate that it is at the local level, but I think it is something that we have to get right; otherwise it just smacks of the appalling history we have, particularly in Western Australia, between the interface with white Australians and Aboriginal Australians.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:45): I really do not think we want to be in the business of setting up
straw people and knocking them down. I do not think we as government should dictate the way it should be. I do not think the senator opposite should dictate it. But, if she happens to think that she knows what would be the ideal arrangements, she is perfectly at liberty to share those with the local community. If she wants to do that, she should feel free to.

I will outline the situation with community bodies in a little more detail. The bill allows the local community body to support participants by varying the amount that is placed on the card down to a minimum of 50 per cent in response to demonstrated socially responsible behaviour or back up to the original amount if this behaviour is not maintained. It would also recommend support services, such as drug and alcohol rehabilitation or financial capability support. The local community body would not have the power to determine who would participate in a trial and it would be voluntary for a participant to appear before it. There is no compulsion here; it is voluntary. The local community body would be made up of local leaders who can represent the community and who have appropriate skills and standing in the community. The government is holding ongoing consultations with community leaders to determine the appropriate make-up of the body. That is what this is about. It is about consultation. It is far too early to be setting up straw men and knocking them down, Senator.

The local community body would make decisions to reduce an individual’s restricted percentage based on agreed criteria, which may include evidence of meeting community norms, including meeting participation requirements and children attending school, and evidence that there is no misuse of drugs or alcohol or involvement in problem gambling. References from community members could be presented to support the individual’s request. That is the schema, and we as a government are not dictating the way that people operate on the ground.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:47): This goes to the heart of one of the failures of this process. This community body is a thought bubble. I do not know how many people currently in this Senate and debating this right now have lived in a small town. I have. I lived in a small town for quite a long time, where we all knew each other. Ceduna and the other towns we are talking about are probably slightly bigger than the town I lived in, but I would hazard a guess that a hell of a lot of people in Ceduna know each other.

Why we are questioning this is that it is obvious that the government has not thought this through. The minister is saying, ‘We don’t want to dictate every detail,’ but that is because the government has not thought through what this means. So if I am on a carer payment, even though I do not have any substance abuse issues or gambling issues, I will be subjected to this and I will only get access to 50 per cent of the cash. So I have to front up to a community body of people I know, in a small community, and start talking about my personal financial arrangements. I am a carer providing care to one of my loved ones, and I have to go through this demeaning process—because that is what it is—with people I live down the street from or people I meet in the shopping centre or down at the shops. That is what we are talking about. That is what the government is setting up.

So how is this trial going to work? That is what we want to know. So what we are saying is that people who are living perfectly normal lives, other than trying to make ends meet on a carers payment, DSP or Newstart, for example, will have to go and expose all their lives to a so-called community body. How is it going to work? How are you going to ensure that people
are able to go through this process without feeling demeaned and without feeling like that they have to go begging to a community body to get more access to cash? How can you assure this chamber that people will not be put off going to this body because of the very issues that I have just outlined?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:50): I probably should go back to the first principles here—that is, the card can buy anything except for alcohol and gambling and no-one has to go before or be part of the local community body process in relation to varying the amount that is placed on the card unless they want to. No-one has to. Again I say that the card can buy anything except alcohol and gambling, and there will still be the 20 per cent that is available for the individual in cash.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:50): I do not think the minister was here—and I apologise if you were—for the whole of the second reading debate, where a number of us outlined why you might need more cash. People have talked about the loss of dignity and feeling demeaned because they cannot access cash if they need to. There are a whole lot of reasons that people may need to access cash. People have talked to me about wanting to be able to access more cash for various reasons. One of those is to be able to go to markets. I have not been to a fresh food market where too many operators have an EFTPOS machine, for example. The op shop in Ceduna does not have an EFTPOS machine. Some op shops do and some do not. There are a whole lot of reasons that people may need access to cash.

They do not have to go before the panel, but people who want to will be dissuaded from going because they will potentially be going to a panel of people who they know really well and who they do not want to have access to their private lives. They do not want to explain their financial difficulties, how they happen to do their shopping or if they want to travel and need more access to cash, for example. The National Welfare Rights Network has outlined their case with examples of having to travel and needing cash or having to have a large amount of cash to contribute to a joint present for somebody.

Again, I am sorry—and I am not trying to be rude—but, honestly, you are displaying the fact that the government does not understand how this will operate and what impact it will have on people at the community level and how they relate to their community.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:53): One of the things that is being explored is alternative mechanisms for directing money that is on the card to outlets and shops that do not have electronic facilities. That is an area that is being explored.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:53): Again, we are having to vote on this legislation when the government plainly has not worked out how this is going to work. What happens if you cannot do that? What happens if there is a cost involved in that—and I want to get to transaction costs and bank fees shortly. But what happens if you cannot do that, because you do not actually know yet whether you can do that, do you?
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:54): In relation to a number of these issues, they will be negotiated with the community, and the arrangements will be clear before the instruments are tabled.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:54): I make the same point: we are going to vote on something that the government does not know whether they can pull off or not. In terms of the community body, you talk in the letter—and if I just refer to the letter, I presume everyone knows what I mean—about an appropriate review process of the community body decisions. It does not outline what form that will take, how the review will work. Is it envisaged that DSS will do that or some other body? What are the time lines? What are the processes that will be used—in other words, enabling an appeal process of the community body decisions?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:55): The minister every six months will be reviewing the operation of the community bodies. In relation to individual decisions, I think that is something that will be the subject of community consultations as to how exactly that will happen.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:55): So am I correct in understanding that there is no process in place yet for working out how someone can appeal a decision made by this body?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:55): That is right: it is still something to be negotiated. I emphasise that the process of appearing before the local body is something that is voluntary but, in terms of review of a decision, that is something that will be negotiated.

Senator LINES (Western Australia) (10:56): Again, some quite local questions: you mentioned in a second reading speech that there will be apps and so on available for mobile phones to check balances. In the case of someone losing a card, you said, I think, that there will be a phone number. Given that I think everybody has lost a card from time to time, we all know how difficult it is to replace a card. One, what will the replacement procedure be; and, two, how will people get on in the interim?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:56): There will be a stack of cards available in the location that can be printed—I think is the right phraseology—in the community to make it a quick process.

Senator LINES (Western Australia) (10:57): So this will be available seven days a week?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:57): I am advised it will be quicker than the process to get my credit card replaced, if I lost it.

Senator LINES (Western Australia) (10:57): That is not particularly helpful. So I lose my card at 9 am on a Sunday. Perhaps I have used up my 20 per cent, but 20 per cent is not very much cash. What is the procedure?
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (10:57): The exact opening hours and mechanism of that—it may not surprise you—is not something that has been absolutely nailed down as yet. These are the sorts of details that will be worked through with the community and what suits the community. These are issues where, I am sure, an appropriate arrangement can be reached. If you want me to tell you exactly which shopfront, where, between what hours you have to go to right now and what the name of the person wearing the badge behind the counter is, no, I cannot do that. That you would expect that that answer could be provided at this stage is a little surprising.

Senator LINES (Western Australia) (10:58): I am extremely uncomfortable about this debit card and I have not raised my voice to you. I have asked you legitimate questions and, yes, I am concerned about the rollout of this card on the ground. I am absolutely entitled to not only ask the question but receive an appropriate answer. It is a real-life experience that somebody could well lose their card on a Saturday or Sunday and, despite the Prime Minister saying that we live in a seven-day economy, I do not agree with him. I am asking a legitimate question about how the replacement will occur. I appreciate that you have told me that it will not take weeks but, for example, if you get the trial up in Kununurra and you have to wait for some 'okay' from Canberra or Perth, that can take weeks. I am asking a legitimate question in a reasonable way about what happens when a card is lost on the weekend. I want to know what access there is for people to get food for their family or whatever else it is that they need. That is a reasonable question and I think the government really should have thought through the answer to that question.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:00): I do not think I raised my voice. I think I was expressing surprise in my voice, but I did not raise my voice. The point I am making is that there will be appropriate arrangements to make sure that people can get replacement cards. We will make sure that in consultation with the community there are arrangements that satisfy the community. Why you would think that we would do anything other than seek to put in place arrangements through consultation with the community that satisfy the community I am not too sure. Given your interest in these particular aspects, I am sure that the minister would be very happy to provide a briefing for you that goes into the detail of what will happen from the moment someone losses a card to when they get their replacement card.

Senator LINES (Western Australia) (11:01): Thank you for that, but I am interested in these issues being on the Hansard, because I think it is important for all Australians, particularly those who will be affected by this in the community, to absolutely understand what the process is. I was not suggesting for one moment that the government would deliberately withhold moneys, but we all know what happens when bureaucracy comes into play. The reality is that agencies that deal with cards, such as Centrelink and so on, are not open on Saturday and Sunday. What is the contingency? If somebody has lost their card, do they have to have documents that prove that they are who they say they are to get a
replacement? And how do they get access to food on a Sunday morning? It is a legitimate question, and quite frankly the government should have a proper answer to that.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:02): I am advised that it will be a quicker process than if you or I lost our bank card. As to what the specific arrangement will be in terms of who to phone and what the phone number is, I cannot give that to you at the moment. What I can tell you is that arrangements will be worked up to make sure that they are fast and responsive for the community.

Senator LINES (Western Australia) (11:02): You said at the outset that it would be quicker than if we lost our credit cards. Well, that is about a two-week process, so are we talking about a 10-day process, or a five-day process? It is not unreasonable for me to want to have the exact process laid out in the *Hansard* so that I can have confidence that people are not going to go without food for their family if they lose their card on the weekend. That is a legitimate question.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:03): Maybe you should change banks. It has been a long, long time since I have lost a card, but it did not take my bank two weeks to get a replacement card to me. The advice I have is that the longest period would be until the next business day, but these are things that can be worked through with the community. These are things that can be worked through in the trial. Let me emphasise: this is our trial. This is a trial that we are embarking on here. There are still some details to be worked through with the community. Again, I am not going to make a declaratory and definitive statement on matters that I think are best worked through to finality with the local community to determine what will meet the needs of the individuals who are participants in this trial in the community.

Senator LINES (Western Australia) (11:04): If I lose my card on a Friday I will wait for the following Monday. I appreciate that it is a trial, but it is a trial that affects people's lives. It affects their ability to get food for their families, it affects their ability to manage their working day, if they are working, and it affects the way they operate. If I lose my card on a Friday I do not get one until Monday. What will the arrangements be in the interim? I also ask, because obviously you do have more information than you have been giving me: what is the documentary proof I have to front up with to get a replacement card?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:05): I will look to officials to see if they can advise what the particular documentary evidence is, but it is probably best if I take that on notice. In the briefing you will have, arranged by the Assistant Minister for Social Services, they can take you through what the documentary arrangements will be.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:05): Before we move on from there, I just want to ask a question. We have been focusing around the actual town of Ceduna. I have had personal experience of this, having had my credit card stolen in a regional centre. It actually took more than two weeks to replace it. I alluded to this point in my contribution to the second reading debate last night. Say I am travelling, for example, to
Maningrida for some family and cultural business, and I lose my card on the way, and I am in Maningrida. It is not just about having a stock in Ceduna. I could have gone to Melbourne. I could have gone to Perth. How do I do that? Is everyone going to have a stock? Whichever financial institution is going to do this—and we will get to that in a minute—how can they guarantee that those stocks are going to be there? And how do I get access to cash in the meantime? I was able to access cash when my card was stolen, because I do not have a limit imposed on how much of my salary I can spend in cash. They do, so they will be able to get only a certain amount of cash. How do they get by when they are away, let alone in Ceduna, without being able to access cash before they get their card in those remote centres? And can you guarantee that the same deal that you do for Ceduna will apply everywhere else in Australia?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:07): The introduction of this card has not initiated and created the concept of someone losing their wallet. People have always lost their wallets, lost their purses, lost those things that are within them. It is always inconvenient when you lose your wallet or your purse and the things that are within it. There is always a period of time that it takes to replace that which is lost which was within your wallet or your purse. This is not a concept which has been created by the introduction of the concept of this card. Yes, I recognise that when people lose things it is inconvenient. What we will do is make sure that people can get a replacement card in the quickest possible period of time.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:08): The difference here is: I can only get access, if I am on this process, to 20 per cent of my money, and I could well have, particularly if I am travelling, already accessed that money. The point is: I cannot get any cash, even though I may have cash in the bank. How do you deal with that? This is a completely different situation if I have got 80 per cent of my money that I cannot access in cash.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:09): When we talk about cash, there will be numbers of people, I am sure, for whom that 20 per cent of cash goes into their bank account. If someone loses their wallet, the same issues arise accessing the money that is in their bank account as would arise as would arise if anyone else lost their wallet.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:09): Say I am on Newstart and I have got 60 bucks that I can access. Particularly if I am travelling, for example, I am likely to have spent that, or I will go through it very quickly. So, sorry, the 20 per cent answer does not cut it, because I need access to more cash than that 20 per cent. It is a relatively small amount of money. People that are living on income support are living on small amounts of money and just managing to make ends meet.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:10): Regardless of whether you have this debit card or not, if you lose your wallet, for a period of time you lose your ability to access payments electronically. That is whether you are on the debit card or whether you are not on the debit card and you
have a wallet that has other cards. That is a function of the loss of the wallet or the wallet being stolen. It is not a function of the existence of this card.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:10): I will give this one more go. I will give you a real-life example. This is what happened to me. I got my whole wallet stolen. I could go into my bank, prove who I was through answering a series of questions and get enough cash to take me through at least till I got back home and for a few days after that. I was away. I could access enough cash to do that. I have a limit, just to stop people being able to go in and use my cards to steal my cash. There is a limit there, but it is quite a high limit, as probably most of us have, for the amount of cash per day. But I could get that money because I do not have a limit on how much money I can take out of the bank. A person on Newstart could do the same thing as me—go and prove who they were through answering a series of questions so that they could take money out. I think I actually took out $500 so that I had enough cash, because I knew I was not going to be able to buy things electronically. That is what a person in the same situation as me would want to do—take out enough cash so that they could access things before they got their card back. In this case, they cannot do that. They may have already used the 20 per cent that they can access for the two weeks of the pay cycle. Even if they have a little bit of that left, they may not have enough left, potentially, because there is a limited amount of cash they can get. So, yes, they can access the cash, but only a tiny amount. So what do they do then for the rest of the time, when they cannot access any more cash because they do not have the card? This is not a made-up scenario. It is a real-life scenario. That is why we are asking, because this is what it means to people on the ground when they are trying to get through this process. They will be surviving trying to use the card. You have got to think of what it means day to day, and this is a really live situation. Lots of people in the community travel quite long distances, but, even if they do not, it also happens if they are still in town and it is not the travelling scenario that I am outlining.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:13): If someone is travelling away from home and their wallet is lost, they could go to a Centrelink office to seek an advance. If someone is away from home for an extended period, there could be arrangements for the replacement card to be sent to that Centrelink office, I guess in a similar fashion as to what might happen with a bank. But let me indicate again: where there are particular issues that the community identify as issues, then they can certainly be looked at.

Senator LINES (Western Australia) (11:14): In terms of charges for withdrawals or use in a shop, will this debit card be entirely free of charges? If not, what are the charges?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:14): It is charge free.

Senator LINES (Western Australia) (11:14): So that is a guarantee that, no matter where this card is used, there will not be any charge by a bank or a credit society or a store or anything? It will be completely free of any charges?

Honourable senators interjecting—
The TEMPORARY CHAIRMAN (Senator Bernardi): While the minister is receiving some advice, it would help Hansard if honourable senators would wait for the call before speaking.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:15): I am just confirming again and the answer is no.

Senator LINES (Western Australia) (11:15): You will be pleased to know that I am moving off the card.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:15): I want to explore that a little more because there are bank fees and there are merchant charges. Can we be really, really clear whether we are talking about both bank fees and merchant charges—the transaction costs for each purchase.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:15): I am advised that you would never pay any more than you would be paying if you were using any other card.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:16): Now we are getting to the heart of this. They are going to make us have two bank accounts. I will have my bank account where I have my 20 per cent that I can access as cash. I will not have a choice about which provider I use—we will come to the issue of the financial institution in a minute. I am forced to have this card and a separate bank account, so I am going to be paying two sets of costs?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:16): I am advised that there are no account fees associated with the card.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:17): I am sorry, but I think we are not being quite as open as we should be, so let's dive down a little more. There are no account fees, so that is no bank fees, but what about merchant charges for the account and for transaction costs?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:17): I am advised that you will not be paying any more than the merchant says you will be paying. What the merchant charges is what will come out of your account.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:18): Do you acknowledge that people will be paying two sets of fees? Who is the merchant so we can know what the merchant charges are? What are the fees that people who are subject to this card are likely to be paying? They could potentially be paying two sets of fees.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:18): People will not be paying two sets of fees, because there are no account fees in relation to the card.
Senator LINES (Western Australia) (11:18): I specifically asked you if there were any charges to be levied by banks and stores and you told me no. Then I asked and Senator Siewert asked about charges, and now we discover there are merchant charges. When you answered my question, what were you answering?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:19): You were asking about bank fees.

Senator LINES (Western Australia) (11:19): I specifically asked about banks and stores. If we are now saying that there is some sort of merchant charge, how much is that merchant charge?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:19): Some merchants surcharge for all cards. Some do not; some do. I cannot tell you the exact practices of every merchant that someone might go to. Also, I cannot tell you who will be the merchants that the holders of the cards will go to.

Senator LINES (Western Australia) (11:19): I understand that in some rural communities this surcharge can be as much as around $3.70. When you are on a Centrelink payment, $3.70 every time you use a card is a significant amount of money. I think it is appropriate for us to know the range in dollar terms of what people will be paying.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:20): Local merchants are being worked with to reduce as far as possible any surcharges.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:20): Yes, local merchants, but what about when I am not travelling in the local area? Are you doing that for all the trial sites? Is that something that you are working on around Australia?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:20): Yes, there could be outlets around the country that have surcharges.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:21): The way I get around not having to pay surcharges is by using EFTPOS—that is, my normal bank and not a debit card. I have a choice where I can get around paying those sometimes outrageous merchant fees. The person with this card is not going to be able to do that.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:21): I am advised that it is rare for a Visa debit card not to have a surcharge that would also be applied through an EFTPOS transaction.

Senator DASTYARI (New South Wales) (11:21): Credit card surcharging is a topic that I am quite passionate about talking about. I just want to get my understanding of this right. I have not been as on top of the details of this issue as other senators, so I apologise if some of this has been explained. With these cards, at the moment, if I want to withdraw money from the bank—and I am entitled, as I understand it, to withdraw up to 20 per cent of it as cash—I
can use it at every normal ATM, as I would with a Keycard or a Visa card or a MasterCard? It functions in the same facility if I want to withdraw? Is it as if it is a CommBank, ANZ or NAB card to operate?

Senator Fifield interjecting—

Senator DASTYARI: Yes, that is the question. Is that correct?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:22): I am not entirely sure what Senator Dastyari's question is, but there are ATM fees often for withdrawing cash. I know that various banks have various arrangements—that there are X number of transactions that might not have a fee before you start having fees.

Senator DASTYARI (New South Wales) (11:23): Minister, the bit that I guess I am interested in is that the way in which it works tends to be fairly consistent. As you know, the Senate is doing a separate inquiry into these matters at the moment to do with credit cards, which kind of relates to this. The consistency seems to be that, if you are using a card at an institution other than the institution that has issued that card, there is a fee for withdrawal of money, as there is also a fee for checking your balances. That is across every card, and that is across every bank.

The concern, I think, in part is the huge discrepancy in what these fees are in different parts of Australia. If I am in the CBD of Sydney, I can find a bank that is not my bank—let us say I have a Commonwealth Bank card; I can go and find an ANZ ATM—that may have a fee associated, but it is only, say, $1.50. But, if I am in a rural or regional area or a remote Indigenous community, there are reports of up to $3.70 being charged for that same function. Some would argue that this is a discrepancy relating to a lack of competition in these more rural and regional kinds of areas.

The concern, Minister, would be that, if I am being charged a fee of $3.70, the simple act of, say, on two occasions checking to see how much money is in my account, plus one withdrawal, suddenly means an amount of $10, which may seem small to those of us earning close to $200,000 in this chamber, but somebody who is on Newstart, disability support or another type of pension would obviously see it as quite significant. The question would be: have the practicalities of the fees associated and what the fees will do been looked at and modelled, and has there been any discussion with the financial institutions for these trials on how we can minimise that?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:25): I think it is important to recognise that this is a debit card, not a credit card. In relation to taking it to a store, the only thing that someone will pay is what the merchant rings up on the cash register. What comes up on there is what the individual will pay. In terms of checking people's balances on the debit card, people can do that without cost.

Senator DASTYARI (New South Wales) (11:25): You said they can check it without cost. Is that by going online, or how?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for
Digital Government) (11:25): Yes, online, with apps. There will also be SMSs which will come to people, updating them on their balances.

Senator DASTYARI (New South Wales) (11:25): I have one more question on this. Is what you are saying then, Minister, that there are really two functions where I may be charged a fee? One is checking my account balance.

Senator Fifield: No, I said exactly the opposite.

Senator DASTYARI: Let me ask the question, because maybe I misunderstood there. The second one is withdrawal of money.

Senator Fifield interjecting—

Senator DASTYARI: You can withdraw up to 20 per cent in cash.

The TEMPORARY CHAIRMAN (Senator Bernardi): It would be helpful if the question were posed and then, for Hansard, the response were recorded.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:26): Yes. What you are saying is precisely the opposite of what I said. I said you can check your balances for free via an app online or an SMS which will come to you, updating you on your balances.

You cannot withdraw cash from the debit card. The cash component, the 20 per cent, would go into your bank account or whatever the mechanism is that you specify. There are no fees associated with the debit card account.

In terms of a merchant, what someone pays is what the merchant rings up, which may include a charge that they have for people using cards. As I said earlier, there is work going on, particularly in the trial regions, to try to ensure that merchants have that as low as possible.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:27): So you do acknowledge that, if I am paying on a card rather than by cash, I will incur merchant charges—and normally the RBA understands that they are around zero to two per cent if it is on a card—whereas, if I were paying cash, I would not.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:27): There will be some occasions where there could be a merchant charge.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:27): This is an additional cost on people on income support, who have very little money. Let us ask the big question. Which is the financial institution that you intend—because there is only one, as I understand it—will be responsible for this card?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:28): That has not yet been announced.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:28): I know that; that is why I am asking. That is why I am asking.
Senator Fifield: I can't announce something before it's been announced.

Senator Siewert: Again, we are being expected to vote on this when we do not even know who the financial institution is. When will the announcement be made?

Senator Fifield (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:28): Obviously, I cannot make an announcement before an announcement has been made, but it will be soon.

Senator Siewert (Western Australia—Australian Greens Whip) (11:28): How soon is soon? You are expecting us to vote on this. You cannot answer a whole range of questions that we have been asking. You just said that there are going to be additional costs associated with this, and you cannot tell us even when you are going to be announcing who it is.

Senator Moore (Queensland) (11:29): Minister, on this point, these are the same questions we asked at the Senate community affairs hearing several weeks ago, and we got the same answer. It is a threshold point. At that time, all members of the committee expressed the desire. We said this was an integral part of the process and we needed to have the information as soon as possible.

Senator Fifield (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:29): I cannot add to what I have said.

Senator Siewert (Western Australia—Australian Greens Whip) (11:29): In terms of the cost, you said that there are going to be no actual bank fees on the card. Normally there are bank fees charged. How much is that costing? Who will bear the cost?

Senator Fifield (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:30): Could you just repeat the question.

Senator Siewert (Western Australia—Australian Greens Whip) (11:30): There are normally bank fees. How much is it estimated to cost and who will bear that cost? Will it be the government or is it something the financial institutions are doing?

Senator Fifield (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:30): Ultimately it will be the government that bears that cost because that would be factored into the price the government pays to the organisation that will be delivering the service.

Senator Siewert (Western Australia—Australian Greens Whip) (11:30): So how much has the government estimated? What is going to be that cost? It is a cost to the government and a cost to us. What is the cost, is it capped and what happens if the cap is reached?

Senator Moore (Queensland) (11:31): In response to that, will the costing be clearly identified so that when we are looking at how much this process costs, we will be able to see a line item that says that this allocation for this particular purpose costs so much.

Senator Fifield (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for...
Digital Government) (11:31): Ultimately, there will be a publicly available contract price for the service that is being provided.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:31): Ultimately, again, we are being asked to vote on something we do not know the cost of. You did not answer the second part of my question: is that capped and what happens if the cap to the cost is reached? What then happens?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:32): We need a trial in order to finalise negotiations and we will not have one unless the legislation is passed.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:32): So we are being asked to vote on something that we do not know what the cost will be?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:32): This is 'the chicken or the egg' stuff. We need legislation to have a trial. There is a cost to a trial. We have not announced the institution and we have not announced what the value of the contract will be.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:32): I do not agree with that but there is no point in sharing that particular angle. Have you set aside an amount that you think this is going to cost? Surely you have done that. When these things are done, you usually do estimates. There will be estimates next week so we will be traversing this again, I suspect, if we cannot resolve this now. What have you budgeted for the cost of that?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:33): Yes, there is an allocation. It is in the contingency reserve but obviously we will not know what the precise costs will be until we know what the three communities are and what the precise arrangements are for the three communities.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:33): So, yes, you have done some analysis. It is in the contingency so could you tell us how much you have put into contingency notionally for that cost?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:33): I cannot tell you because that could potentially jeopardise the commercial negotiations.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:33): I have some more questions in other areas. We were talking about the evaluation so I want to go back to the evaluation and to the community body. We went off onto fees. I heard what you said earlier around still working out with the community body and you wanted to negotiate with the community on what processes would be used et cetera. I am wondering have you set a minimum set of requirements? There are still areas of negotiation but surely you have got some view on what would be the minimum set of standards or minimum criteria to negotiate around?
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:34): We have a view but we do not want to pre-empt the community.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:34): So what does that mean? If the community comes up with something and it does not meet the standards or the view, do you say 'no'? This, as I said earlier, is a pretty significant issue. They have a lot of responsibilities on their shoulders. In other committees I have been involved with, on assessments, we were usually given some guidance at least as to what were the minimum expectations, so I would have thought that was a fairly fair thing to do. We are talking about people's access to income support here; it is not an arbitrary thing. There are fairly set rules around it from the government and from others, so surely you would have some minimum level of requirement that you would expect from a community body? If you do not, what would you do if they came up with a scenario that in fact you did not think was acceptable?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:35): Well then that would be something that would be expressed and conveyed. This will be an iterative process with views from the community interacting with the views of the government to reach an arrangement that is acceptable to all the parties involved.

Senator MOORE (Queensland) (11:36): Senator Siewert's question was relating to whether you did have any process in place. In the letter that Minister Tudge sent to Jenny Macklin, under the heading '5: Evaluation Framework', it actually said:

A proposed evaluation and monitoring framework is currently being tested with community leaders.

I am sorry, there is no date on this letter. This is the kind of information we see at the community affairs committee so I understand that process but, from the answer you gave, I just wanted to double-check that.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:37): That evaluation process is separate to the establishment of the local community body.

Senator MOORE: So they are two separate things. Thank you.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:37): We have talked about merchant charges but I do not think we have traversed the issue around minimum EFTPOS purchases. I have certainly had sent to me experiences from Ceduna where there is a minimum EFTPOS cost applied. And I have been to lots of other places where it is applied. Is there a proposal to address that issue?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:37): I am advised that these were going on with the Ceduna traders association—to endeavour to ensure that there are not those minimum EFTPOS charges.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:38): I have a couple of questions around that, and you may want to take them all at once. Firstly, people do
not just stay in Ceduna; people travel. So what happens then? That occurs all around Australia. So what do you do when they travel outside Ceduna? We have been focusing on Ceduna because we know that the memorandum is already signed, but is the same level of negotiation going on in East Kimberley and in any other proposed trial location?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:38): Yes. It will be a critical part of negotiations in other trial sites.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:39): I did ask a double-banger and I probably should not have. What about the rest of Australia—when you travel outside the trial areas?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:39): The rest of Australia is really beyond the remit of the trial.

Senator LINES (Western Australia) (11:39): I appreciate, minister, that the negotiations for the East Kimberley are still ongoing, but can you give us some sense of the geography that the trial is intending to cover?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:39): It is to be determined.

Senator LINES (Western Australia) (11:39): So you are not in a position to give the Senate any sense of whether it is Kununurra, whether it is Kununurra to Halls Creek, whether it is something else? I think we are entitled to have some sense of what that geographic area is, because they are very different areas.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:40): Not at this stage.

Senator LINES (Western Australia) (11:40): So, if the trial is to go beyond the township of Kununurra, what are the sorts of contingencies you have taken in? Presumably, if it goes from Kununurra to Halls Creek you will start to cover remote communities; so what are those contingencies that you are looking at to make sure that people can access stores and so on and so forth?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:40): If local leaders do want to come on board, then there will be discussions with the local community to determine what is required to make it work.

Senator LINES (Western Australia) (11:40): If you are exploring options outside of the township of Kununurra, how are you defining "communities"?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:41): It is probably best I do not. You can define communities by local council area; you can define it by postcode; but the local communities themselves may have alternative views as to how communities should be defined in those particular areas, so I
would not want to give a definitive answer to that question of how one might determine a 'community'.

Senator LINES (Western Australia) (11:41): Are you talking to communities outside of the township of Kununurra?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:41): I am advised that the answer is yes.

Senator LINES (Western Australia) (11:41): And are you talking to communities as far down as Halls Creek?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:42): Again, I am advised that the answer is yes, as far as Halls Creek.

Senator LINES (Western Australia) (11:42): So how many communities are you talking to outside of the township of Kununurra?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:42): Advisers are counting them on their fingers at the moment. And it is not that they have a lack of fingers, but it comes down to a matter of how you define a 'community' again.

Senator LINES (Western Australia) (11:42): When I asked the question 'Are you talking to communities outside of Kununurra?' and you answered 'yes', presumably you had some definition when you answered that question. Whilst I appreciate you may have to count, you must be able to answer that question.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:43): I am advised all communities within the Halls Creek shire and the Wyndham-East Kimberley shire have been spoken to.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:43): Can I ask for clarification: if the decision is made to go ahead with East Kimberley—we already know that Halls Creek shire has rejected the idea. Will communities be included in the trial—if it goes ahead—regardless of what they have said; or will you limit the geographic area to a much more restricted area, to where the communities have agreed?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:43): Some of the Halls Creek area have done as you have characterised. There are other leaders in that community who are keen, and discussions are continuing. A decision will be made at some point.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:44): How will that decision be made when clearly there is substantial rejection of the trial? Will they be included regardless? How do you intend to make that decision?
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:44): I do not want to pre-empt or prejudge where discussions will ultimately end up as discussions are still ongoing.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:44): So there is a potential that, despite the fact that you have said you want to know, you will consult et cetera, where communities have clearly said no you will go ahead there anyway. Is that what I am hearing?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:45): All I have said is that we are going to keep talking.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:45): Are any other regions, towns or regional centres being considered outside of the ones that we have been discussing—Ceduna and the East Kimberley region? Which are the centres have you spoken to and decided not to go to? Are there other ones that you are currently negotiating with or consulting with?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:45): I am advised that there have been discussions with Moree which have not really progressed. Apart from that, I think the answer is no.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:46): Do you still intend to have a third trial site?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:46): Possibly. There is provision there. It will be a function of further discussions that might take place with communities.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:46): Does that mean that you have not been able to find another town or region that wants to take the trial on? Why are you no longer proceeding with discussions with Moree?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:46): It has really been a function of one step at a time with the focus primarily on Ceduna. In relation to Moree, government is keen to talk to those areas that are keen and that want to continue discussions.

Senator LINES (Western Australia) (11:47): My apologies if you answered this; I was thinking about the East Kimberley region. You will be able to use the card outside of your region?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:47): You will be able to use it around the country.

Senator MOORE (Queensland) (11:47): I think it is a point, in terms of clarifying exactly the position of where we proceed, that he legislation before us is the enabling legislation for
the three trials and the agreement is that the future activity around where the trials will exist will be done by disallowable instrument. I want to clarify that in terms of the kinds of questions that people have been asking today around how trials will operate. What kind of detail and exchange of information process is going to occur before disallowable instruments are developed and brought to the chamber?

We have had a Senate inquiry on the enabling legislation and how the general legislation will operate, and I think that has generated a lot of questions about detail. We have yet, now, to go down the process of saying Ceduna or other places where trials will exist. Can you give us any indication of what the interaction is going to be with us—with the parliament and with the Senate—about, even now, how the trial in Ceduna will actually progress, in particular for the disallowable instrument? Should you have other locations in mind, what will be the degree of detail that will come forward to explain to us how they will operate?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:49): The driver will be discussions with communities. That is where the consultations will take place. That is where information will be provided and exchanged. I am sure that the assistant minister will be happy to put in place briefing arrangements for colleagues in this place so that they can feel satisfied that they have full knowledge and appreciation of how arrangements will operate and what will be contained within the legislative instruments.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:49): I go back to this issue of the other trial sites and Moree. Just to be clear, have the negotiations ceased because the community said that did not want it? Why did they stop?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:50): The government puts its focus on communities who want to cooperate. Where it looks as though that could be difficult, discussions will take place with other communities.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:50): So Moree said no. That is the bottom line, isn't it? Which other communities have you been talking to that have said no?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:50): I guess the best way to characterise it is Moree was not opposed to the concept of the card as such. It was more a case that they felt that across a range of programs and portfolios they had plenty of trials in their area and that they perhaps would want to first benefit and learn from the experience of another region that had a trial rather than to have the trial themselves.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:51): I want to go now to a few issues around privacy details and what information will be shared between human services and financial institutions. I noticed the letter said of the card operation that in order to establish bank accounts for trial participants the Department of Human Services will need to transfer limited customer information to their financial institution. The financial
institution will then need to provide new account details back to the Department of Social Services. First off, I would like to know what that limited information that will be transferred is.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:52): It will be things like name, address and date of birth—the standard information that would be required to establish a bank account.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:52): Will information about the income support category that people are in be transferred—such as whether they are on a carer payment, DSP or Newstart?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:52): The main benefit type will be one of the pieces of information.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:52): We were asking some of these questions during the inquiry, and you talk in the letter about what is going to be switched on and switched off. Is it absolutely clear that the only time that the Department of Human Services will get information is when there is a transaction found that is on one of those things that is switched off? Does that make sense? Can you take us through what will happen if someone has suspicious transactions?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:53): The bank will monitor what looks like potential fraud and also what looks like there is an attempt to get around the gaming and alcohol restrictions. That would then be reported to Centrelink, to Human Services.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:54): It is the process of monitoring that I am trying to get to. How is it determined when fraud might be happening or there is an attempt to get around some of these things? I think that Senator Xenophon, when he gets back, might want to traverse this as well. I know he used an example last night that he called 'fluffy pillows', I think, which makes it sound very innocuous when in fact it is an online gambling mob.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:55): I will answer in two parts. One is: banks have standard processes and algorithms that help them determine some of these sorts of things that put flags up. The other part of the answer is that the exact mechanism—or things that might set flags off—is probably not something that would be appropriate to canvass publicly lest it might assist people who may be attempting to do the wrong thing.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:55): I understand what you are saying in terms of your not wanting to tell us what is going on in case people work how to get around it. But what I am interested in is making sure that people can be confident that their every purchase is not being scrutinised. Otherwise it is, 'Goodness me! Look how much they spent at that restaurant—and they are on income support!' This is a trial, and let us not make any mistakes: as I understand, Andrew Forrest wanted this to occur all
over Australia, to everybody on income support. Let us be really clear about that. This is what we are trialling here. This is why we are asking. How am I, as an income support recipient who is now caught up in this trial, supposed to be confident that the banking institution and the Department of Human Services are not going through and looking at every purchase I make to check whether I have spent my money appropriately. That is what this is about. Can you please reassure the Senate, and hence the community: what is the process by which that the bank goes through and looks at suspicious purchases?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:57): It will be a computer program of some sort that would raise flags. There is not an intention and nor would there be the physical capacity or desire of either the institution or Human Services to individually go through each individual's transactions.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:57): I do not think that reassures people. People want to know how that process will work. Presumably some algorithm will be run over the bank account details of everybody who is caught up in these trials to catch potential flags.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:58): There are the existing privacy laws—that which applies for the BasicsCard. There is not going to be anyone going through individual transactions of each individual each day.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:58): Do I take it from that answer that the same processes that work for the BasicsCard will work for this? I appreciate that there are different flags.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (11:58): I am just saying that the same privacy provisions will apply. That is the only comparison that I am making.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:58): Last night I brought up an issue in my second reading contribution around the use of the card in places that sell, for example, alcohol—and I am thinking of cafes and restaurants in particular. I may be in a cafe for a meal and I may have purchased a glass of wine or a beer. I may be out for a birthday celebration. How is it envisaged that that will actually operate? This is supposed to be non-discriminatory. It is not supposed to be demeaning and it is not supposed to be identifying people, but I could be there at the till, potentially at a restaurant which cannot split bills—most restaurants now do not split bills—how would it then operate with the alcohol component and the meals component?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:00): I have just been given an example of the Ceduna Foreshore Hotel Motel, where they have different terminals—if you like—for different transactions. So there is one terminal where you might pay for your food and another where you might pay for your alcohol through the bar. There are mechanisms and means for organisations that sell a
range of products, some of which are appropriate and allowed under the debit card trial and some of which are not.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:00): That does not answer my question. Yes, at a hotel they may split accommodation and food. But if I were in a cafe—a normal restaurant or cafe—and having a meal with friends, how would we do this?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:01): It depends on if the local community wants a licensed premises to be part of the trial. If they do, then the community and the trial will work with that organisation to set up appropriate arrangements to facilitate it.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:01): Sorry, but that is such a cop-out! This is a scenario that has been brought up with me: what if I were travelling and going to eat a meal and I have not negotiated with them? I am sorry, but that is just not an answer. I am going to be flagged. I might as well wear something on my head saying, 'I'm on income support. I'm caught up in this trial. Can you split this bill for me? Where do I stand—in a separate queue?' et cetera.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:02): If you are travelling interstate the card will not work at an alcohol outlet or a gaming outlet.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:02): Is that any outlet that sells alcohol and other things, or are you just talking about a separate alcohol or gambling outlet?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:03): I am advised that at a licensed restaurant in an area outside of the trial area the card would work.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:03): I understand that the card would work for the food component. Would I be able to buy all of my meal if I have a glass of wine or a beer? That is the question I am asking. How will that work?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:03): The card would work for that combined purchase.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:03): I am going to be really clear. Is this going to work only outside? How are you going to operate it so that only outside I could have a combined meal and beer or glass of wine? How is it going to work outside but not work inside? Will it just come under 'food'?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:04): There will be particular arrangements within the trial area to ensure that that is not the case. But if you happened to be in Sydney then that could be the case.
Senator SIEWERT (Western Australia—Australian Greens Whip) (12:04): This is fascinating. So I could do it outside, if I were travelling outside, but I could not do it in Ceduna. Is it going to be the same in each of the trial sites or are you going to have a different set of arrangements in each of the trial sites?

Senator FIFIRED (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:04): There will be local arrangements in each trial site, but I cannot be definitive about what the exact arrangements will be in trial sites that have yet to be determined, agreed, negotiated or worked through with the local communities.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:04): Would a flag come up on my account if I were outside the region and purchasing from a venue or a merchant that sells alcohol—and, potentially, gambling as well, because in unenlightened states that are not Western Australia they can have gambling in various places? If I were travelling and I purchased there, does that become a flag?

Senator FIFIRED (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:05): No. There is no visibility of what the actual transaction is. The way that alcohol and gaming transactions are prevented in the trial areas, in relation to the 80 per cent that is on the card, is that the particular businesses will not accept the card for those purchases on the basis of what is negotiated locally.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:06): That was very interesting and I want to come back to that. I apologise if my question was not clear; that is my fault. I mean a flag for the financial institution down the track.

Senator FIFIRED (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:06): No, there would not be.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:06): Thank you. Coming back to your previous answer: I would not in fact be able to attempt to use my card to buy a meal, depending on what is negotiated in Ceduna at the moment. So if you negotiate that it is not going to include restaurants that serve alcohol I could not go in there and I would not be able even to use the card—even to use it to purchase a meal.

Senator FIFIRED (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:06): It depends on what is negotiated locally. It could be locally negotiated that there are arrangements in a particular restaurant to differentiate between the alcohol purchase and the food purchase. There could be those arrangements negotiated locally, but that is up to the community.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:07): That gets back to my original question of how that will occur and the original issue about being treated differently to other customers, in that I will have to signal that I have this special card that I cannot buy alcohol on. How do I organise it? This is what people are bringing up with me. I have to flag that I am on income support, that I have a different card and that I have to pay for my alcohol out of my limited amount of 20 per cent cash.
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:07): There could be two terminals, but the exact arrangement is something that will be negotiated with each merchant.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:07): My concern is that people will be treated differently. This is not just a normal card that you can use anywhere, with no-one knowing that you are on income support and without you being signalled as somebody who is caught up in the trial. In fact in these stores in these particular situations in Ceduna you will be signalled, because you have to flag a different arrangement.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:08): Let me clarify the arrangement where there would be two terminals. It would not just be people on the debit card who would need to split their bill. Everyone would be required to split their bill, regardless of whether or not they are on the debit card.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:08): This is really fascinating. I wonder whether the people in Ceduna who are not on income support know that, from now on, they will have to pay separately for their alcohol. Is that what we are saying? If that is what I just heard, that is exactly what is happening. Have you canvassed the whole of Ceduna to find out whether they know that that is what they are going to be doing, if in fact that is what you mean?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:09): A further point of clarification: someone who was not on a debit card would be able to pay their full account through the alcohol terminal. They could split their bill if they wanted to, but they would not have to. Someone who was on the debit card would need to split their bill.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:09): It may be just me who is confused, but in your previous answer I heard you say that it would be the same for everyone; now you are saying that it would not be, that it would just be people on income support who then have to organise things so that they pay for their alcohol separately. A big flag goes up: 'I'm the one on income support.'

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:09): Everyone who pays for alcohol would be required to use one particular terminal. People who are not on debit cards would be able to pay for other things through that terminal as well, but everyone who is buying alcohol would be required to do so through the one terminal.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:10): This is doing my head in. It is doing all our heads in—it is not just me—for those who are listening. It still means that you differentiate between those on income support: they pay for their food on a separate terminal?
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:10): Let me see if I can seek to clarify this issue so that there is no confusion. The debit card will work only on the food-only terminal. Someone who had a debit card but was wanting to pay for alcohol with cash or with another card linked to their own account would do so on the same terminal as everyone else. There would be a terminal that all alcohol purchases would go through and, if someone were using the debit card for food, that would go through the debit card terminal—and anyone else could use that terminal as well.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:12): Okay, we are getting a bit closer. So my original question and scenario—painting were in fact correct. Anyone else can use that terminal—yes, they can if they are not buying alcohol. So there are still two separate terminals. I am in there, I have had my meal and I am coming out. I will come back to the sign issue in a moment. But it is clear that I will have to use two different terminals if I have had a drink with my lunch or dinner. That is correct, is it not?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:13): That depends. If you do not want to use your debit card to pay for food, then, no, you would not have to use another terminal.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:13): I understand that, but if there is a special occasion and I am out for dinner, these days the food is probably going to take up my fairly limited supply of cash. Therefore, because I need to save my cash to buy other things, I am probably going to want to put that on the debit card. So, yes, you can get out of it by saying that you could use your cash, but the fact is that that will get used up pretty quickly. Is that not the point? Before I walk into the restaurant, is there a process whereby people will know where they can and cannot use these cards? I can imagine this is going to be complicated. There will need to be splitting of bills. Restaurants do not do splitting of bills really well. Will a sign be up so that I am not embarrassed when I am confronted with this process?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:14): How particular terminals are identified will be something that is worked through with the local community to make sure it is appropriate.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:14): I asked about the situation before I go in. To be really clear here: we are talking about everyone in Ceduna who is on a payment being subjected to this—whether you are a carer or whether you are on DSP, Newstart or Youth Allowance and there are a couple of other categories. So all of these people are going to have to find out whether these restaurants, cafés and other places are ones that do this process or are ones that do not?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:15): An individual who has a debit card knows that they cannot use the debit card for alcohol or gaming. That knowledge should guide people, and will guide people, as to what particular card they use to pay for which particular transactions. So someone going into a place that serves alcohol would know that they would not be able to use
their debit card to purchase alcohol. I think the arrangements on the ground in individual stores are probably more straightforward because people essentially self-select on the basis of what they can and cannot purchase on the basis of whether or not they are a holder of a debit card.

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (12:16): I understand that the individuals will know, but I understood from your previous answers that the community and the merchants are still negotiating about whether they are going to do this process. As I understood your previous answer, it is not guaranteed that every merchant is going to want to have this separate process. Is that correct?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:16): It is possible, for instance, for some licensed restaurants to decide that they do not want to participate in this. That is possible.

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (12:17): That was why I was asking the question about whether there would be something on the window or whether there would be a document published, so that before I go in—and before I get embarrassed; let alone being embarrassed when I am having to split the bills when I am in there—I know whether it is a restaurant or a premise that actually does do that.

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:17): I understand that there are up to 10 merchants in Ceduna that this could apply to. There will be work done on indicating to people—in a way that is understandable, accessible and non-embarrassing—the merchants that are participating and those that are not.

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (12:17): What happens when you are travelling outside the region? What is this philosophy around the process inside the trial sites versus the process outside the trial sites?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:18): The answer is that it depends. If it is a supermarket that also has a bottle shop there will be separate merchant categories. Therefore, they will not accept the card and people will know that the card will not be accepted. If it is a gambling venue, it is fairly clear that it will not be accepted.

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (12:19): Sorry; every time you answer a question you raise more questions. So can we get down to the merchants where you will be able to use the card for buying a meal and a beer with? One issue that has been put to me is about roadhouses. How do I know which merchants do and do not?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:20): Merchant category codes of alcohol and gambling are out. So if you walk into a BWS or a Dan Murphy's—

**Senator Siewert**: That's obvious.
**Senator FIFIELD:** That is right; you will not be able to use it. If it is a licensed restaurant, they are not separately identified like a bottle shop would be.

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (12:20): I just promised Senator Muir that this would be the last question from me for the time being. So let's be clear here: the only area outside that you will be able to do it is where it is a licensed restaurant? Does that apply to a roadhouse, because they are not licensed restaurants? So is the difference then that it is just in Ceduna, or whatever the trial site is, where the actual licensed restaurants are going to be caught up in this?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:21): **That sounds a reasonable characterisation, Senator, yes.**

**Senator MUIR** (Victoria) (12:21): Initially, I would just like to say that I have been enjoying listening to the debate, and I actually share some of the concerns that both the Australian Labor Party and my colleague Senator Siewert have been sharing. At this stage, I think the debate has been very good. I have only a few questions, and I do apologise in advance if they have already been asked. I have not had a chance to listen to every single bit of the debate. You will have to forgive the cynic in me, but I do have concerns that the trial is being targeted at low-socioeconomic groups to guarantee success of the trial and to make it easier to justify expansion into the future. In the event that this trial is successful for this particular socioeconomic group, would the data be used, and how would it be used, to predict success for potential future implementation of this type of policy to socioeconomic groups that do not match the trial group?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:22): **Thanks, Senator, for the question.** The trial site in Ceduna has been chosen because of the very high indicators of hospitalisation and other abuses—and I am just flicking through my notes to give you some of the statistics, specifically, in relation to Ceduna.

In 2013-14, presentations to the hospital emergency department due to alcohol or drug use exceeded 500—and that is more than one presentation per day. The local sobering-up facility had 4,667 admissions that same year from a regional population of 4,425. I will just share with you a quote I sighted a little earlier from the Ceduna Community Heads Group, a key legislative group in Ceduna who have endorsed the concept of the trial. They said:

> We want to build a future for our younger generation to aspire to and believe we cannot do this if our families are caught up in the destructive cycle of alcohol or drugs that destroys our culture, our lands and our communities.

> At the heart of this reform, is a change that is being shaped specifically to meet our local needs. It has been a true collaboration to ensure that we can give our mob and our Communities every chance to create real and genuine change in their lives.

> We have grasped this initiative; we have helped shape this initiative; and we are confident that this initiative is for the betterment of all people within our region.

> You are right, Senator Muir, that the area has been chosen because of some particular issues—the level of alcohol abuse, the level of hospital admissions, illegal drug use and the recognition of gambling as being a factor that also harms families. Part of the rationale for
having a defined component of someone's payment that can only be accessed through the card is to limit the amount of money that could be used on illicit drugs, gambling or alcohol.

The purpose of the evaluation, which will be put in place, is to see to what extent some of these really bad statistics are reduced through the trial of the card. I emphasise: it is a trial. There will be evaluation, and we do want to learn from the trial.

Senator MUIR (Victoria) (12:25): Thank you. I understand the purpose of the trial, and the reason it is being debated now is to attempt to help with certain issues that you just mentioned. Considering this is a low-socioeconomic area with these issues, will the data be used to predict success into the future and to roll out the policy into the broader community?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:26): The intention at the moment is that it is targeting areas where there are high rates of harm. It is not necessarily tied to socioeconomics, because there can be some low-socioeconomic areas where you do not have these kinds of statistics. It is not that a low-socioeconomic area has been chosen as such; it is the rates of harm that are present that has determined the one community at this stage that the trail is aimed at. It is not something that seeks to characterise low-socioeconomic communities. It is something that recognises that there are some communities that have a higher incidence of harm, and we are seeing if, through this mechanism, we can reduce that. I am advised that the intention was always to target the areas, if you like, of greatest need with some of these really appalling statistics.

Senator MUIR (Victoria) (12:28): In the area that has been chosen for the trial to be rolled out, I understand the Ceduna area had 500 hospitalizations and the sobering-up program had 4,667 people. Does it capture other people who are currently doing the right thing? Is the trial going to pick up people who are not repeat offenders in hospitalisations or sobering-up programs?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:28): The trial will cover anyone in receipt of a working-age payment. It is something, you are right, that applies across the board. There will be a mechanism in the trial for people who wish to have access to more than 20 per cent of their payment in cash. There will be local bodies that people can put that to. You are right: this will apply to anyone on a working-age payment.

Senator MUIR (Victoria) (12:29): Thank you for that answer. Going back a little to my concerns—the cynic in me—

Senator Xenophon: You're not cynical, are you?

Senator MUIR: sorry, Senator Xenophon, I am—about the data potentially being used to roll this out further into other communities. Will the government commit to a process in the future where communities can choose to opt in or out on a community by community basis in the event that the government does decide to use the data collected after this trial to roll out the policy further?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for Arts and Minister Assisting the Prime Minister for Digital Government) (12:30): One thing we do not want to do is pre-empt the outcome of the trials.
We take the evaluation seriously. We will want to have the trial, look at the evaluation, see if it is a success and, if it is, then at that point we would make a determination as to whether to seek to expand it to other communities. Our approach with this trial, and possibly with another two, is to work with local communities, to be consultative and to see if there is a willingness as there is in Ceduna. In Ceduna there is a really, really strong desire for this to be in place, but we take the evaluation seriously and I would not want to prejudge that evaluation or any decisions that we might take after that.

**Senator MUIR** (Victoria) (12:31): You most definitely did not rule out extending the trial further. I suppose I am trying to seek some kind of commitment that these trials would not supply data that would then encourage policy to put this type of trial into legislation which goes far beyond communities that would even ask for it.

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for Arts and Minister Assisting the Prime Minister for Digital Government) (12:31): You can take some comfort from the fact that this legislation only authorises three trials and a maximum of 10,000 people. If the government was wanting to do something in addition to that it could only be with the approval of this chamber. We would have to introduce fresh legislation.

**Senator MUIR** (Victoria) (12:32): I am nearly finished; I think I have got enough on that for the time being. Will wraparound services be offered on a voluntary or referral basis—your drug counselling, financial counselling, domestic violence counselling and so on?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:32): The approach in Ceduna has been to work with the local community to work on what those local wraparound services should be. We have made some funding available for that. If we went ahead with the further two trial sites we would be taking the same approach there: to work out with the local community what are the wraparound services that are needed for the particular circumstances of that community.

**Senator MUIR** (Victoria) (12:33): I might come back a little bit later, after a few of my colleagues have asked questions, and go further into that. Alan Tudge's report does not appear to cover the concerns of EFTPOS fees for minimum spends in retailing outlets. Has the government taken this into consideration?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:33): The trial is already working with the local Ceduna traders' association in an effort to work towards there not being those minimum spend requirements.

**Senator MUIR** (Victoria) (12:33): Just to clarify: at this stage, even though we are about to vote on the bill, or are very likely to vote on the bill, it still has not been completely sorted?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:34): The local arrangements cannot be finally nailed down until we have legislation, but discussions have occurred and it is the intention to address the issue raised.
Senator XENOPHON (South Australia) (12:34): I know we have 10 minutes before we go to senators' statements, but hopefully I can deal with two discreet issues in respect of that. The first relates to the location of the trial. I have had some very good and productive discussions with Assistant Minister Tudge in relation to this—and I want to express my gratitude to the assistant minister and to his office for their level of cooperation and goodwill.

When I went to Ceduna with Senator Lambie on 2 October, there was a concern felt by a significant part of the community who had expressed concerns about the trial; they felt that there had not been an adequate level of consultation. I know that Assistant Minister Tudge has made it very clear that there has been extensive consultation with a number of key stakeholders. The assistant minister has indicated to me that there will be a public meeting in Ceduna that will go for two to three hours—I think that the minister's adviser is helpfully nodding, and hopefully that nod can be translated through the minister into Hansard. Before any regulations are tabled, before any final decision is made, can the minister indicate that there will be a public meeting in Ceduna that will allow a robust exchange of views with the local community, and that the public meeting will involve the assistant minister?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for Arts and Minister Assisting the Prime Minister for Digital Government) (12:35): I can give the assurance that there will be meetings there—

Senator Xenophon: Before you have made any regulations?

Senator FIFIELD: before any regulations, that is right—and we will work to find a date that works for you.

Senator Xenophon: By flying me in by helicopter?

Senator FIFIELD: You are notoriously frugal, Senator Xenophon, as is appropriate. We will certainly work to make sure that it is a date that works for you, other interested colleagues and Assistant Minister Tudge as well.

Senator XENOPHON (South Australia) (12:36): For the benefit of the taxpayers, we will not be going to Ceduna by helicopter from Adelaide. I am grateful for that, and I think that it is going to be very important. I am sure that it will be a feisty, robust meeting. It is important in a democracy for those concerns to be raised. I will raise some of the concerns that were put to me in the community gathering that I went to at the Ceduna community hotel.

There is one issue that I happened to speak to Assistant Minister Tudge about just a few moments ago, and I want to get this on the record. It is an issue that I have discussed with my colleagues Senator Moore and Senator Siewert. It relates to the regulations for the trial. The concern that I have had is that, at the moment, in terms of subordinate legislation, there are 15 sitting days to disallow a regulation, so, if a problem is apparent, if there is a serious problem with the trial—and I hope that will not be the case; I want to make that clear—we have only got 15 sitting days to deal with that. I was going to move an amendment to extend that 15 days to 30 days, but that would involve some technical difficulties. I would be grateful if the government could indicate and give a firm undertaking that any regulations would be established for a period of six months only, with the intent that there be a further period of six months, effectively giving the Senate an opportunity to consider a disallowance of those regulations on two occasions, with 15 sitting days each time. I think that would give us a greater level of scrutiny, in a sense, and scrutiny with teeth, in respect of this. Again, I make it
clear that I want this to work, as does the government, but I think it is important that we have that additional level of safety and scrutiny for the communities involved.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:38): I am advised by the assistant minister's office that this will be a 12-month trial, but two six-month instruments, as you propose, will be done.

Senator XENOPHON (South Australia) (12:38): I am grateful that that undertaking has been made on Hansard so that, with any regulations, the first tranche, if you like, will be for a period of six months, which gives us that greater degree of scrutiny. I think my colleague Senator Siewert, if she gets the call from you, Chair, wants to ask a follow-up question on that.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:39): I have got to put on the record that I think this is slightly better but it still does not get it over the line for us. However, if we are going to do that, is there a commitment that information that is collected as part of the monitoring process will be made available so that, when we are then considering the next regulatory process, we will have access to that information? Otherwise it is a moot point, because, if we do not have access to information, we will not be able to make a decision about whether we support the next regulatory instrument.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:40): We will use our best endeavours. I have no doubt that Assistant Minister Tudge would be happy to sit down with you and share with you what has been learnt to that point.

Senator XENOPHON (South Australia) (12:40): Could I just take up Senator Siewert's point? I guess I look at it from a slightly different perspective. By having two legislative instruments, by having two periods of six months, if the government is not being transparent in the process—and I would shocked if it were not, and I say that with a straight face, because I think it is in the government's interest for there to be transparency in the process. I genuinely believe that. I know some more cynical in the chamber might not have that view, but the fact is: if there is not, then that itself could be a factor for the disallowance. I think the government would know that, in order to ensure that the regulation not be disallowed in the second six-month period, there would need to be a level of transparency and accountability in the process. So I think that itself would act to be useful.

I will just ask a question of the minister that I raised briefly with Assistant Minister Tudge. This is what happens when you pass people in the corridors of this building. We had a useful conversation but sadly none of it was recorded for the purposes of Hansard. This relates to online gambling. Yesterday, just parenthetically, I had a very useful discussion with former New South Wales Premier Barry O'Farrell, who is heading up—

Senator Dastyari: Over wine?

Senator XENOPHON: Senator Dastyari, hopefully Hansard did not pick that up. Through you, Chair, Senator Dastyari needs to know that there was no wine consumed, only water.
In his review of online gambling, there was an issue about the distinction between illegal online gambling providers—those that operate out of Gibraltar and the Caribbean and goodness knows where else, which are unauthorised and illegal—and those that are authorised under the Interactive Gambling Act. My question to the minister—and I happy for some of this to be taken on notice—is: given that some of these illegal operations have innocuous-sounding names that do not sound anything like a gambling provider for their merchant ID, will the healthy welfare card prohibit overseas transactions, and which overseas transactions will be allowed? If you are dealing with Amazon.com to buy a book, I would have thought that someone should be able to do that transaction—or if they are dealing with any online retailers that might be overseas or they want to subscribe to *The New York Times*, which might have a special subscription deal that goes to an overseas website. How do you distinguish between those overseas transactions and, in particular, overseas online gambling transactions?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:43): Online, the default position will be no, but there will be whitelisted entities which are acceptable.

**Senator Xenophon:** Amazon?

**Senator FIFIELD:** Well, they do not sell alcohol or gambling, so I am sure that is being noted as we speak.

**Senator XENOPHON** (South Australia) (12:43): There might be some online retailers that sell alcohol but you cannot tell by their name that they are alcohol or liquor merchants. How will that be determined? Will there be liaison with all the licensing courts or the licensing bodies around the country to establish who is authorised online? I am just trying to see in a practical sense how that would work.

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (12:44): Yes.

**Senator XENOPHON** (South Australia) (12:44): We are about to go to senators' statements, but I want to ask a question about a point that was put to me in a very powerful, poignant way by one of the people that I met in Ceduna on 2 October. This person had never been on welfare for 40 years. They had fallen on hard times and needed welfare, needed that support. They had paid their taxes for 40 years or so and they felt a level of stigma in having such a card and that they would have to go to a panel to get approval for some pre-existing payments they had to make. Perhaps we could address that when we get back to this bill.

Progress reported.

**STATEMENTS BY SENATORS**

The **ACTING DEPUTY PRESIDENT** (Senator Williams) (12:45): We will now move to senators' statements.

**Coalmining**

**Senator CANAVAN** (Queensland—Nationals Whip in the Senate) (12:45): A couple of weeks ago, the Leader of the Greens, Senator Di Natale, gave a nationally televised address to
the National Press Club. He said that one of Australia's most important wealth- and export-generating industries, in his words, is 'on the way out'. No prize for guessing which industry he was talking about. It was the coal industry. Senator Di Natale said:
Thermal coal in Australia is in structural decline and no-one is more exposed than Australia.

... the Institute of Energy Economics and Financial Analysis reported that our major export markets for thermal coal are disappearing and there are no new growth markets appearing on the horizon. The Institute for Energy Economics and Financial Analysis is not an independent research body. It is a renewable energy think tank that is funded by large trusts such as The Rockefeller Foundation that have a history of opposing fossil fuels. Their work is not independent and, in this instance at least, it clearly does not accord with the facts. Their story on coal is a fairytale. This is not a matter of hiding a decline. The figures are all out there for everyone to see that our coal sector is not in decline. Last year, in fact, we produced and exported a record volume of coal. When it comes to this record performance of the Australian coal industry, the Greens party are acting like a bunch of denialists.

Australian coal production was 491 million tonnes in 2014, an increase of almost five per cent on 2013 levels. Production volumes have been steadily rising over the past decade, with an increase in the average annual rate of more than three per cent over that period. Total volumes increased from 363 million tonnes in 2004 to 491 million tonnes in 2014, an average increase of around 13 million tonnes a year. If only the Greens' logic could be applied to my waistline! I have put on a few kilos in the last year, but according to the logic of the Greens I have actually lost weight—so happy days for me. Australia's coal export volumes are indeed expected to increase even further from this 400 million tonnes today to around 433 million tonnes over the next five years and will boost our national income by $200 billion. This growth means that Australia is forecast to overtake Indonesia as the world's largest coal exporter in 2017. But, of course, that does not mean that growth is always smooth or that prices will not fluctuate. Global coal prices have been at multiyear lows but they remain much higher than they were at the beginning of the century. That is the world of commodity prices. They are volatile.

Leading energy forecasters agree that the continued industrialisation and urbanisation of Asia will drive enduring growth in coal demand. The International Energy Agency estimates that the world will use one billion tonnes more coal in 2019 than today. It explicitly states that the danger of stranded assets for the coal industry is 'limited'. The IEA concludes that, even under its most stringent climate change policy scenarios, no oil or gas field currently in production would shut down prematurely, and only the oldest and least efficient coal mines would close. It also expects coal to continue to be the biggest single source of electricity generation. In 2030, coal is expected to fuel 10,200 terawatt hours of electricity, around 31 per cent of global generation and nearly twice as much as hydro, four times more than wind and eight times more than solar.

The conclusion of Australia's official energy forecaster is that China's energy and climate change policies are unlikely to result in a rapid shift away from coal. Australia's official energy forecaster said that it is unlikely that India will be able to cease thermal coal imports within the next three years as widely claimed. Certainly we have heard concerns about a short-term decline in coal demand but these are largely short-term issues. Growth estimates in
Chinese coal use between 2012 and 2040 vary from 70 per cent in an MIT study done in 2014 to over 50 per cent in an International Energy Agency outlook study done a couple of years ago.

Even putting China aside, there is enormous potential for increased coal demand in other countries of Asia. I have here an audit that has been done of coal power stations either under construction or proposed for a selection of Asian countries. Those countries include India, Vietnam, South Korea, the Philippines and Taiwan. These are the plants that are under construction in Asia—more than 750 individual coal fired power units. Some of them are part of one station. They collectively amount to more than 500,000 megawatts of extra power capacity that is projected to be supplied from new suppliers of coal over the next few decades. All of these power stations. These are the facts that the Greens want to ignore. That increased amount of coal capacity—500,000 megawatts of extra coal fired power capacity in South East Asia—will mean that there will be an increased demand for coal of just under two billion tonnes per year to supply that capacity.

I go back to the figures I mentioned earlier. Currently in Australia we produce just shy of 500 million tonnes a year and we export just over 400 million tonnes a year. The increased demand swamps even our own total production of coal today. There will be an increased demand of two billion tonnes and that is not even including China. That is just South East Asia. We as a country only produce around 500 million tonnes today. We will not be able to meet that increased demand but we have an enormous opportunity to continue to increase coal production, as we have in the past 10 years, to help meet the burgeoning economies of South East Asia and to help them to deliver electricity to more of their peoples.

We also want to take that opportunity because we know that Australian coal is much more efficient than coal from other countries. Australian coal leads to lower carbon emissions for any given level of electricity generated. Australian black coal from Queensland is the most energy efficient in the world in terms of energy output per unit of coal burned. Therefore, the most efficient outcome for the world's environment is to use more of Queensland's coal and less coal from overseas countries. Australian thermal coal exports are of the highest quality coal found anywhere in the world, with an energy content above 5,500 kilocalories per kilogram, which compares favourably to Indonesian coal, which has an estimated range of between 4,200 and 5,200 kilocalories per kilogram. New mines in places like the Galilee Basin should be developed as quickly as possible. It would create jobs in Queensland and reduce emissions internationally.

So anti-coal activists trying to stop production in Australia are doing a disservice to the global environment. Even the international Intergovernmental Panel on Climate Change is on board with this view. It states that, without a clean coal solution, a global solution to climate change would be more than 130 per cent more expensive. It would push up mitigation costs and would likely lead to more people being in poverty. There will be lower economic growth and less opportunity to protect the natural environment. Last year, the Chair of the IPCC dismissed the idea that fossil fuels would become redundant. He said that new technologies will ensure that 'fossil fuels can continue to be used on a large scale'.

This ethical case for the use of fossil fuels is often overlooked. We should always remember that we are very lucky in this country. We are very lucky to all have access to cheap and affordable electricity, although it is a bit more expensive than it was in the past.
According to the World Bank, over half of the world's population, around four billion people, have limited access to any energy at all, at any price. Rachel Kyte, who is the Vice President of the World Bank, said recently that over 1.2 billion people in the world are without access to any electricity, and most of them are concentrated in about a dozen countries in Africa and Asia. Another 2.8 billion rely on wood or other biomass for cooking and heating, resulting in indoor and outdoor pollution to which 4.3 million deaths a year are attributable. This energy poverty is contributing to these more than four million premature deaths, and we have a responsibility, as a country with great access to cheap, efficient and affordable forms of energy, to export those to those countries to help them prevent such deaths in the future. We should not deny the benefits to other nations that we have been able to benefit from, given our country's exploitation of fossil fuels.

As I said, we are a lucky country. We are a lucky country to have had these cheap and accessible energy sources close to our centres of population. They have helped drive the development of this country. They have helped put us where we are today. They have indeed given us the luxury of being able to better protect our environmental assets and have the resources and income to do so, and it is great that they have. The best solution to help improve the environment all around the world is to make sure that other countries have access to such energy in a cheap and affordable way. We have a choice. Either we can have cheap energy, or we will have cheaper wages for some of the poorest people in the world. I personally would choose cheap energy, high wages and coal.

Taxation

Senator DASTYARI (New South Wales) (12:55): I rise to speak to you today about the issue of tax transparency, but I want to talk to you about a house, an impressive, five-storey homestead, a place amongst the palm trees with the waves lapping on the beach. This is not any ordinary house. This is a house in the Cayman Islands, a place called Ugland House. In describing this house, President Obama said:

... either this is the largest building in the world or the largest tax scam in the world.

Ugland House on Grand Cayman Island is one of the most pre-eminent addresses in the world for tax minimisation.

You have to ask: who invests in the companies that claim to be headquartered in this house? Well, friends, among them is our Prime Minister, Mr Malcolm Turnbull. How do we know this? In January this year, Mr Turnbull altered his Register of Members' Interests entry to include investments in Zebedee Growth Fund, which is incorporated in Ugland House. Zebedee requires any outside investor to front up with at least a quarter of a million US dollars, and this is not even the only investment the Prime Minister has in the Cayman Islands. There is the Bowery Opportunity Fund, with a minimum investment of $1 million. We also know of the 3G Natural Resources Offshore Fund.

It is all legal and disclosed, but is any of it appropriate? There is one reason I know why people invest in the Cayman Islands, and that is so they do not have to play by the same rules as the rest of us. This is not fair, and it is not right. For two years, I have asked: why is it that this Senate cannot pass legislation to improve tax transparency? Why is it that we cannot crack down on multinational profit shifting? Why have we seen coalition senators refusing to
ask companies earning over $100 million to declare how much these companies pay in tax? Why is it that the Liberal Party will go to the ends of the earth to protect big business? And how is it appropriate, how is it acceptable, that the Prime Minister of this country has investments sitting in the Cayman Islands? So I say to you and I say to this chamber: every time the Liberal Party votes against tax transparency, just remember that there is a house in the Cayman Islands, a house where Malcolm's money resides.

**Tasmania: World Heritage Areas**

Senator McKIM (Tasmania) (12:59): I rise today to congratulate Senator Richard Colbeck on his appointment as Minister for Tourism and Minister for International Education. I have written to Minister Colbeck to that effect, congratulating him on those appointments and pointing out that those areas are in fact key competitive advantages for Tasmania. But I have also taken the chance in my letter to Senator Colbeck to make sure that he is aware of research that has been published by Tourism Tasmania which shows that by far the most important driver of tourists and visitors making the decision to visit Tasmania is in fact Tasmania's world-class wilderness. That finding was published by Tourism Tasmania in its motivations research in 2011 and it found:

The greatest trigger to influence intention to visit Tasmania was wilderness.

In fact, wilderness was nearly double the next most important driver or trigger of influencing people's intentions to visit Tasmania. I wanted to make sure that Senator Colbeck understood the importance of wilderness in Tasmania as an absolute foundation stone of the tourism portfolio that he now holds in this Turnbull government. I have asked to consider abandoning his previous strong anti-wilderness agenda. He did actually play an integral role in trying to shrink down the size of the United Nations listed Tasmanian wilderness World Heritage area not all that long ago, and urged him to do everything that he can to protect and enhance wilderness values in Tasmania.

I have also taken the chance to invite Senator Colbeck to join with me in a tour of the Tasmanian Wilderness World Heritage Area so that he can get a better appreciation of the values of this beautiful, magnificent, carbon-rich part of Tasmania and its importance in underpinning the future of the tourism sector on our beautiful island. I have explained to him that I would love to visit those areas with him and suggested that if he would do me the honour of accepting my invitation, he may get an improved appreciation of why the tenure of those areas should be enhanced as recommended in a draft decision of the World Heritage Committee earlier this year, why logging in those areas should be banned as recommended by the World Heritage Committee in its draft decision earlier this year and why mining should be prohibited in those areas, again, as recommended by the World Heritage Committee in its draft decision earlier this year.

It is worth placing on the record the significant concerns that the United Nations has around the Tasmanian government's draft management plan for that area. Might I add, this is a Tasmanian government led by a Premier, Will Hodgman, who is on the record in budget estimates committees in the Tasmanian parliament in answer to questioning from me when I was a member of that parliament, when I said to him:

Premier, would you agree it is not possible to log and mine in wilderness areas without compromising wilderness values.
Mr Hodgman said:
No.
To which I said:
So you think you can log and mine in a wilderness area without compromising wilderness values?
And Mr Hodgman said:
I think you can.
So we have got a Premier who might understand the cost of everything and the price of everything but he clearly understands the true value of nothing and he certainly does not understand wilderness values. So his government has put in place a draft management plan which comprehensively fails to protect the outstanding natural values, the outstanding universal values that have been identified by the United Nations inside the Tasmanian Wilderness World Heritage Area. And that management plan has caused significant concern to the World Heritage Committee, which, in its draft decision earlier this year, raised concerns around a number of changes that are being proposed in the draft management plan and actually said:

They would appear to directly threaten the protection of the outstanding universal values of the property.

Those include the fact that the Wilderness Zone is proposed to be removed entirely by the state government and replaced by something that they call a 'Remote Recreation Zone'. The committee was also concerned that the plan appears to create potential for logging operations in the property as I mentioned earlier. The report said:

It needs to be recalled that the World Heritage Committee has repeatedly reiterated its position that mineral exploration and exploitation is incompatible with World Heritage status.

In its draft decision the committee also urges the state party to review the proposed new management plan for the property to ensure that it provides adequate protection for its outstanding universal values including: recognition of the wilderness character of the property as one of its key values … recognition of the cultural attributes of the outstanding universal values; and the establishment of strict criteria for new tourism developments within the property.

In relation to extractive industries, the World Heritage Committee, in its draft decision, said it:

Further urges the State Party to ensure that commercial logging and mining are not permitted with the entire property, and that all areas of public lands within the property's state boundaries, including regional reserves, conservation areas and future potential production forest lands have a status that ensures adequate protection of the outstanding universal of the property.

We have now at a Commonwealth level a tourism minister who in the past has been integrally involved in a direct attack on the Tasmanian wilderness World Heritage area and, therefore, on the wilderness values of Tasmania as a destination for visitors and tourists. I say to him: it is now time, given his ministerial appointment at minister for tourism, for him to join with the Greens in fully appreciating the wilderness values in Tasmania. And it is time for him to come to a comprehensive understanding that in fact it is by protecting and enhancing wilderness in Tasmania that we can truly provide the foundation for long-term sustainable growth in our tourism sector on our beautiful island.
So it is incumbent on Senator Colbeck to get with the program; to urge the Tasmanian government to withdraw its fatally flawed draft management plan; to ensure that the wilderness zone is reinstated; to ensure that the new draft plan properly lists the characteristics of the wilderness World Heritage area that qualify it for the seven criteria of outstanding universal values in this area; to ensure that the plan has as its primary focus the protection and enhancement of natural and cultural heritage values and wilderness values within the World Heritage area; and to ensure that it in fact rules out extractive industries like logging and mining, as requested by the World Heritage Committee in their draft decision earlier this year.

I can also indicate to the Senate that we have been in touch with the World Heritage Committee. I will be meeting, along with some of my Greens colleagues, with the World Heritage Committee when their reactive mission arrives in Tasmania later this year. I look forward to briefing them on the problems with the Tasmanian government's draft management plan. I can only hope that Senator Colbeck will visit the wilderness areas of Tasmania with me and join me in protecting the wilderness values.

Western Australia: Kimberley Region

Senator Smith (Western Australia) (13:09): During the break I had the opportunity to visit the far north of my home state of Western Australia—indeed the far north of our country—where I was able to see firsthand how wilderness preservation can sit very comfortably with resource and energy development and in the process set Indigenous communities on a path of prosperity and greater independence.

This afternoon I rise to talk about the sense of optimism that I saw on that trip across the Kimberley region just a week ago. Indeed optimism has returned in spades to the Kimberley region, which is in my home state of Western Australia. At Kununurra I witnessed the first chia crop in the history of the Ord being harvested. I visited Broome, where cattle producers are receiving the highest prices ever for their export cattle. At Noonkanbah Station outside of Fitzroy Crossing—people who know a little bit about the Indigenous history of the far north of Western Australia will know the history around Noonkanbah Station—it was great to meet an icon of that historical record, Dickie Cox, while I was out there meeting with the Indigenous community. Much is happening across the Kimberley and across the Fitzroy Crossing valley.

I was also pleased to meet with the Yungngora people, who are working with Buru Energy to unlock one of the largest gas reserves in the nation, the Canning super basin. There is a great sense of optimism seen in the development of Australia's biggest prawn farm, Project Sea Dragon, a $1.45 billion project, on the border of the Northern Territory and Western Australia, which will revitalise Wyndham Port. Optimism is seeing the development of a new abattoir on Yeeda Station which has secured lucrative export contracts with China. It is an optimism that has been brought about by the commitment of this government to northern Australia.

This is a government that has succeeded in negotiating free trade agreements with Japan, Korea and China, agreements that will ensure jobs, prosperity and business success for our northern regional communities. This is a government that has committed $5 million to conduct an examination of the economic feasibility of the development of stage 3 of the Ord
River project in Kununurra. This is a government that is spending $100 million to improve the cattle supply chains through a northern Australian beef roads fund.

At the end of this month I am looking forward to travelling back up to the far north of my home state of Western Australia to travel the Tanami Road with the state roads minister Mr Dean Nalder and the Northern Territory government representative, to see for ourselves not just the very tardy condition of that road—and I think calling it a road is a bit of an exaggeration. Have you travelled on it, Mr Acting Deputy President?

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson): Yes, I have.

Senator SMITH: It is not a road; it is a track. But, if we think about the potential of that track becoming a sealed road, allowing heavy haulage and allowing it to be used as a freight route, we can understand much better the real economic opportunity that arises.

There is a mistaken view—I am sure it is not a view that you hold, Mr Acting Deputy President, but there is a mistaken view—that the Tanami Road project is important because it will open up export opportunities for pastoralists and our Asian neighbours. While that might be true, the real benefit is to pastoralists across northern Australia; the sealing of that road will open up opportunities for their produce in that south-east domestic market—what we know as the Sydney-Melbourne-Canberra triangle. There are huge opportunities in the development of that road for pastoralists in the north of our country to service the growing domestic food and agricultural needs of those in the south-east corner of our state.

But this coalition government is also improving regional communications with our mobile black spot program, and our rollout of a cost-effective, efficient national broadband network. In the last few weeks we saw the launch of the satellite which will provide much-needed high-speed broadband access to regional communities, and more importantly to remote communities across Australia. This will do two primary things. Firstly, it will provide much-need broadband access to young people living out on pastoral communities, in isolated and remote communities, so their parents can provide the right educational support to them. Secondly, it will provide that important broadband access for businesses in northern Australia, so they can communicate with one another and so they can explore trade opportunities with businesses in the south-east corner of the Asian region.

Of course, this is also a government that is working with Indigenous leaders to improve the social and economic lives of those in our remote and most isolated communities. It is because of this government's removal of the mining tax and the carbon tax that pastoralists are becoming more competitive in the international marketplace. It is the policies of this government—policies which support live exports, support rural industries, support free trade, support investment and support jobs for Aboriginal workers—that there is a new and recurring sense of optimism throughout the Kimberley region of my home state.

I am proud also that it is the Liberal Party, as it has always has been, providing the strongest voice and support for regional Western Australians, their families and their businesses. For we understand the rewards that come from hard work and determination. We recognise the challenges that lie ahead. We look forward to ensuring the viability of this valuable industry and in working with industry and communities, not against them, to develop a strong and vibrant northern Australia.
Last week, as I said, I was fortunate to spend some time in the Kimberley. It became apparent during my discussions with pastoralists, Indigenous community leaders and local government officials that everyone has an idea about how best Australia’s north could be better developed. What we need, of course, is to make sure that we are listening to those on the ground in the North. The people with the best ideas, the people with the best approach to developing northern Australia are not bureaucrats based in Canberra, Sydney, Melbourne or, dare I say, Perth but indeed local people in local communities living and working across the north of Australia. It is important that we make sure that the strategies we are developing are ones that are developed in cooperation and in support of their aspirations so that together we can unleash the economic opportunities for our North to make sure that the talk that has often been talked is met by reality.

The development of northern Australia will require that governments at all levels create an investment environment that will attract the significant capital ventures that new projects require. That means getting the balance right between removing red tape and ensuring investment in sustainable industries. And, if I could be a little bit contentious, it does mean revisiting whether or not the balance that has been struck between environmental conservation and economic development in the Kimberley is indeed the right balance and whether it is a balance that sets people free or a balance that traps people. By people I specifically refer to the Indigenous people living across northern Australia and I will come to that in a brief moment. It was very apparent to me that many Indigenous communities and people in Indigenous communities across the Kimberley—I cannot speak for other parts of northern Australia—are starting to argue constructively and put their case that they would like to see greater local decision-making over their future economic opportunities. That is something that should be welcomed. With rising levels of prosperity for Australians generally, but with increasing economic opportunities for Indigenous people across the north of the Kimberley, we must also be prepared to empower them to make those decisions that are best able to set them and their communities free and, importantly, set their children on a path of prosperity and progress for the future.

During the trip across the Kimberley I was pleased to meet with a number of very inspirational people. I thank Lynette Shaw and her partner, Nelson, for the very generous amount of time that they gave to me in talking about issues that were important to them and their community. In closing, I might emphasise one of those. Lynette said to me with great passion that it was important that we explain how better to use Indigenous land use agreements, so that local communities can make agreements that help commercial business opportunities in their communities. I look forward to travelling across the Kimberley again in the next few weeks.

Urban Planning

Senator SINGH (Tasmania) (13:19): I rise to highlight the importance of our cities in Australia and the statement of the shadow minister for cities, Anthony Albanese, that cities matter. What is more, the liveability and quality of urban life in Australian cities, which has long been a policy focus of the Labor Party, will matter more and more in years to come.

After this government abolished the previous Labor government’s major cities unit, Labor responded by establishing the urban policy dialogue, adopting a national agenda for better cities and creating a cities portfolio to ensure that urban policy is accorded the highest
priority. We did this because Labor understands that Australian governments in the 21st century need to be focused on our people, making it easier for them to get around our cities so that more people can walk, cycle and use public transport.

As Professor Jan Gehl, the renowned Danish architect and urban design consultant puts it, 'First life, then spaces, then buildings—the other way around never works.' I recently had the pleasure of visiting Copenhagen, Denmark's capital and consistently one of the world’s most liveable and ever more sustainable cities. Danes are often said to be the happiest people in the world, and Copenhagen is often described as one of the world's most liveable cities—alongside Melbourne of course—due to their systematic improvement of conditions for city life and people traffic.

While I was in Copenhagen I was fortunate enough to spend some time and share some ideas with Professor Gehl, whose career has focused on improving the quality of urban life by reorientating city design towards pedestrians and cyclists. He has transformed streetscapes in London, New York and Copenhagen to favour cyclists and pedestrians and has conducted studies in several Australian cities, including my home town of Hobart. His unambiguously people focused city design and transport planning has had a profound and growing impact on our Australian cities. Gehl has already worked on Melbourne, Melbourne Docklands, Perth, Adelaide, Sydney, Brisbane, Hobart and Launceston. A key recommendation of his early report to the City of Melbourne in 1994, updated in 2004, was to create opportunities for outdoor dining, mimicking the success of the grand boulevards of Paris and the communal squares of Rome. While it was ridiculed at the time, Melbourne now has highest ratio of street furniture per person in the world. Outdoor cafes have increased from less than 50 in 1990 to over 600 today, the number of pedestrians in the city on weekday evenings has doubled, and Swanston Street has more pedestrians per day than Regent Street in London.

The professor and I also talked about implementation of the recommendations in his 2010 seminal report for Hobart City Council on Hobart's liveability and his thinking behind it. As Professor Gehl pointed out—and all who live there understand—nature has blessed Hobart with a unique setting: hills, nature reserves and the sea close to the city. Hobart has also benefited from a slower growth rate than other Australian capitals, meaning that much of the character of the city and its historic buildings have been protected. But, as all citizens of Hobart know, our highway-style city streets are a serious barrier between the city and the harbour. No parked cars in the world, Professor Gehl believes, have a better view than the hundreds of cars parked along Hobart's waterfront. Each one of the Gehl report's 230 recommendations has been considered by the Hobart council and condensed into an action plan which is being implemented stage by stage and is already making an appreciable difference to Hobart's liveability.

Because of Hobart's strong basic fabric, Professor Gehl believes the process should be easier than in many other cities, yet visionary leadership—as seen in many other fine cities of the world—will still be very much needed. Visionary leadership for Hobart's transport system was also called for last Friday night at the Hobart Town Hall by Professor Peter Newman, renowned Professor of Sustainability at Curtin University. Professor Newman presented a public lecture titled 'Will Hobart ever do light rail: a global context' to present the case and to lay down a challenge to all levels of government to deliver on this project—a project which I support.
Professor Newman has identified that the 21st century knowledge economy needs spatial efficiency. Public transport, cycling and walking are spatially efficient; freeways, traffic jams and urban sprawl are not. This is well-understood by the Danes. Professor Gehl has noted:

After many years of pruning back pedestrian areas, Copenhagen was one of the first cities in Europe to grasp the nettle in the early 1960s and begin reducing car traffic and parking in the city center in order to create once again better space for city life.

The iconic example of this process is Stroget, Copenhagen's traditional main street, which was converted to a pedestrian promenade in 1962. I had the opportunity to walk down Stroget; it is an area that now has only people. It does not have cars and it does not have traffic congestion. Following that decision, the area in the city devoted to pedestrians and city life grew by a factor of seven—from 15,000 square metres in 1962 to over 100,000 square metres by 2005.

Jan Gehl's most recent book, *Cities for people*, has become the key text for city planners across the world, having been printed in 20 languages since 2010. Its focus on putting people first in transport planning enables bike lanes and pedestrian thoroughfares, and great mass transit and abundant public spaces, to naturally follow—networks of good bicycle paths that provide safe alternative transport systems. You simply want to get on a bike in Copenhagen. I enjoyed being on a bike; in fact, it was the quickest way to get around because that is just what people did.

Copenhagen is now building 26 suburban commuter arteries just for bicycles: carefully maintained bike paths linking suburbs with the inner city, up to 20 kilometres long and requiring the cooperation of 21 separate municipal governments. This make sense because, in a city much colder than any Australian city, including Hobart, 37 per cent of Copenhagen residents and 55 per cent of downtown dwellers use bikes as their primary mode of transportation. In fact, only 29 per cent of Copenhagen households actually own a car.

Copenhagen is the world's cycle infrastructure leader, and its most liveable city, because it prioritises people and bikes over cars. With that comes a distinct bicycle culture which gives such vibrancy to the city. In fact, Copenhagen was European Green Capital 2014. That ambitious green profile of the city has a clear goal: to become the world's first CO₂ neutral capital by 2025. The Danish government has decided to lead the world's transition to a green growth economy and will be independent of fossil fuels by 2050.

While in Copenhagen I cycled to the offices of the official green brand for the country, State of Green, a public-private partnership that gathers all the leading Danish players in the fields of energy, climate, water and environment. It was quite clear from my discussions with State of Green employees and with Professor Gehl that to improve the liveability and sustainability of Australian cities, to aspire to make Sydney or Hobart as liveable as Copenhagen and Melbourne, Australian governments need to follow federal Labor's lead to ensure that they are energetic, diverse and vibrant places, rich in human experiences with a more thoughtful approach to how we create, manage and get around the spaces in between.

Of course, there may be other policy ideas that would need to complement that. For example, London introduced a congestion charge for cars driving into the city. But what is clear is that we need to support cities for people first. People are the key.
Freedom of Speech

Senator DAY (South Australia) (13:29): A plague of political correctness seems to be sweeping this country, seeking to push out of the public arena those who the ruling elites do not agree with. When in opposition, those who are now in government spoke powerfully about the need to halt the growing threats to free speech. However, in office they seem to have gone a bit quiet. Yes, the Human Rights Commission is reviewing rights and responsibilities. It is focusing on religious freedom; that begins next month. However, the central and specific commitment to reform section 18C of the Racial Discrimination Act 1975 was abandoned until senators Leyonhjelm, Smith, Bernardi and I picked it up again. I look forward to further debate on this tomorrow.

Language is very powerful. The framing of these debates is powerful. Opponents of free speech like to talk about 'hate speech'. They say that certain things should be censored because they might offend or insult someone. Simply calling words 'hate speech' is an affront to free speech. Here's the uncomfortable truth for those who hate free speech: those who you call 'bigot' will not call you a bigot back because, in so many cases, they are too decent and respectful to do so. They are people who know that two wrongs do not make a right. Civility needs to be restored to this debate.

If only that were the only problem. There is another more sinister problem: the use of laws to prosecute those upholding their beliefs or indeed beliefs held by the organisations they represent. Take the case of Archbishop Porteous of Hobart. The persecution of Catholic Archbishop Porteous of Hobart is a black mark on Australian history and free speech. How on earth can a man of the cloth, explaining to his congregation his church's teaching on marriage, be accused of inciting hatred towards those who want gay marriage? The older generation are shaking their heads in disbelief at how out of kilter this is with their Australia. You have to wonder whether this is the Australia our forebears shed blood, sweat and tears to create.

How strange that I should be accused of:

… channelling the quaint bigotry of a softly spoken vicar as opposed to the thuggish menace of skinheads.

Honourable senators interjecting—

The ACTING DEPUTY PRESIDENT (Senator Gallacher): Order!

Senator DAY: As Max Opray wrote in The Saturday Paper, expressing his right to free speech. And what is the 'quaint bigotry of a—

Honourable senators interjecting—

Senator DAY: Mr Acting Deputy President, I sat here quietly and respectfully—

The ACTING DEPUTY PRESIDENT: Each senator is entitled to make their contribution in silence. I call for order on my left and on my right!

Honourable senators interjecting—

Senator Ian Macdonald: Can't you keep quiet for five seconds?

Senator DAY: My point exactly!

I ask, what is 'the quaint bigotry of a softly spoken vicar' anyway? I spent a number of years working on a building site. I have been called a lot of things, but never a bigot—nor even 'quaint'. I am not softly spoken and am not and have never been a vicar. Where do these
people get their ideas? But it is a free country; Max Opray can write what he likes as far as I am concerned. That is what people of conscience and supporters of free speech face—crude caricaturing of supporters of so-called, in their view, 'hate speech'.

Then there is the case of Mr Troy Newman. Revoking visas has been the preference of tough-on-law-and-order campaigners in government or, in other cases, those wanting to prevent the promotion of domestic violence or abuse of women by preventing rap artists coming to our country. Revoking visas has now become the weapon of choice of the same people who oppose so-called 'hate speech'.

Last week we learned of the intended arrival of Mr Newman from the United States. He shared a video on his Facebook page of his interception by the US authorities, refusing permission for him to travel on a domestic flight because the connecting flight was to Australia, and Australian authorities had informed their US counterparts that Mr Newman's visa had been revoked. Why? Because the government was lobbied by 'anti-life advocates'—as the subeditor of *The Sydney Morning Herald* would call them—to revoke the visa of Mr Newman, who was coming to address pro-life rallies. Writing for *The Geelong Advertiser*, a Peter Moore—who is opposed to Mr Newman's views—said:

I would have thought that Australia was sufficiently mature to accept someone like Troy Newman, or do people like Terri Butler consider that the community is too fragile to listen to others' views?

Now some are urging the Australian government to reject the visa of Dutch politician Geert Wilders. To my knowledge, neither Mr Newman nor Mr Wilders have what the Migration Act refers to as 'a substantial criminal record'.

The politically correct Newman and Wilders situations beggar belief when you consider it was the same government—under new management, we might concede—that campaigned strongly against these very kinds of infringements of free speech. Perhaps there were very good reasons for the steps taken. There are opportunities to get the principle and the narrative of free speech right: support Archbishop Porteous; work with Mr Newman and Mr Wilders on what they plan to do and what they plan to say; and support my sensible and moderate reform to section 18C of the Racial Discrimination Act. The government promised to repeal the section; I am only proposing the removal of the words 'offend' and 'insult'. What is offensive or insulting about that?

**National Australia Bank**

Senator IAN MACDONALD (Queensland) (13:36): Senator Day, you have convinced me, and I will be supporting your bill.

On 8 September, amongst the other very wise words that I spoke in debating the Banking Laws Amendment (Unclaimed Money) Bill, I said:

I hope I am not verballing the National Australia Bank, but I thought I heard a report recently that the National Australia Bank had indicated that it was going to stop funding any fossil fuel investments within Australia. For 'fossil fuel investments' read 'coalmines', and where I come from, in North Queensland, coalmines are very important. They are big contributors to the economy, and they create lots and lots of jobs—jobs for mine workers; jobs for all the mine support staff and jobs for those working in the small businesses that support mines.
I said further in that speech:

As I say, if I am verballing them, I will apologise later. I read or heard somewhere that they were going to stop investment in coalmines. That concerns me because I understand how important coalmining is to Australia, to my state of Queensland and to the area where I live and that I represent in this chamber.

I said further:

I would be distressed if a major Australian bank had made a policy decision not to fund fossil fuels. That, to me, would be a bank simply trying to get a warm, fuzzy feeling and succumbing to the propaganda of the Greens political party—the party that says Australia, which emits less than 1.2 per cent of the world's carbon emissions, is the reason for all the climate change in the world.

I said further:

I hope I am wrong about the National Bank and, if I am, I will come in here and apologise to them. If the National Bank wants to invest in Queensland, it should be investing in coal mines.

As a result of that speech, no less than the Group CEO of the National Australia Bank contacted me and we had a meeting a couple of days after that. The National Australia Bank indicated that what I had said was not true and in fact that the National Australia Bank will continue to invest in coalmines. They indicated that they would send me a statement, which I received just this morning. I seek leave to table this letter, which I have given to the opposition.

Leave granted.

**Senator IAN MACDONALD:** I will read parts of the letter from the National Australia Bank to me:

The Australian Government's 2015 *Energy White Paper* was explicit in its finding of the need for the energy resources sector to have a strong pipeline of investment - NAB agrees with this finding.

NAB is committed to supporting the entire Australian energy sector. This includes NAB's ambition to be a leader and innovator in funding renewable energy. …

The paper also noted that Australia's overall energy production in 2012/13 increased by 9%, underpinned by an increase in coal production by 8% for that period; further, that coal fired electricity generation remains the largest source of electricity generation at 64% of the national mix.

Clearly, the coal industry is a sector of national importance and the National Australia Bank remains ready to support this sector in every appropriate manner.

At the bank's 2014 Annual General Meeting held in Brisbane, Queensland, Chairman Michael Chaney made the following remarks:

"There's comment around the place at the moment about whether banks should lend to coal mining companies and to gas companies and so on ... the finance sector in Australia has a serious responsibility to fund projects that are going to secure Australia 's energy future ... It's completely unrealistic to say (no one) should be funding coal mines for example, because coal has a really important place and role to play in the generation of energy in Australia."

This remains the view of the bank.

The letter goes on to state:

To be clear: NAB is not withdrawing its support for the Australian coal industry. With regards to the energy sector, NAB does not plan to implement 'blanket bans' based on geographies, nor does apply such bans to individual companies.

It is important to emphasise that global interest in the coal sector remains very strong, with financing for coalmining increasing from US$66 billion in 2014, up from $55 billion in 2013,
and a 360 per cent increase from 2005. The National Australia Bank, along with the ANZ, Westpac and the Bank of Tokyo, in March underwrote a $1.4 billion refinancing deal for Whitehaven Coal, Australia's biggest independent coalminer.

I know how these green groups work, because I had firsthand experience of it a decade ago as the minister for forestry. These green groups like the ACF and the Wilderness Society seek meetings with banks and governments—

Senator McKim interjecting—

The ACTING DEPUTY PRESIDENT (Senator Gallacher): Order!

Senator IAN MACDONALD: Don't worry about him—I enjoy it, Mr Acting Deputy President. It shows that in any debate the Greens can never bear to hear the truth. They get very concerned when their propaganda continues to be shown to be nothing but lies.

I had experience of how these green groups work years ago as minister for forestry, and the same applies now. These groups go to the bank with a particular request to have a chat about these things.

Senator McKim: Mr Acting Deputy President, I raise a point of order. I am compelled to point out to the Senate that it is actually Senator Macdonald that is on his feet doing the mea culpa here, and for him to accuse anyone else of lying, given the content of his contribution, is hypocritical.

The ACTING DEPUTY PRESIDENT: There is no point of order, Senator McKim. Please resume your seat. Senator Macdonald, you have the floor in silence.

Senator IAN MACDONALD: That is again an example that whenever anything is said that undermines the Greens credibility—and that does not take much—they will take frivolous points of order that are not even points of order, simply to prevent me from pointing out the dishonesty of the claims by green groups, the left wing of the Labor Party and the Greens political party.

They have these meetings and they then go out and misrepresent the position of banks, governments or whoever they have had the meeting with. Then they speak to their friends, fellow travellers, in the ABC or the Fairfax press and headlines like this come up: 'NAB the latest to rule out funding Adani's $16 billion Carmichael coal mine'. The ABC story goes on: The National Australia Bank has become the latest to announce that it will not fund the Adani company's controversial—in their words—

$16 billion Carmichael coal mine in Queensland's Galilee Basin.

The fact that Adani did not ask the National Australia Bank or any other Australian bank for funding did not seem to worry the headline writer in the ABC or The Sydney Morning Herald, who made a big deal about the National Australia Bank not funding a coalmine that it had not been asked to fund. Good heavens! And so it goes. It is typical of the Greens political party, GetUp!, the Wilderness Society and the Conservation Foundation, who support them and keep them in this place, to misrepresent the facts.

So I am delighted today to be able to table the letter from the National Australia Bank, which refutes entirely the sort of rubbish and lies that are being peddled by green groups about the financing of coalmines. The National Australia Bank and any other sensible banking
institution around the world will continue to fund coalmines, because they recognise that coal is an important part of the energy mix, and it is particularly important for poor people, underprivileged people, people around the world who do not have the standard of living that we have in Australia. Coal is the energy source that will help these people out of poverty.

I am delighted to be able to apologise to the National Australia Bank—as I said I would if I had verballed them or if I had misunderstood. But, if you see the headlines from the ABC and *The Sydney Morning Herald*, you can understand why I got the wrong impression. I am quite happy to say that I was wrong about the National Australia Bank. The National Australia Bank, like any other sensible banking institution, will continue to fund coalmining in Australia. That is great for Australia; it is great for our economy; it is great for our style of living; and it is great for the jobs that that wonderful industry continues to provide for our country.

**The ACTING DEPUTY PRESIDENT:** Is leave granted for Senator Macdonald to table that document?

Leave granted.

**Migration**

**Senator KETTER** (Queensland) (13:47): I rise this afternoon to call on the Turnbull government to grant visa amnesty to the staff and former employees of the 7-Eleven franchise group to enable those workers or former workers to come forward so that this terrible blight on Australia's international reputation as a country that provides fairness and dignity to workers can be addressed. I regret to inform the Senate that the minister has recently come out to say that he would not provide a general amnesty but would rather deal with this issue on a case-by-case basis. That is a tragedy, and that will not permit this matter to be fully explored to the extent that it deserves to be. I call on Mr Dutton to reverse his position, and I also call on the Prime Minister to exert some leadership here, to enable this terrible matter to be fully rectified. These workers that I am talking about are students who have been in Australia working on student visas and who have been induced by their employer to be in breach of their visa conditions. They are, in the main, international students who have a lot at stake in relation to this.

This is not the first time that we have heard about groups of people from overseas who have come to Australia thinking that they will be going to work in industries within Australia which provide fair and reasonable treatment and wages and conditions only to find that a number of factors are converging to enable these workers to be exploited. I will talk more about the 7-Eleven workers, but I also need to point out that the Australasian Meat Industry Employees Union have spoken to me about some of the concerns they have about the meat industry and the fact that we have foreign workers coming to Australia under 457 visas but more particularly under the 417 visas—the so-called backpacker visas—who are being employed not directly by the abattoirs but as labour hire casuals employed by a third party.

Because they are employed by labour hire companies, they are, in the main, now able to be paid rates of pay which are inferior to the rates which generally apply in those workplaces under the enterprise agreements that that union has negotiated with the relevant employer. It is a device that is being used to ensure that we have a cheap supply of labour coming into this particular industry. Of course, we have the same problem arising here with these meat
industry workers, where they are worried about their visa arrangements and they are too scared to make any complaints about their treatment. There have been examples where deductions are coming out of their pay for accommodation. This seems to be a fairly well orchestrated and systematic abuse of people who are coming to Australia.

I raise this issue because I am concerned about Australia's international reputation. We pride ourselves on being a country which has a fair standard of working arrangements and wages. I know that there are many very good employers in Australia that are quite happy to meet the minimum standards that have been set down through the various tribunals over the years. They are happy to do that but, when we find unscrupulous employers seeking to utilise the precarious nature of the employment and the uncertain nature of people's residency in Australia and their visa arrangements, and these factors come together, we have a cocktail which brings about disastrous circumstances for workers coming to this country who really deserve to be treated better.

Returning to the theme of my contribution, I want to ask the government to reconsider its position in respect of a visa amnesty. We are going to get these workers coming forward unless we provide assurance to them that they will be protected. How are these workers meant to seek assistance if they do not receive the amnesty that I am referring to? The government's refusal to grant the amnesty is preventing these exploited workers from coming forward as many would be in breach of their visa conditions and face the threat of deportation. Migrant workers in breach of their visa work conditions should not face the possibility of deportation where their breach is attributable to exploitation or coercion by the employer or a third party.

This is yet another example of workers being exploited, underpaid and overworked in the current environment and the Abbott-Turnbull government turning a blind eye. This government has remained wilfully blind on this as they have refused to take the necessary action.

Additionally, no further resources so far have been dedicated to the Fair Work Ombudsman, who I think is attempting to address this issue. It is a massive enforcement task for the Fair Work Ombudsman, but they are labouring under a lack of resources in this area. The Fair Work Ombudsman's resources must be increased substantially in order to enable the proper identification of the exploitation of migrant workers. Australia's good name, our history of fair working conditions and for treating people fairly, irrespective of nationality or ethnic origin, has been shattered. We pride ourselves on treating workers with dignity and respect. This saga has left a black mark on our good name.

The Four Corners inquiry into the 7-Eleven stores revealed the horrific conditions that these young students were being subjected to. As a father of four, my heart broke for those workers and the conditions that these young people were being exposed to. What is most concerning is the systematic nature of the exploitation which was occurring.

Subsequent to the Four Corners program, we have seen some further information come to light, and I am aware that the union which I was previously associated with, the Shop Distributive and Allied Employees Association, is now working together with Maurice Blackburn on a pro bono basis to assist workers who are coming forward. We know a program has been set up; however, we are yet to see the effectiveness of this program under Professor Allan Fels and how it will work out. I note that Professor Fels has expressed concerns about the issue of the visa amnesty. He has indicated that it would be very helpful
for this uncertainty to be removed by the government and that this should be dealt with sooner rather than later.

Any workers listening to my speech who have been the victim of these wage scams are well advised to come forward and seek assistance. There are a number of options available to people. One of those would be to access the service which is being provided by the SDA union on a pro bono basis that I indicated. There is a phone number—131 732—which is a hotline to help workers to get the information they need. This hotline will provide people with the assistance that they require in taking their complaints further through the processes that have been set up by the company.

There is also a website which I want to plug—that is, www.24sevenhelpline.com.au—which was set up very quickly after the Four Corners program to highlight the issue and provide assistance. I would encourage workers to come forward and I call on the Prime Minister to change his view.

Anti-Poverty Week

Senator LINES (Western Australia) (13:57): It is Anti-Poverty Week this week, and we have seen a number of events across the country. I know that many of those who help the poorest and most disadvantaged in our community have been in the parliament this week lobbying about the very real needs of those people living and working below the poverty line in Australia. Unfortunately, they have been disappointed. We have not seen any movement from the new management—Prime Minister Turnbull—about helping Australians who need a hand. We still do not have anything new on the affordable housing front, and the same old, same old policy of pushing these issues back to the states remains. There is no new agenda on affordable housing.

On homelessness, which is on the increase, particularly in my home state of Western Australia, we have seen nothing. The homelessness numbers in the city of Perth continue to increase, and yet we still have nothing new from the Turnbull government. It is the same old, same old policies of: ‘So sad, you're homeless. You need to rely on the state government.’ In Western Australia, the state government is doing appallingly badly with its economic mismanagement and has no money, and the federal government has done nothing to support homelessness across this country.

The attacks on pensioners continue. The Turnbull government could have started afresh and taken away their cruel attacks on pensioners. But, no, pensioners continue to scrape by week to week, relying on family and, particularly, for those in the private rental market, life has got much tougher for them under the Turnbull government.

Again, what has happened to the recognition of Aboriginal and Torres Strait Islander people in our country? It has gone completely off the agenda as this government continues to look after the big end of town. It continues with the cruel policies of the old management under new Prime Minister Turnbull—same old, same old; it might be new management but it is business as usual and we have all seen those signs before. Business as usual: so watch out ordinary Australians.

The PRESIDENT: It being 2 pm, we will now proceed to questions without notice.
QUESTIONS WITHOUT NOTICE

Broadband

Senator McALLISTER (New South Wales) (14:00): My question is to the Minister for Communications, Senator Fifield. Can the minister confirm that the latest NBN corporate plan makes clear that under the previous Minister for Communications the cost of the NBN had blown out from $29.5 billion to as much as $56 billion—$26.5 billion more than he promised?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:00): I think Senator McAllister may be getting confused: $29.5 billion is what will be the Commonwealth's equity injection into the NBN, and it remains the case.

Senator McALLISTER (New South Wales) (14:00): Mr President, I ask a supplementary question. Can the minister confirm that under the previous Minister for Communications the time frame for the NBN rollout has more than doubled, with all homes and businesses now not receiving the NBN until 2020 at the earliest?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:01): The good news is that currently 1.3 million Australian premises can have access to the NBN. Currently, there are about 600,000 subscribers. By the middle of 2018 we will be getting close to nine million people who will potentially have access. The NBN is on target to be fully rolled out by 2020.

Senator Moore: Mr President, I rise on a point of order on direct relevance. The minister got to it before he sat down, but the question was specifically on time frames. It was not about numbers, but about the time frame and whether it has been increased from the previous process.

The PRESIDENT: The minister was addressing the question.

Senator FIFIELD: As I was going to say, under the coalition's plan the NBN will be rolled out nationwide six to eight years earlier than would have been the case under those opposite. It is very interesting to note today that Mr Jason Clare has declared that it remains the Labor Party's intention to introduce a full fibre network. What that means is billions of dollars of additional costs and massive delays to the full completion of the NBN.

Senator McALLISTER (New South Wales) (14:02): Mr President, I ask a further supplementary question. Isn't it true that Mr Turnbull's NBN is double the price but delivers half the service? Isn't this disaster just typical of his performance—overpromising and underdelivering—and the reason so many of his colleagues did not want him as the leader?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:03): Senator McAllister's characterisation of the NBN under this government is wrong in every respect. Under Senator Conroy's plan—the one which we all remember was worked out on the back of a coaster or an envelope on a VIP flight—the NBN was not going to be completed until 2028 and Labor's cost was going to be $20 billion to $30
billion more. Under the coalition the NBN will be rolled out, completed, six to eight years sooner than would be the case under those opposite. We are making sure that Australians will get the services that they want and that Australians will get the services that they need sooner and at a better price than those opposite. We wait to hear from Jason Clare and Mr Shorten on how they are going to fund a full fibre network.

DISTINGUISHED VISITORS

The President (14:04): I want to draw attention to the honourable senators the presence in the gallery today of former President of the Senate Alan Ferguson with the Australian Political Exchange Council’s 32nd delegation from the United States of America. On the behalf of the Senate, I wish you all a warm welcome.

Honourable senators: Hear, hear!

QUESTIONS WITHOUT NOTICE

Malaysia Airlines Flight MH17

Senator Reynolds (Western Australia) (14:04): My question is to the Leader of the Government in the Senate representing the Minister for Foreign Affairs, Senator Brandis. Will the Attorney-General update the Senate on the release of the Dutch Safety Board report into the downing of MH17?

Senator Brandis (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:05): That is a very important question, if I may say so. Overnight the Dutch Safety Board released the investigation report into the shooting down of Malaysia Airlines flight MH17 on 17 July last year. The report is the result of a meticulous forensic investigation, and Australia has been closely involved in that investigation through the Australian Transport Safety Bureau. The final report sets out compelling evidence indicating the type of missile and the launch site of the missile which brought down MH17. Its findings are based on a forensic technical analysis of all of the available evidence. It does not attribute responsibility for the incident. The report concludes that flight MH17 was brought down by a surface-to-air missile—to be precise, by a warhead fired from a Russian-made Buk surface-to-air missile system. It ruled out any other possible cause of the incident. The trajectory of the missile indicated that it was launched from within a 320 square kilometre area in eastern Ukraine.

I know it is difficult to find comfort for families in the face of this news. We continue to grieve for all 298 people on board, and in particular those who called Australia home. Our thoughts are with the families and loved ones of those victims as they process the findings of this report. The Australian government thanks the investigators for their very detailed and tireless work in establishing beyond doubt the cause of this outrage.

Senator Reynolds (Western Australia) (14:07): Mr President, I ask a supplementary question. Will the Attorney-General also advise the Senate of the role of the Australian government in the criminal investigation of the joint investigation team?

Senator Brandis (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:07): The separate criminal investigation—as opposed to the forensic investigation I have just spoken of—is facilitated through the joint investigation team by a joint arrangement signed by Australia, Belgium,
Malaysia, the Netherlands and Ukraine. It is a crucial step in securing justice for all of the victims. The investigation is being coordinated by the Dutch prosecution service. The focus of the joint investigation team is to ensure that the investigation is thorough and robust. On 20 August I met with the Dutch Prosecutor General, Mr Bolhaar, when he and officials from the Dutch police and prosecution office came to Canberra to discuss investigations with the government and the Australian Federal Police, and I took the opportunity to assure them of the Australian government's full cooperation in the investigation.

Senator REYNOLDS (Western Australia) (14:08): Mr President, I ask a further supplementary question. Will the Attorney-General also advise the Senate of the steps taken to prosecute crimes that may be connected with the downing of MH17?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:08): On 29 July last year, Malaysia, on behalf of the countries represented on the joint investigation team, tabled a draft resolution on the establishment of an ad hoc international criminal tribunal to prosecute crimes connected with the shooting down of MH17. We are deeply disappointed that Russia used its power as one of the five permanent members of the UN Security Council to veto the draft resolution. Those responsible for crimes connected with the shooting down of MH17 will not, however, be able to hide behind the Russian veto, for the members of the JIT remain resolute that the perpetrators be held to account. UN Security Council resolution 2166 demands that those responsible for the outrage be held to account and requires all states to cooperate fully with efforts to establish their accountability. We are determined to play our part to do so.

Public Transport

Senator JACINTA COLLINS (Victoria) (14:09): My question is to the Minister representing the Minister for Infrastructure and Regional Development, Senator Colbeck. Minister, when will the government restore the former Labor government's funding for public transport projects, including the Melbourne Metro, the Brisbane Cross River Rail, the Gawler rail electrification in South Australia, and Perth public transport projects?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:10): I thank Senator Collins for her question. I am not sure that I see a need to restore anything that the previous Labor government did. The Australian government will set its own priorities, and that is exactly what we are doing. We demonstrated just last week a commitment to public transport, when Prime Minister Turnbull on Sunday went to the Gold Coast and announced $95 million towards the funding of Gold Coast light rail.

Senator Jacinta Collins: There is a lot more than just the Gold Coast!

Senator COLBECK: As the Prime Minister said, we will look at projects in infrastructure on their merits. We will not discriminate against forms of transport, and the Prime Minister was quite clear in his comments about that last Sunday. We will look at transport projects on their merits and we will fund them in accordance with the projects that are put forward. The Queensland government prioritised the Queensland light rail and made submissions to the Australian government. Prime Minister Turnbull took up the project that was submitted by the Queensland government and, last Sunday, made that announcement. We are not interested in
the Labor Party's priorities with respect to infrastructure. We are quite capable of establishing and setting our own priorities, and that is what we will continue to do. But, as the Prime Minister said, we will look at the different forms of infrastructure that support various modes of transport in various locations and, if it is public transport within the cities, we will support that. *(Time expired)*

**Senator JACINTA COLLINS** (Victoria) (14:12): Mr President, I ask a supplementary question. Minister, when then will the government provide funds to the New South Wales government to ensure Badgerys Creek has a rail link in operation from the day the airport opens?

**Senator COLBECK** (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:12): I find it amusing that the Labor Party are now supporting Badgerys Creek airport. That is a piece of good news. We have made a decision that there will be a second airport in New South Wales, and we will build Badgerys Creek airport. It is a big investment, a significant announcement. It is one that the Labor Party never went anywhere near.

**The PRESIDENT:** Pause the clock. Senator Moore, a point of order?

**Senator Moore:** Mr President, it is on direct relevance. The question referred to the rail link. The minister has not mentioned the word 'rail' in 30 seconds.

**The PRESIDENT:** Minister, I remind you you have 36 seconds left in which to answer the question.

**Senator COLBECK:** It is nice that the Labor Party now appears—and I should say appropriately—to be supporting Badgerys Creek, because they could change their minds. But, as I said in my previous answer and as the Prime Minister quite clearly stated on Sunday when he was making the announcements in respect of Queensland light rail, we will work with the states. We will work with them on their priorities for infrastructure and, as they put forward a project that meets the criteria, we will consider supporting it. So we have not ruled out anything of that nature at all. *(Time expired)*

**Senator JACINTA COLLINS** (Victoria) (14:14): Perhaps if I try a different way: Minister, how will the Turnbull government fund its public transport infrastructure projects in the budget? What other infrastructure projects will be cut to pay for them?

**Senator COLBECK** (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:14): We will make our budget decisions in the normal budget process, as any responsible government does.

**Senator Jacinta Collins:** Ooh, you're being reckless!

**Senator COLBECK:** It is surprising that the opposition would talk to this government about being reckless with taxpayers' money. I have to say, given the opposition's record on debt and deficit—the fact that this opposition put forward proposals for cost savings in their own budget propositions and then voted against them in opposition—it is quite incredible that the opposition would be talking or lecturing us in respect of responsibility around matters toward the budget. I cannot believe that Senator Collins would even get up and ask that sort of question. We consider all of our projects and our commitments in the context of the budget process. *(Time expired)*

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**CHAMBER**
National Security

Senator McKIM (Tasmania) (14:15): My question is to Senator Brandis, the Attorney-General and the Minister representing the Prime Minister. Attorney, I refer to your latest announcement that the government plans to make control orders applicable to children as young as 14 and to extend the duration that control orders can apply to 28 days. What evidence exists that this further erosion of the fundamental freedoms we enjoy as Australians will do anything at all to make our communities safer? What evidence exists to suggest that the last four tranches of draconian so-called antiterror legislation have made Australia safer in any way?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:16): I am very sorry to say that, as we witnessed the week before last, people below the age of 16 are capable of being inspired by the surrogates and agents of Islamist terrorism to commit terrorist crimes. It was a shocking, shocking event, but what it demonstrates is that people below the age of 16 are susceptible. From time to time, I have had to sign warrants under the ASIO Act in relation to people as young as 14. I have had to do that on more than one occasion. That is the reason. This is a process, I might say, that has been mediated through the COAG working group on Australia's counter-terrorism laws, comprising both coalition and Labor governments, who have arrived at a view in relation to the appropriate minimum age for control orders.

Rather than characterising this in a rather rhetorical fashion, Senator, as a gross invasion of liberty, do you know how many Commonwealth control orders have been issued in the 11 years since those provisions were included in the Commonwealth Criminal Code in 2004?

Senator McKIM: We get to ask the question and not the other way around.

Senator BRANDIS: Well, I am going to tell you. There have been six. This is a measure that is very rarely resorted to. It is resorted to only in the most extreme cases. You may think that for six control orders to issue in 11 years is draconian but I suspect that most Australians, who are confident that this government will keep them safe, would not think so.

Senator McKIM (Tasmania) (14:18): Mr President, I ask a supplementary question. My question again is to the Attorney. Yesterday and again in question time today you have attempted to link these so-called reforms to the fatal shooting of NSW Police Force accountant Curtis Cheng. I agree that this was a terrible scenario and I am sure all of our hearts go out to Mr Cheng's family, friends and community, but why did you make this link when Prime Minister Turnbull, when asked about this yesterday, talked about the COAG process?

(Time expired)

Senator BRANDIS: I just told you about the COAG process. The point of your primary question was that people below the age of 16 do not belong to at-risk categories, and that is demonstrably not the case. You confused yourself as well in your primary question, if I may say so, by conflating preventative detention orders with control orders. There is no proposal to extend the period for control orders to 28 days—in fact, control orders are issued for up to 12 months, but in the case of minors, in the case of people below the age 18, they will be issued for three months. That is a renewable period. Conscious of the fact that people below the age of 18 are minors, there are additional
safeguards that will be built into the legislation, including an independent advocate to ensure the interests of the child concerned are protected.

Senator McKIM (Tasmania) (14:20): Mr President, I ask a further supplementary question. Attorney, can you confirm that the changes that you are proposing would make Australia's so-called counter-terrorism laws harsher than those in any other liberal democracy in the world? Why do you think the level of risk in this country is so much higher as to justify the changes that you are proposing?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:20): I can tell you I have discussed this with my counterpart ministers in other jurisdictions, including the United Kingdom and Canada, and the laws of those two jurisdictions are more far-reaching than the laws proposed that have been introduced and are proposed for further introduction by this government. At all times, we are very, very conscious to craft our national security laws in a way that is optimal and that gives as much protection to the community as the community demands while at the same time remains respectful of the rights of the individual and the rule of law. That is why these powers have always been hedged by safeguards—safeguards proposed by the government and further safeguards recommended in a constructive and bipartisan fashion by the Parliamentary Joint Committee on Intelligence and Security.

Economy

Senator EDWARDS (South Australia) (14:21): My question is to Senator Cormann, the Minister representing the Treasurer. Can the minister please update the Senate on the economic outlook for Australia?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:21): I thank Senator Edwards for that very important question. I am pleased to advise the Senate that the government is optimistic about the economic outlook for Australia. The Australian economy is in its 25th year of continuous growth. Our economy continues to grow, despite the biggest fall in our terms of trade in about 50 years. Where other commodity based economies like Canada and Brazil are in recession, Australia continues to grow.

Why is that so? There are a range of reasons. Partly it is because of the important structural reforms pursued by previous governments. We have an independent Reserve Bank, which means that we have independent monetary policy decisions. We have a floating exchange rate, which helps to cushion the effect of significant falls in our terms of trade—as increases in production volumes and export volumes, including through our resources sector, of course, have helped to cushion some of the effects of significant falls in key commodity prices.

But it is very important that we continue to work as a country to ensure that we are the most productive we can be and the most competitive and the most innovative. That is, of course, where the Turnbull government is dedicating all of its policy focus at present. Our very ambitious free trade agenda is all about making sure that Australian exporting businesses are the most successful they can be in getting access to key markets in our region. The reasons we are pursuing free trade agreements like the China-Australia Free Trade Agreement are all about making sure that Australian export businesses are able to grow their business into those markets beyond resources exports, moving forward. We are an open, commodity based
trading economy. It is very important in that context that we prepare ourselves for the inevitable future shocks that will come our way and that we prepare for the new future opportunities to grow. *(Time expired)*

**Senator EDWARDS** (South Australia) (14:24): Mr President, I ask a supplementary question. Can the minister please explain to the Senate why it is important for our economic growth that we continue to repair this nation's budget?

**Senator CORMANN** (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:24): Deficits to fund recurrent expenditure are a drag on future economic growth. Budget repair helps us to strengthen the growth because it helps us to get the fiscal room for important reform of our tax system to drive productivity and competitiveness improvements, and it also helps to make us more resilient in the context of inevitable future economic shocks. I know that the worst finance minister in the history of the Commonwealth does not like to hear this, because we are still dealing with the unsustainable, unaffordable spending growth that the previous finance minister locked Australia into. The reason we are pursuing budget repair—the very important reason on top of the focus on stronger growth—is to ensure that the important benefits and services provided by government, the important social safety net provided by government, remain sustainable in the future. *(Time expired)*

**Senator EDWARDS** (South Australia) (14:25): Mr President, I ask a further supplementary question. Can the minister advise the Senate whether there are any risks to the government's efforts to strengthen growth and opportunity in the Australian economy?

**Senator CORMANN** (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:25): One of the biggest risks that we are facing as a country is the fact that the Labor Party has not learned from its past mistakes. The Labor Party has not learned from its past mistakes. People across Australia intuitively know that Labor cannot manage money. People across Australia know that, whenever Labor gets into government, it makes a mess of it, and it is important for the coalition to get back in to sort out Labor's fiscal mess—and so it is, of course, this time. Labor put Australia on an unsustainable, unaffordable, spending growth trajectory, taking government spending as a share of GDP to in excess of 30 per cent—in excess of an unprecedented 30 per cent.

This government is making the decisions necessary to get spending growth under control, and what is the Labor Party doing? The Labor Party, under the leadership of Bill Shorten, is still making unfunded promises. It is still making unfunded promises to the tune of about $57 billion. If Labor were in government right now, under policy settings that Bill Shorten has announced, the budget would be about $57 billion worse off. *(Time expired)*

**Allied Health Scholarships**

**Senator WANG** (Western Australia) (14:26): My question without notice is to the Minister for Rural Health, Minister Nash. The minister would be aware of the valuable support and policy work carried out by the Services for Australian Rural and Remote Allied Health, SARRAH. This organisation has a grassroots membership, and this is the focus of my question. Why would the scholarship funding administered by SARRAH be cut from $11.4 million to $7.2 million per annum, given that allied health has always been underrepresented in the financial provision of scholarships?
Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Minister for Rural Health) (14:27): I thank Senator Wang for his question. I am a great supporter of the work of SARRAH. Indeed, just this week, I was very privileged to be at a dinner that they were holding for one of the young people who have been a beneficiary of one of their internal scholarships. There is absolutely no doubt that allied health is incredibly important when it comes to health service delivery in rural and regional areas, and indeed it was a discussion that I was having with them just a couple of days ago.

But we do have to be mindful as the government that our scholarships are appropriate, efficient and well targeted. So, across a range of areas at the moment, we are reviewing the scholarship arrangements. We need to make sure that the taxpayers' dollars that we are responsible for are effectively spent and efficiently spent. It certainly does not detract from the work that SARRAH do. Indeed, as I have said, they prosecute the case very well for allied health services across our rural and regional communities. But we as the government do have to be responsible. We have to make sure that we are managing the taxpayers' dollars that we are responsible for in a very efficacious and, as I say, responsible way. So we will be looking at SARRAH. We will be looking at things across a range of areas when it comes to scholarships to make sure they are targeted and giving us what we need, which is better health outcomes in rural and regional areas.

Senator WANG (Western Australia) (14:29): Mr President, I ask a supplementary question. Will the minister review the decision to tender out the administration of these scholarships from next year, given that SARRAH is a professionally run not-for-profit organisation and has an inherent support mechanism, given its large and active professional membership?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Minister for Rural Health) (14:29): No, I am not going to give that commitment. What I will do is say that, broadly, this government is going to make sure that the scholarships we fund deliver what we need—that is, better health outcomes across rural and regional areas. We will make some decisions on that basis that are going to be financially sound, and, at the same time, we will make sure that we deliver for rural and regional communities the health services that they need. I am well aware of the importance of allied health out in our rural and regional communities. Indeed, there has been a lot of discussion recently around multidisciplinary teams in rural and regional areas and around how we need to have our allied health professionals working with our GPs collectively to make sure we deliver those health outcomes in the rural and regional communities.

Senator WANG (Western Australia) (14:30): Mr President, I ask a final supplementary question. I will offer two examples of allied health scholarships at work in remote Western Australian communities: first, a placement at the Kimberley mental health service in Broome; and, second, an occupational therapy placement at Kununurra that has led to an ongoing working relationship in that community. How will the minister, whilst improving the efficiency of the scholarships, maintain or retain positive results like these?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Minister for Rural Health) (14:31): As somebody from a regional community, who spends every day working with people out in these communities—

Opposition senators interjecting—
The PRESIDENT: On my left.

Senator NASH: I am absolutely focused on positive results unlike those opposite, who clearly do not have enough respect for the issue to listen to the question that Senator Wang asked and to listen to the answer. Unlike those opposite, it is the coalition government that is focused on rural and regional communities. I can indicate to the senator my absolute commitment to ensuring that we get those positive results that Senator Wang was talking about.

Senator Lines interjecting—

The PRESIDENT: Senator Lines.

Senator NASH: And it is this coalition government that is going to do that in an economically responsible way while at the same time delivering those positive results for rural and regional communities.

Trade with China

Senator BERNARDI (South Australia) (14:32): My question is to the Cabinet Secretary, representing the Minister for Trade and Investment. Will the Cabinet Secretary please tell the Senate why the China-Australia Free Trade Agreement is in Australia's national interest.

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:32): I thank Senator Bernardi for his question and for his ongoing interest in trade and investment globally. The China-Australia Free Trade Agreement is a big opportunity for jobs and exports in Australia. We all know that but we need to put this in an even bigger context—that is, the transformation of the Chinese economy over the last four or five decades. The biggest poverty reduction initiative in global history is the economic development of China. What we have done in this agreement, which was started 10 years ago and concluded under this government, is put ourselves on the ground floor of the next stage of the transformation of this great economy, which will dominate the Asia-Pacific in decades to come.

It is important for us to recognise under this agreement that 95 per cent of our exports to China will enter duty free and we will have opportunities for Australian business in a wide range of sectors—agriculture, processed foods, resources and energy. What is important here is, as they transform to greater reliance on domestic consumption as the incomes of Chinese people go up, their demand for processed foods, their demand for advanced manufacturing, their demand for advanced services will increase and Australia has a capacity across the board to service those needs. This agreement puts us in the box seat to meet those requirements.

It is estimated that ChAFTA will deliver more than $18 billion of benefits to Australia over the coming decade. So embracing free trade and modernising our economic relationship with China will be a pillar of our future prosperity in the region. By drawing China more and more into the global system of rules, we also encourage a much more peaceful Asia-Pacific.

Senator BERNARDI (South Australia) (14:34): Mr President, I rise to ask a supplementary question. Is the Cabinet Secretary aware of negotiations between the government and the opposition in relation to the China-Australia Free Trade Agreement?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:34): Yes, even the Cabinet Secretary is aware that the government and the opposition are now speaking on the matter of the China-Australia Free Trade Agreement. I welcome the fact that yesterday the
Leader of the Opposition and the shadow minister for trade and investment tabled a series of detailed proposals, which now allow the government and the opposition to have a substantive discussion going forward about what needs to be done to finalise agreement on this very important trade arrangement.

I make the point: we accept at its word what the opposition has said—that it is not about impacting on the integrity of the agreement itself—and we understand that. We also understand, as I think the opposition does, that we must not be seen to discriminate against China in coming to some agreement on this matter. We will look in good faith at the arrangements that the opposition want to put in place. Many of them appear to be a codification of existing practice and we will look at them in that context. I thank the opposition that finally we have a commitment to getting the deal through. (Time expired)

Senator BERNARDI (South Australia) (14:35): Mr President, I ask a final supplementary question. Would the Cabinet Secretary be kind enough to advise the Senate why ratifying the China-Australia Free Trade Agreement is time critical?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:36): We are very keen, on this side of the House, for the agreement to be ratified this year so we can experience the full benefits of the deal. As soon as the agreement has been ratified and the final exchange of letters has occurred between both countries' trade ministers, there is an immediate round of tariff cuts that will take effect and, after that, a second round of tariff cuts will automatically take effect from 1 January 2016. If the agreement is not ratified this year, the second round of tariff cuts will not take place. This will cost Australian exports and exporters hundreds of millions of dollars a year. The National Farmers' Federation has estimated that missing this round of tariff cuts will cost Australian farmers alone $300 million. The ChAFTA has taken more than 10 years to finalise. It is crucial for Australian industry we get the agreement finalised this year.

Water

Senator DAY (South Australia) (14:37): My questions is to Senator Colbeck, the Minister representing the Minister for Agriculture and Water Resources. Annual allocation of water, known as temporary water, is now being sold in Australia's food bowl, the Murray-Darling Basin, at prices as high as $300 a megalitre out of the Goulburn-Murray water area and $240 a megalitre in the South Australian River Murray. That is double what the price was this time last year, and around three times the average over the last three years. The number of drought affected areas in the Murray-Darling Basin is expanding, and much of Queensland is still drought declared. Can the minister tell the Senate when the government will clear up responsibility for the water portfolio?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:37): I thank Senator Day for his question and for some notice of the question.

I have had the good fortune to spend a little bit of time over the last couple of years in the Murray-Darling region. The price of water is something that is obviously of significant concern to the growers in that neck of the woods. You talk of the price of $300 or $400 per megalitre now; at the height of the last drought it got to $700 per megalitre. That is the way the market works. Two years ago, dairy farmers and producers in the basin were paying
something like $30 a megalitre for temporary water, and last year it was $120. The market is fluctuating.

As I said in answer to questions from Senator Wong over the last couple of days, the responsibility for water is quite clear. It is held within the agriculture portfolio, and we are very fortunate to have two people within the water portfolio who have extensive knowledge of the water portfolio: Minister Joyce and Assistant Minister Ruston. So we have an excellent team who will look after the roles and responsibilities around water with great capacity, and I have every confidence that it will be managed well.

We have the plan in place. Our objective is to deliver the plan on time and in full. In the hands of the two very capable ministers we have in place in the water portfolio—

Senator Kim Carr: What about the administrative orders?

Senator KIM CARR: Senator, I hope you have looked up the administrative orders. I hope you have had a look at them so you do understand where things sit. (Time expired)

Senator DAY (South Australia) (14:40): Mr President, I ask a supplementary question. This season's El Nino event is predicted to be one of the worst on record, and is likely to persist until at least next year. Poor spring rains confirm this likelihood, and the Bureau of Meteorology's projections based on the last 12 major El Nino events indicate El Ninos like this one hit the Murray-Darling Basin hardest. How is this being reflected in basin water allocations?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:40): Senator Day is right; the projections from the bureau are for a very tough season with El Nino. The change in the indicators from the Indian Ocean earlier looked like they might be mitigating what was happening in the Pacific, but it looks like being quite a tough year.

In the southern connected basin, water storage levels are currently at 53 per cent, which is below average for this time of year. I think that is what is being reflected in the price of water that you described in your primary question, Senator Day.

The state and territory governments are responsible for making seasonal water allocation decisions. They take all that information from the Bureau of Meteorology into account in making those decisions—as they would. That is part of the basin plan. That is why John Howard, when he was Prime Minister, established this process—which has received bipartisan support I might add—and it really does not matter who— (Time expired)

Senator DAY (South Australia) (14:41): Mr President, I ask a further supplementary question. Minister, people who live in Albury-Wodonga—like George and Corrie Hoogendorp, who are in the gallery today—rely on River Murray water for the social and economic health of their region. Remembering that the Prime Minister is a former water minister, how will the government assure basin communities, like Albury-Wodonga, that it is preparing for basin water shortages to minimise social and economic impacts?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:42): I thank Senator Day for his further supplementary question. That is fundamentally the reason for having the Murray-Darling Basin Plan in place; so that all those requirements of various members of the community—and particularly so resources that are required for household use and
requirements along the basin—are actually met. That is the purpose of the plan. That is why it was put in place. We had 100 years before the plan came into place of bickering and arguing over water. The whole purpose of the plan was to ensure that the essential purposes of water are actually met; so that there is appropriate water for agriculture and for town use—and additional water for the environment. And also, when there is spare water, that can also go into productive use.

Register of Members' Interests

Senator DASTYARI (New South Wales) (14:43): My question is to the Cabinet Secretary, Senator Sinodinos. Senator, does the cabinet handbook require ministers attending cabinet meetings to declare any pecuniary interests held by them or their family which give rise to, or are likely to give rise to, a conflict with their public duties? Does the cabinet handbook require ministers to be excused from discussions when such a conflict exists, or could be seen to exist?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:44): In broad terms, the answer is yes.

Senator DASTYARI (New South Wales) (14:44): Mr President, I ask a supplementary question. Senator, has the requirement for ministers to declare conflicts and withdraw from related discussions been strictly observed by all ministers in both the Abbott and Turnbull governments?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:44): In my current capacity I can only speak about the Turnbull government. I was not there for the Abbott government. I was not in the cabinet. As far as I am aware, it has been in the context of the Turnbull government.

Senator Dastyari: Mr President, on a point of order: noting the question, is it possible for the minister to take it on notice?

The PRESIDENT: I think the Cabinet Secretary clearly articulated he was not involved at all with the previous cabinet, so I do not think there is anything he can take on notice.

Senator DASTYARI (New South Wales) (14:45): Mr President, I ask a further supplementary question. Has Mr Turnbull been present for any cabinet discussions about the Abbott-Turnbull government's approach to tax transparency laws, including the Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:45): As I say, I have been Cabinet Secretary since the beginning of the Turnbull government, and we have not had a discussion about that particular matter. I will check my recollection, and I will refresh it if I have to update you. But I have not been involved in any such discussion in my time as Cabinet Secretary.

Tasmania: Tourism

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (14:46): My question is to the Minister for Tourism and International Education. I note that the popular Flavours of Tasmania event will be held in the great hall this evening. Will the minister...
update the Senate about Tasmania's high-quality food and beverage offering, which is a key feature of the state's tourism industry?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:46): Yes, tonight is in fact one of the more famous events that occurs in Parliament House, Flavours of Tasmania, which is organised by our good Tasmanian friend and colleague Senator Abetz. He needs to take great credit for the initiative of pulling the team together and delivering such a brilliant program that will be held in the great hall tonight. I am certain that people will enjoy that.

Tasmania's fine food and beverage is indeed a key element in our state's tourism offering. It is one of the things that makes our great state famous and it is one of the things that brings people back to Tasmania again and again. Tonight in the great hall we will see a number of those people display their fine goods and wares. We will have people like Providence Vineyards, Pipers Brook, Sullivans Cove single malt whisky—which is a winner of the best single malt whisky in the world—Parkwood Whisky, Lark Distillery and Tas Prime Oysters.

At the recent National Tourism Awards, to build on the strength of the Tasmanian tourism industry, we saw Tasmania win 10 of the 29 tourism awards that were awarded at that event recently. And Lonely Planet named Tasmania as its fourth hottest destination in the world for 2015.

Opposition senators interjecting—

Senator COLBECK: I notice some mirth from the other side, but when it comes to food— (Time expired)

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (14:48): Mr President, I ask a supplementary question. Will the minister further update the Senate about the coalition's work to support Tasmania's excellent tourism industry?

Opposition senators interjecting—

The PRESIDENT: Order on my left!

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:48): The sudden enthusiasm from the opposition for the tourism industry is very welcome I have to say. The government does recognise the importance of the tourism industry, particularly to regional areas such as Tasmania. It is a very important industry in regional Australia. Last year 45 per cent—which amounts to $42.7 billion—of tourism expenditure was spent in regional Australia. To support this industry, earlier this year the Australian and the Tasmanian governments announced almost $800,000 in funding to boost tourism infrastructure in Tasmania. The project— (Time expired)

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (14:50): Mr President, I ask a further supplementary question. Will the minister inform the Senate what the coalition is doing to ensure the Tasmanian tourism industry has the capacity to handle stronger growth in traveller numbers?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:50): It is a very important question. Earlier this month I announced with the Tasmanian Premier, who is the Tasmanian
Minister for Tourism, the development of a Tasmanian tourism employment plan which focuses on the north-west coast of Tasmania. This will deliver projects to help local industry attract high-quality staff, reskill its workforce and create capacity to handle the strong growth in tourism numbers that we are experiencing in Tasmania. We are reacting to that strong growth in tourism numbers in Tasmania as a responsible government should. The Industry Skills Fund will fund more than 250,000 training places to Australia's workforce and support services staff and employers. Tourism businesses are eligible to apply for skills advice and training grants.

Research and Development

Senator KIM CARR (Victoria) (14:51): My question is to Senator Sinodinos, the Minister representing the Minister for Industry, Innovation and Science. Is it still government policy to cut the research and development tax incentive by 1½ percentage points?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:51): I am not aware of that policy being reviewed.

Senator KIM CARR (Victoria) (14:51): Mr President, I ask a supplementary question. I also refer to the fact that cuts to science, research and innovation in the government's first two budgets total more than $3 billion. Now that we apparently have a Prime Minister who understands the value of innovation, when will the government reverse these short-sighted cuts to innovation, science and research?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:52): I think this is a bit rich coming from Senator Carr. I can remember years ago he had various research and industry measures being reversed in order to promote higher education and then cut out of higher education to promote industry and the competitiveness agenda of the previous government. If we have more to say on our innovation agenda, watch this space.

Senator KIM CARR (Victoria) (14:52): Mr President, I ask a further supplementary question. Given the success of the Cooperative Research Centres in boosting collaboration between research and industry, why hasn't there been a single competitive round of funding for the new CRC since the government came to office? When will the next funding round actually open?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:53): I can tell you this: we are languishing at the bottom of the OECD rankings on government-research-industry collaboration. That is after all the so-called efforts that your side of politics made in government. We will come up with an innovation agenda which will address collaboration, will address venture capital and will address start-ups.

Child Care

Senator SESELJA (Australian Capital Territory) (14:53): My question is to the Minister for Education and Training. Will the minister update the Senate on how the government is delivering flexibility for parents who need child care that meets their non-standard working hours?

Senator BIRMINGHAM (South Australia—Minister for Education and Training) (14:53): I thank Senator Seselja for that question. I know that he is a man with a great interest in support for families in the ACT and with a great personal commitment to families as well. This government is very proud of the fact that we are delivering the largest investment in
early learning and child care that Australia has ever seen. A $40 billion package has been
developed by this government—an additional $3.5 billion over previous estimates—to
support child care and early learning opportunities for Australian children and families,
helping more Australian families to be able to juggle and balance work and family difficulties
and giving people the maximum opportunity to get back into the workforce, especially
Australian women.

Our new childcare package is simpler, it is more affordable, it is more flexible and it is
more accessible for the 1.2 million Australian families who access child care. Importantly, a
significant part of the Jobs for Families package is the $246 million nanny pilot program
which will commence operation next year. This is about offering a new, more flexible
opportunity for Australian families who cannot access traditional childcare opportunities. It is
about ensuring that families who live in remote and rural Australia or who may work shifts
and are unable to access the hours of child care have the same opportunity as those families
who access traditional childcare means. This two-year pilot will provide families an
opportunity to access child care that meets their personal and specific family circumstances,
and I trust and hope it will inform government decisions in the future and ensure that all
future childcare arrangements are flexible for Australian families.

Senator SESELJA (Australian Capital Territory) (14:55): Mr President, I ask a
supplementary question. Will the minister inform the Senate how the government will ensure
the wellbeing of children who participate in the pilot?

Senator BIRMINGHAM (South Australia—Minister for Education and Training)
(14:56): Children will of course be looked after by professionals who have appropriate
qualifications in terms of first aid and police checks and who will be selected by service
providers that the government is procuring. I particularly encourage parents to consider
applying for participation in the nanny pilot. Until the 30th of this month, people can access
information via the government's websites and hotlines about how they can apply to
participate in this two-year pilot that will give them flexibility.

A couple of weeks ago I visited the Paramedics Australasia conference and heard firsthand
how the nanny pilot program is helping people in that type of shift-working industry to have
the opportunity to access support in those circumstances that meets the needs of those families
who are, of course, providing such valuable services to Australians in their times of need.

Senator SESELJA (Australian Capital Territory) (14:57): Mr President, I ask a further
supplementary question. Could the minister further advise the Senate how parents and service
providers can apply to be involved?

Senator BIRMINGHAM (South Australia—Minister for Education and Training)
(14:57): Parents and service providers will have the opportunity to access this service by
applying, and I encourage them to either visit the DSS website or phone the hotline number—
1800249873—where they can get their questions answered and be helped through the
application process. Our aspiration is to help support thousands of Australian families through
this pilot and to make sure that, in future, governments will be able to structure childcare
arrangements to meet the needs of all of Australia's working families, to provide all
Australians with support when they want to get back into the workforce and to be able to have
access to child care.
This is a generous program. Whether it is a nanny or a 'manny'—as they say in other instances—the opportunity is there for families to be able to get assistance that I am sure thousands will benefit from. I do encourage them to access that service and to apply in this first round of the new pilot.

Economy

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (14:58): My question is to the Minister for Finance, Senator Cormann. Is the new Treasurer, Mr Morrison, right to say that under this finance minister spending as a percentage of GDP is at 26 per cent and that is not sustainable?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:58): I thank Senator Urquhart for that question. That is an objective fact. What I can say is that it is much lower than it would have been if Labor had stayed in government. When we came into government we inherited a spending growth trajectory.

Opposition senators interjecting—

Senator CORMANN: Labor never want to hear this. There were two big spending boosts under Labor. One was the 17 per cent increase above inflation in the context of the global financial crisis, which was supposed to be crisis level spending which Labor locked in as the new base. Then, as they were staring down the barrel of losing the election, in they came and they legislated all these massive increases in expenditure on the NDIS—a very important initiative, of course, but without fully funding it—on Gonski and on a whole range of other things. Labor locked spending growth into legislation without properly funding it.

The government are dealing with the unsustainable spending growth trajectory that you left behind. Is government spending in Australia too high? You bet it is. Do we need to keep working on bringing it down as a share of the economy? Absolutely. Of course there are two ways of doing it. Increasing the economy and strengthening growth will, of course, help bring down spending as a share of the economy, and so will making sure that spending is on a more sustainable foundation for the future. We are doing it.

When we came into government we inherited spending growth of about 3.7 per cent above inflation, on average, per annum. As a result of the efforts of this government over the past two years we have been able to bring that down to about 1.5 per cent above inflation, on average. Is there more work to be done? Of course there is more work to be done. Would we like to have made more progress by now? Yes, we would have. Have we faced some additional challenges, including in the Senate? Yes, we have. We are doing the best we can and we are in a much better position than we would have been if the worst finance minister in the history of Australia was still in office.

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (15:00): Mr President, I ask a supplementary question. Can the minister confirm that spending as a percentage of GDP is now higher than when the coalition came to government?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (15:00): The answer, again, is yes. But here is the important point, which Labor clearly do not understand. It is lower than it would have been if we had kept the policy settings that Labor put in place. When we came into government, the advice we got...
was that on Labor's policy settings we would reach an expenditure as a share of GDP of 26.5 per cent within the decade. Of course the Intergenerational report showed that under Labor's policy settings expenditure as a share of GDP was heading for in excess of 30 per cent. We are working in an orderly and methodical fashion to get spending growth under control over the budget forward estimates. The projections are that expenditure as a share of GDP will come down to about 25.3 per cent. That is still not good enough. There is more work to be done. If Labor were really so concerned they would join us in our efforts. A good start would be not to make ongoing, unfunded spending promises, which Labor are still doing. (Time expired)

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (15:01): Mr President, I ask a further supplementary question. Doesn't Mr Morrison's criticism confirm Mr Turnbull's view that the Abbott government's economic team, including the finance minister, has not been capable of providing the economic leadership our nation needs?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (15:02): I completely reject the premise of that question. Obviously, over the last two years the government have worked very hard to put Australia on a stronger economic and fiscal foundation for the future. The Turnbull government, building on the progress that has been made over the past few years, will of course do everything we can to strengthen growth and create better opportunities by making sure we are more productive, more competitive and more innovative. We will continue the important task of preparing the budget. From a personal point of view, given that you directed part of the question directly to my performance, I am obviously very grateful to the Prime Minister that he has chosen to put his trust in me to be a continuing member of his economic team. As part of that team I will continue to do the best I can to help put Australia on the strongest possible economic and fiscal foundation for the future.

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

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Broadband

Senator POLLEY (Tasmania) (15:03): I move:

That the Senate take note of the answer given by the Minister for Communications (Senator Fifield) to a question without notice asked by Senator McAllister today relating to the National Broadband Network.

We know that recently there has been a change in the leadership of this country. We now have Malcolm Turnbull as the Prime Minister. He has said quite up-front that he believes his government is a government of the 21st century. Nothing could be further from the truth. I would respectfully suggest that he should revisit that statement. Quite clearly, some of the worst parts of the policies that were brought down by the Abbott government are still in place. You can change the leader, but you have not changed the policies. It is still the same terrible, out-of-touch, harsh policies that this government is carrying on with.

If you look at Mr Turnbull's own experience, we can see what he did about the rollout of the NBN when he was Minister for Communications. He has doubled the cost of the rollout of the NBN and given us less than half of the quality of service that the Australian community has demanded and deserves. He may have been a formidable opponent in the past, but what
has overshadowed his performance has been the mistakes that he made in the communications portfolio.

We had a Labor government that initiated the rollout of the NBN. They set Tasmania up as the pilot state to have the first rollout. What has this government done? It has stopped or slowed down the rollout of the NBN, and is now saying to rural and regional Australia, 'You are only worthy of a second rate system that will cost more money and will take much longer to roll out.' That was the performance of the now Prime Minister when he was the Minister for Communications.

To top that off we have a failed assistant minister responsible for aged care now having the responsibility of the portfolio of communications. In his former responsibilities as assistant minister responsible for aged care we know that he did not have his eye on the ball for the last two years. He failed dismally in aged care. The sector knows that and the Australian community certainly knows that.

All I can say is that we on this side will continue to keep an eye on the new Minister for Communications, because this country cannot afford, and the economy cannot afford, to have another failure. We are expecting a greater performance when it comes to the rollout of the NBN. Quite seriously, the cost has blown out. From those on that side who harped and harped when they were in opposition, what have they delivered when it comes to the rollout of the NBN? A much slower service and a much, much more costly service.

Senator Ian Macdonald: Don't be silly.

Senator Polley: Senator Macdonald, I will take that interjection—because no-one listens to you. No-one listens to you. But as somebody who continually bleats in this chamber about representing the great state of Queensland you should be appalled by your government's record when it comes to rolling out the NBN in your home state.

So that is what we are left with. That is the legacy of Mr Turnbull as communications minister.

Those on the other side who bleated and made all sorts of accusations about the time we changed our leadership when we were in government have done exactly the same thing. The only difference is that, on the other side, they have the same old policies and the same arrogance, believing that they know it all. They do not listen to the sectors. They do not take advice. The government might have changed leaders, but they certainly have not changed their policy priorities.

We know how important the NBN can be, will be and should be to the Australian economy. We know the benefit it will bring to the tourism industry. We heard the responses to Senator Bushby's question in, I would have to say, a very weak performance from the new minister for tourism, Senator Colbeck, when trying to promote the fantastic Tasmanian food and wine event tonight. He could not even sell that. We know the NBN has already delivered great outcomes for the Tasmanian economy, and Senator Bushby should be very much aware of that.

This is a government that is yet again failing the Australian people when it comes to the rollout of the NBN. (Time expired)

Senator Bernardi (South Australia) (15:08): It is very difficult to follow Senator Polley in this chamber, particularly after that contribution, because it was like a random walk
through an individual's thought bubbles. There were very few joining words or coherent linkages between one random thought bubble and another. They dealt with Senator Fifield, who of course was an outstanding minister for disability services, and no-one has disputed that in this place—

Senator Polley interjecting—

Senator BERNARDI: except for Senator Polley, of course, who was saying how terrible he was. But the whole disability network were full of praise for him. They were effusive in their praise for Senator Fifield in that capacity. Senator Fifield is now taking that same rigor, that same discipline, into the communications portfolio. That is what has those on the other side so upset. Senator Polley is mortified that someone is going to do a better job than her hero, Senator Conroy. We know that, for a long time, Senator Polley has been a great admirer of Senator Conroy, but he was an abject disaster in the portfolio of communications. We know he had a penchant, if you will, for skiing—we knew that—and for hobnobbing with the big end of town, but that is not what we do. We get down to doing the tough work, the hard yards. We do not do our costings on a coaster in a private jet flying to the ski fields of Aspen.

Senator Fifield: I don't ski!

Senator BERNARDI: Senator Fifield does not ski—but he would be an excellent skier if he chose to do so! All I would say is that Senator Fifield, unlike Senator Conroy, is absolutely committed to delivering value for money and to delivering on time. To this government, it is not suitable or appropriate to pursue a massive agenda that has been cobbled together, literally on the back of a napkin or coaster on a private jet, between Senator Conroy and then Prime Minister Rudd that and that was going to commit this nation to tens of billions of dollars in costs. Over the last two years, the costs have been detailed and the appropriate cost-benefit analysis has been done, and we are delivering to the people of Australia what Australia can afford in order to upgrade us into the internet century.

I am one of the beneficiaries of the NBN, I have to say—much to the chagrin of the other side! I am quite diligent in my communications via the internet, including setting up various appropriate organisations that will facilitate political discourse in this country. The NBN is a fantastic service. It is an extraordinary service that has been delivered to my house, to my neighbours, to my suburb and to my community by the Abbott and Turnbull governments. The beautiful thing about it is that it allows my family, like every other family in the street, to access content-rich media, the requirements of work practices and the new transmissions of digital content on demand and video on demand et cetera in a manner which was hitherto unavailable to us. Rolling out that sort of technology—developing it and delivering it on time in an efficient manner—has been a priority of this government, and I for one am absolutely delighted with it.

I regret that Senator Polley was not able to put aside politics and her personal and partisan attacks to celebrate the fact that we now have a minister in charge of communications who has applied himself so diligently to what has sometimes been a fraught area of policy concern in terms of how we were going to manage to deliver the maximum benefits to people with disabilities, those most in need. He has dealt with that in an exemplary manner. If we can do that in other areas of policy—and, in this regard, it is up to ministers like Senator Fifield to deliver—the nation will be much, much better off.
So, rather than petty point-scoring, using trumped-up numbers and expressing confected outrage, as Senator Polley just did, I urge the opposition to join the government in delivering for the people of Australia. I urge and encourage them to be positive about the opportunities that are before us, because our priorities for the country should be the same. They are about the economy. They are about delivering jobs. They are about delivering infrastructure. That is what is important to the people of Australia. It is a pity it is not important to the opposition. (Time expired)

**Senator McALLISTER** (New South Wales) (15:13): I rise to also take note of Senator Fifield's answers to my questions about the NBN. Unhappily, those answers confirm what most concerns us on this side of the chamber, which is that the big promises that were made about the NBN, a very cheap NBN with a very high level of service and a very high level of penetration that could be delivered by the then Minister for Communications—who knew everything about the internet!—have absolutely failed to materialise.

**Senator Kim Carr:** He invented it!

**Senator McALLISTER:** He did invent the internet, as Senator Carr observes!

**Senator Fifield:** I thought that was Al Gore!

**Senator McALLISTER:** Unhappily for Senator Bernardi—and I enjoy Senator Bernardi's contributions—these are not trumped up numbers. These are numbers that are available in the public domain. These are numbers that were presented to all of us when nbn co released its corporate plan earlier this year. The particular numbers that interest us most, of course, are that, despite the promise that all homes will be connected by 2016, we now learn that that level of penetration of high-speed broadband will not occur until 2020. We also know that—despite the promise that this could be undertaken for $29½ billion dollars—it could now cost as much as $56 billion. The rollout that is projected in the corporate plan sees a very, very gentle start and then a very, very fast ramp up, coincidentally, just after the next election, when it seems that the nbn co intends to connect most of Australia within just a couple of years. I suggest to people here who are observing the progress of this project that those claims really do stretch credibility. I politely suggest to the new Minister for Communications that he examine very closely the assumptions that underpin that rollout, because my very great concern is that that will be yet another promise that is not able to be delivered to the Australian people.

The very great shame about all of this is that Australia's international competitiveness is absolutely dependent on us making this project work. Even in our region we see our closest neighbours, our trading partners, making very great investments and pursuing the very kind of project—the very kind of excellent NBN—that Labor envisaged. What are South Korea pursuing? They are pursuing fibre to the premises. What are Japan pursuing? Fibre to the premises. What are Singapore pursuing? Fibre to the premises. In New Zealand, where they have fibre to the node, they are working swiftly to replace it with fibre to the premises.

As our shadow minister for communications, Jason Clare, told the CommsDay conference just today, two years ago Australia ranked 30th for average peak connection speed. That was just two years ago. We are now ranked 47th. We are falling behind in our connection speed and, again, when we look around our region, we see that, for peak connection speed, the No. 1 spot is held by Singapore. The No. 3 spot is held by South Korea. The No. 4 spot is held by
Japan. The US, Canada and most of Europe are ahead of us. We are falling behind, and it is my very great concern that—in a desperate attempt to justify the decisions that were made by the former communications minister—this government is not addressing a very significant problem that is coming towards us as a country.

We know that there is significant research that links internet penetration and internet speed to economic growth, economic productivity and innovation. Internet penetration and internet speed help in so many ways. They work by facilitating the adoption of more efficient business processes, by accelerating innovation and by introducing new consumer applications and services, and they lead to efficiencies by better linking different parts of the economy—different labour pools, raw materials and different businesses to one another.

But we are missing out. We are at risk of missing out, because the former communications minister—who is, of course, now the Prime Minister—thought that he knew best. He thought that he could change horses midstream and that, through his own understanding of the industry, he could deliver this. Of course, what we are seeing is that the project—based on old technology based on copper—is not proceeding at the speed that is required, and it is a very great shame for this country.

Senator EDWARDS (South Australia) (15:18): I also rise to speak on the motion to take note of answers given by Senator Fifield to questions from Senator McAllister earlier. Before I move on to my comments I will suggest that Senator McAllister moves out of the densely populated area in which she lives and comes and has a look around the state in which I live and at places like Buckleboo, Cummins and Roxby Downs, where connecting fibre to the premises—under the plan that Mr Clare announced today—is simply fantasy. Fantasy is exactly what you have to consider in terms of how this opposition would seek to govern if it were ever entrusted to do so.

Does the shadow communications minister talk to the shadow Treasurer about how they are going to cost this fantasy? The published nbn co 2016 corporate plan forecast that an all-fibre-line build would require a peak funding of somewhere between $74 billion and $84 billion. Quite honestly, given the earlier musings of previous minister for communications Senator Conroy of $40 billion, that number is somewhat fanciful. Extra civil works required for fibre to the home would cost tens of billions of dollars more and take vastly more time to finish—Australians would wait some 10 years longer if these operations of the NBN were taken up.

Senator McAllister mentioned countries like Japan, South Korea and Singapore. I must remind Senator McAllister that those countries are highly populated with areas no bigger than the Wimmera in Victoria—the size of Gippsland in this country. We are an island nation sparsely populated all around the coastal regions, which is why it is so exciting that we have just seen the launch on 1 October of the new NBN satellite, Sky Muster.

Sky Muster is the first of two satellites built to deliver fast broadband to outback Queensland, outback New South Wales and outback Western Australia—all the remote areas in Australia. It was launched from French Guiana on the 1st and will be in place tomorrow. From there on out—they call it 'parking the satellite'—it will be tested from the 15th until March next year. They will ensure that all the retail services—all the services which are going to be so important to education and to ensuring that we have medical services delivered to those regional areas—will be in place. The entire Australian mainland, Tasmania and five
other islands—Christmas, Cocos, Lord Howe, Norfolk and Macquarie—will be covered by this satellite.

This is what this coalition government does: it gets things done. It does not talk about it. It does not put fanciful operational plans in place that are unfunded and unlikely to ever be part of what this country will see. It is a bit like now when you see the shadow minister for defence—the minister for communications in a previous government—talking about submarines and shipbuilding and all that. It is gay abandon, no corporate responsibility and corporate welfare everywhere. It is just the unfunded recklessness that we have come to understand about the way in which the Labor Party operate. They are, frighteningly, the alternative government in this country. The NBN's uniform national approach is a good system. It will roll out on time. It will deliver to 10 million customers in gig time, and I am surprised it was question No. 1 today. (Time expired)

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (15:23): The Prime Minister has again broken a promise, and here I want to talk about Tasmania and the NBN. His solemn promise to Tasmania was that existing NBN contracts would be honoured. That includes the master contract that would deliver a fibre-to-the-premises network across the state.

On the 17 August 2013 in *The Examiner*, Mr Turnbull confirmed a previous pledge to honour all existing contracts signed by NBN Co to roll out fibre to the premises in Tasmania. He said:

…the alternative would be to breach them and that is a course we would not countenance …

I want to talk specifically about the West Coast of Tasmania. The West Coast of Tasmania faces twin challenges of geographic isolation and the need to build a diverse economic base. To achieve this, they need the fibre-to-the-premises broadband that was planned by the Labor government. When we were in government, we planned to have fibre to the premises to Queenstown, Zeehan and Rosebery. Those are the three major centres on the West Coast of Tasmania. What this government has now promised them is satellite. Satellite is fine. It is great for small remote areas—it operates quite well—but not for vital regional hubs, which these communities are. In fact, not only is it vital for the West Coast to have a proper NBN service of fibre to the premises, which is what was promised; it is economically sensible to do that. This is a region that has gone through a very difficult time over the past 12 or so months, with two mine closures, hundreds of jobs going out of that town and the town crying out for economic diversity to look beyond the mining industry to what other opportunities they can provide to the people who not only live in their region but also who want to come and live in their region or visit their region. But, more importantly, it is for businesses to build their base and for business coming out of that region.

One of the things that the West Coast Council has done is develop a West Coast Community Plan up to 2025. They did that in consultation with the entire community. It features a number of broad aspects, but there is one particular section in it that talks about our economy. In that section it talks about a sustainable, dynamic and resilient business sector. In that section it also talks about identifying opportunities to improve access to broadband and wireless technologies for business. The West Coast needs these sorts of things. They need it for e-health. They need it to diversify their economy and to grow business and jobs.
There are also emerging businesses on the West Coast. Last week, I attended an industry conference on the West Coast. There were about 10 speakers at that industry conference, and most of those speakers again focused on a proper NBN service for the West Coast to be able to deal with the business needs within that community. There is a lot that could be offered in that community. Mayor Phil Vickers and the general manager, Dirk Dowling, thought the best thing that they could do was to go up and talk to the local member, Mr Brett Whiteley. So off they went up the coast—about a 3½ hour drive—to visit Mr Whiteley on a Monday morning. They had a reasonable discussion, I understand, about NBN. But what he said to them was: ‘Try the satellite. If, after six months, it is no good then come back to me.’ That is no security for business. There is no future in that for this region to try and diversify. It is just simply not good enough that a member of parliament who represents a region that is going through a specifically difficult time could contemplate not even trying to fight for that region in providing them with a proper NBN service.

The service that is being offered to them via the satellite will not work on the West Coast. It simply will not work there, because it is a vital regional hub. Also, satellite broadband in that area is prone to failure and service disruption in heavy rain conditions. The West Coast averages 2,450 millimetres of rain a year. So it is just not acceptable.

I wrote to the new Minister for Communications, Senator Fifield, on 23 September—(Time expired)

Question agreed to.

National Security

Senator McKIM (Tasmania) (15:29): I move:

That the Senate take note of the answer given by the Attorney-General (Senator Brandis) to a question without notice asked by Senator McKim today relating to the proposed extension of the control order regime to minors.

I asked Senator Brandis repeatedly whether he could provide evidence that might exist where extending the application of control orders to children as young as 14 in Australia would make Australians safer or make Australia a safer place

Unfortunately, the Attorney-General was manifestly unable to offer any evidence whatsoever to support these proposed changes. In fact, he tried to link the proposals that he dropped in a media release on Monday evening to the tragic recent shooting of Curtis Cheng in Parramatta. It is my understanding, based on reports, that there is no evidence that the perpetrator of that shooting was known to authorities.

It is instructive that, when the Prime Minister was asked at a media event yesterday about these proposed changes, he did not go anywhere near the shooting in Parramatta. He did not use it as a rationale. In fact, he was at pains to say that these proposed changes had been discussed through the COAG process for many months.

Senator Brandis: They were. I said that, too.

Senator McKIM: And I acknowledge that Senator Brandis mentioned that almost in passing in his answer.

Senator Brandis: No. That was the direct answer to your question.

Senator McKIM: But the point here is, Mr Acting Deputy President, that these changes further—
Senator Williams: He is Mr Deputy President. Don't demote him!

Senator McKIM: I am sorry, Mr Deputy President. I do apologise. The point is that these changes do erode fundamental civil and human rights in Australia. Australians have fought and died to protect and enhance these fundamental rights over many generations in this country. If we are going to keep eroding them—and the Greens do not support the continued erosion of these rights—at least have the common decency to make the case to the Australian people. Do not try to erode these rights without any evidence whatsoever that they will make Australia a safer place.

I believe that these proposed changes will, in effect, turn Australia's so-called anti-terror laws into a more draconian suite of laws than currently exist in any other liberal democracy in the world. Senators need to ask themselves the question of whether they believe the level of risk in this country is so high as to justify Australia having the most draconian so-called anti-terror legislation in the world. I do not think the facts back up the changes that the government is proposing. And I do not believe the government has put any evidence before the Australian people that would back up the continued further erosion of fundamental civil and human rights in this country.

The Greens will stand up for these rights. In the absence of any evidence whatsoever to demonstrate a need for change in this area, we will not be supporting the reforms. That is because we understand that, when you provide governments and authorities with extra powers, there is, unfortunately, an increase in the likelihood that those powers will be abused. We see, time after time, authorities abusing power—not just in Australia but right around the world. We have seen corruption and other power abuses over a long period of time in this country. It is the job of this parliament to be the guardian of civil and human rights in this country by ensuring that we have strong laws that protect those rights, but also that we do not allow those rights to be eroded unless there is demonstrated need. The government has manifestly failed to make the case for change in this context.

Question agreed to.

PARLIAMENTARY OFFICE HOLDERS
Temporary Chairmen of Committees

The PRESIDENT (15:34): Pursuant to standing order 12, I lay on the table warrants nominating Senators Ketter and Reynolds as additional Temporary Chairs of Committees when the Deputy President and Chair of Committees is absent and revoking the warrant nominating Senators Dastyari and Smith as Temporary Chairs of Committees.

NOTICES
Withdrawal

Presentation

Senators Carr and Marshall to move:
That the Senate—
(a) respectfully commemorates the 45th anniversary of the collapse of the West Gate Bridge which occurred at 11:50 am on 15 October 1970;
(b) acknowledges the sacrifice of the 35 workers who lost their lives in Australia’s worst ever industrial accident;
(c) celebrates the heroic actions of the many people who risked their own lives to assist the rescue efforts and help the injured and other survivors on that day;
(d) extends its sympathy to the families of those affected by the tragedy;
(e) recognises the sacrifice of the many workers who have been injured or killed in workplace accidents before and since the collapse of the bridge on that day; and
(f) praises the efforts of those within the union movement and others who toil to ensure that workers are able to return home safely to their loved ones at the end of each working day.

Senators Ludlam and Singh to move:
That the Senate—
(a) offers deepest condolences to Médecins Sans Frontières (MSF) for the deadly bombing of its hospital by United States (US) forces in Kunduz, Afghanistan, which killed 22 people, including 12 MSF staff and 10 patients;
(b) notes:
(i) the MSF hospital was the only facility of its kind in north-eastern Afghanistan providing free high level life- and limb-saving trauma care, and, due to the attacks, is no longer operational and cannot provide care,
(ii) the secretariat of the International Humanitarian Fact-Finding Commission (IHFFC) has been activated to investigate this incident subject to consent of the US and Afghan governments, and
(iii) NATO Supreme Commander, General Philip Breedlove, has publicly supported the call for the IHFFC investigation;
(c) strongly supports the need to establish the facts of this tragedy through an independent inquiry such as the IHFFC investigation; and
(d) affirms the status of health facilities as neutral, protected spaces under international law.

Senator Brandis and Senator Xenophon to move:

Senator Moore to move:
That the Senate notes the 20 per cent fall in public sector infrastructure spending under the Coalition Federal Government, and the Turnbull Government’s need to catch-up on 2 lost years of support for public transport projects.

Senator Fifield to move:
That the government business order of the day relating to the Migration Amendment (Regaining Control Over Australia’s Protection Obligations) Bill 2013 be discharged from the Notice Paper.
**Senators Madigan and Xenophon** to move:

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

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

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

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

(c) how much was spent on the last election in 2013 by:

(i) political parties or associated entities,

(ii) third parties,

(iii) candidates, and

(iv) Senate groups;

(d) what proportion of the expenditure at the last election in 2013 was provided by private sources, including:

(i) what amounts were acquired from each source,

(ii) the circumstances of the donation or contribution,

(iii) whether third parties were involved in the donations or contributions, and

(iv) what influence those sources had on the political process;

(e) what is the current level of public funding provided to:

(i) political parties or associated entities,

(ii) third parties,

(iii) candidates, and

(iv) Senate groups;

(f) how public funds are allocated to electoral activities, and whether the current levels of such funds should be increased or decreased or allocated differently;

(g) whether the status of the political donations as tax deductions should be maintained;

(h) whether any comparable democracies:

(i) regulate electoral contributions from private donors, or particular classes of private donors, or

(ii) have absolute limits on private funding on electoral activities, and, if so, what policy objectives underlie the regulation and whether those objectives are achieved;

(i) how the regulation of electoral funding is achieved in comparative democracies, and whether it is applicable in the Commonwealth sphere; and

(j) any other related matter.

**Senators Simms and Xenophon** to move:

That the Senate—

(a) notes:

(i) the intention of British Petroleum (BP) to perform high-risk exploratory drilling in the Great Australian Bight,
(ii) that the current environmental and safety evaluation being performed by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) for exploration lease approval requires BP to release sufficient information so stakeholders can make informed assessment of the project and its possible consequences,

(iii) that BP has not released critical information such as its:
  (A) Environmental Plan,
  (B) oil spill modelling, or
  (C) oil spill emergency plan,

(iv) that given:
  (A) the natural beauty of the Great Australian Bight,
  (B) the ecological uniqueness of the Great Australian Bight and its critical importance for marine life, including blue, southern right, sperm, killer and humpback whales,
  (C) that an oil spill of this nature could devastate the $442 million South Australian fishing industry, as well as the state’s $1 billion coastal tourism industries,
  (D) that 90 per cent of oil spills take place during exploratory drilling,
  (E) that the Great Australian Bight contains some of the roughest and most remote open waters on the planet, and
  (F) that in the event of an oil spill, it may take up to 157 days to cap an oil well,

that this lack of environmental transparency does not meet the sufficient information criteria for NOPSEMA’s 28 day approval process; and

(b) calls on BP to release their Environmental Plan, and, failing that, NOPSEMA to reject BP’s exploration lease application.

Senator Lazarus to move:

That the Senate—

(a) notes that ReefBlitz is an important initiative providing an opportunity to discover, identify and record the plants and animals living in and around the Great Barrier Reef that will take place in Townsville, Queensland, on 16 October and 17 October 2015;

(b) acknowledges the valuable contribution of ReefBlitz in educating the community and promoting the unique marine environment in the Great Barrier Reef, and also in generating tourism in north Queensland;

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

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

Senator Lazarus to move:

That the Senate—

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

(b) further notes that rural and regional communities across Queensland are being devastated by the impact of CSG mining, including loss of underground water, contamination of underground and surface water, health impacts, mental health issues, reduced quality of life, reduced land values and other forms of stress, trauma and suffering;
(c) acknowledges that the impact of CSG mining and the behaviour of resource companies in harassing, bullying and intimidating landholders is splintering families, dividing communities and creating personal and financial hardship;

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

(e) calls on the Government to urgently consider the establishment of a Resources Ombudsman and a CSG Mining Commissioner to address the issues being experienced by the people of Queensland and elsewhere across the country affected by CSG mining; and

(f) urges the Government to consider undertaking an urgent audit of the human impacts of CSG mining, and to establish support services and other forms of assistance, including medical assistance, for those affected by CSG mining.

Senator Carr to move:

That there be laid on the table by the Minister for Education and Training, by no later than 4.30 pm on Thursday, 15 October 2015, any reports resulting from the review of the Disability Support Program conducted by KPMG on behalf of the Department of Education and Training (contract no. CN2478741).

Senator Siewert to move:

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

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

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

(c) the contract for that report.

Senator Rhiannon to move:

That the Senate—

(a) notes that:

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

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

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

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

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

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

(b) calls on the Government to hold current and future scheduled federal payments to the WestConnex project until the full business case is made public and proper community consultation and planning approvals are complete.
Senators Carr, Lambie, Lazarus and Siewert to move:
That there be laid on the table by the Minister for Education and Training, no later than 3.30 pm on Thursday, 15 October 2015, the following:
(a) a redacted copy of any reports delivered under the Nous Group contract, ‘Assessment of Stakeholder Views—Higher Education’ listed on the Austender website (contract number CN3277481), omitting any reference to the views expressed by individual senators or their staff; and
(b) all other documentation related to the contract, including the contract itself and any correspondence between the Nous Group and the Minister or his department, omitting any reference to the views expressed by individual senators or their staff.

BUSINESS

Leave of Absence

Senator McEWEN (South Australia—Opposition Whip in the Senate) (15:35): by leave—I move:
That leave of absence be granted to the following senators for personal reasons:
(a) Senator Bullock for 15 October 2015; and
(b) Senator Cameron for today.
Question agreed to.

NOTICES

Postponement

The following items of business were postponed:
General business notice of motion no. 674 standing in the name of Senator Rice for 15 October 2015, proposing the introduction of the Automotive Transformation Scheme Amendment (Sustainable Jobs in the Auto Component Industry) Bill 2015, postponed till 10 November 2015.
General business notice of motion no. 854 standing in the name of Senator Muir for today, relating to the theft and export of Australian motor vehicles, postponed till 23 November 2015.
General business notice of motion no. 876 standing in the name of Senator Dastyari for today, proposing an order for the production of a document by the Minister representing the Treasurer, postponed till 15 October 2015.

BILLS

Defence Legislation Amendment (First Principles) Bill 2015

First Reading

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (15:36): At the request of the Attorney-General, Senator Brandis, I move:
That the following bill be introduced: A Bill for an Act to amend legislation relating to defence, and for related purposes.
Question agreed to.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (15:37): I present the bill and move:
That this bill may proceed without formalities and now be read a first time.
Question agreed to.
Bill read a first time.

Second Reading

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (15:37): I table the explanatory memorandum relating to the bill and 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*—

Today I introduce the Defence Legislation Amendment (First Principles) Bill 2015 to amend the Defence Act 1903.

In 2013 the Government made an election commitment to deliver a First Principles Review of Defence. The report on this Review was released on 1 April 2015. The Review determined that while Defence has an outstanding operational record, it is clear that there needs to be a better balance between operational excellence and organisational effectiveness.

To achieve this better balance, the Government has begun one of the most significant reform efforts to ensure Defence delivers the capabilities we need to ensure Australia is safe and secure.

The Government engaged a number of prominent and experienced individuals to conduct the First Principles Review. The Review made 76 recommendations, 75 of which were agreed or agreed-in-principle by the Government. We are committed, and the Defence senior leadership is committed, to delivering on these recommendations.

This requires Defence to move from its current, inefficient, federated approach, into a single, integrated organisation that delivers enhanced joint capability.

A key recommendation of the Review was to 'establish a strong, strategic centre to strengthen accountability and top level decision making' in Defence. As part of the focus on the joint force, this Review highlighted the need to update legislation to formally acknowledge the key role played by the Chief of the Defence Force (the CDF) and the Vice Chief of the Defence Force (the VCDF) in the modern Australian Defence Force.

This Bill amends the Defence Act to formally recognise the authority of the CDF and the VCDF so that:

- The CDF will have full command of the Australian Defence Force by removing the legislative limitations on the CDF's command power;
- The VCDF will be recognised as the 'Deputy' of the CDF. This amendment will clarify that the VCDF has command responsibilities as well as administrative responsibilities in relation to the Defence Force as directed by the CDF; and
- The Service Chiefs will be explicitly subject to the direction of the CDF. A legislative amendment removing their statutory authority will ensure absolute clarity of the CDF's command and authority.

This Bill seeks to make some other changes to streamline the legislative foundation of the Australian Defence Force.
In addition to strengthening the command roles of the CDF and the VCDF, the Bill also streamlines the statutory treatment of the components of the Australian Defence Force in the Defence legislation, repealing the Naval Defence Act 1910 and the Air Force Act 1923, incorporating the substantive provisions of these Acts in the Defence Act 1903.

These provisions include the recognition of the Regular Army, the Permanent Air Force, and the Permanent Navy, together with the reserve components of each of the services, and the ability of the Governor-General to call out the Australian Defence Force Reserves under certain circumstances. These circumstances include: wartime; peacekeeping operations; support to community activities of national or international significance and humanitarian assistance and disaster relief.

Finally, the Bill also consolidates the statutory treatment of Defence Force Cadets, making provision for the Australian Navy, Army and Air Force Cadets in a new part of the Defence Act. The Bill also modernises the existing provisions to ensure the relationship between Defence Force Cadets and the Defence community is interlinked. The Bill also makes it clear that the Defence Force Cadets are a volunteer, community based youth development organisation. These provisions include the stipulation that cadets, and their instructors and officers, are volunteers and not members of the Australian Defence Force, not officials for the purpose of the Public Governance and Performance Act 2014 and are administered by the CDF.

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

MOTIONS

Goods and Services Tax

Senator WANG (Western Australia) (15:38): I move:

(a) notes the volatility of commodity prices and how badly this has impacted on Western Australia; and
(b) calls on the Government and the Parliament to show leadership in promoting mature and considered discussion to ensure the distribution of GST returns is fair and in the best interests of the nation.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (15:38): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government will not be opposing the motion put forward by Senator Wang. The government notes that it is already taking action to ensure the fairness and equity of the GST distribution to the states and territories. As part of this, the government continues to work with the state and territory governments around the distribution of GST revenue. The government continues to monitor the fairness of GST distribution and takes action to ameliorate inequitable outcomes when these arise. For example, the Commonwealth government provided Western Australia with funding of $499.1 million in the 2015-16 budget to assist with infrastructure projects given the fiscal difficulties faced by the state during the previous financial year. The government also notes the principle of horizontal fiscal equalisation is currently being considered as part of the Reform of Federation white paper process, which will see a thorough and detailed review of the existing framework for distribution of the GST.

Question agreed to.
Community Legal Centres

Senator WATERS (Queensland—Co-Deputy Leader of the Australian Greens) (15:39): I seek leave to amend general business notice of motion No. 895, standing in my name for today, by substituting the word 'notes' for 'supports' in paragraph (e).

Leave granted.

Senator WATERS: I move the motion as amended:

That the Senate—

(a) notes the crucial work done by community legal centres across Australia in assisting victims and survivors of domestic violence;
(b) acknowledges recent commitments to addressing domestic violence from the Queensland and Federal governments;
(c) notes the fact that regardless of those commitments:
   (i) Queensland community legal centres helped 50 000 people in 2014 15, but were forced to turn away more than 80,000 people, and
   (ii) community legal centres face a funding cut of $12 million in 2017 under the National Partnership Agreement on Legal Assistance Services;
(d) notes the emergency meeting on Tuesday, 13 October 2015, in Brisbane attempting to find solutions to the funding crisis for community legal centres;
(e) notes the Productivity Commission's 2014 recommendation for an immediate $200 million funding boost for civil and family law assistance; and
(f) calls on the Federal Government to abandon the funding cuts planned for 2017, and work with state governments to increase funding to community legal centres.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (15:40): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: Through the National Partnership Agreement, the Commonwealth committed $1.6 billion to legal assistance over the next five years. Recently, an additional $15 million has been committed through the Women's Safety package. Legal assistance is not solely a Commonwealth responsibility. Commonwealth funding for Community Legal Centres reduces in 2017-18 because the lapsing funding provided by the former Labor government ends, as always intended and understood, on 30 June 2017 and the delayed effect of the 2013 MYEFO savings measure with a two-year funding reinstatement ending on 30 June 2017. This equates to $18 million or 1.5 per cent of overall funding.

Question agreed to.

Infrastructure

Senator CANAVAN (Queensland—Nationals Whip in the Senate) (15:41): I move:

That the Senate notes:

(a) that the Commonwealth Government is investing $50 billion in infrastructure;
(b) that as part of the Government's investment in infrastructure, it has committed to providing up to $95 million to support the completion of the Gold Coast Light Rail Stage Two project prior to the 2018 Gold Coast Commonwealth Games; and
(c) the importance of significant funding proposals being accompanied by detailed business cases and subject to a full assessment process, including by Infrastructure Australia, if $100 million or more of Commonwealth funding is sought, to ensure value for taxpayers’ money.

**Senator MOORE** (Queensland) (15:41): I seek leave to make a short statement.

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

**Senator MOORE:** Labor was not consulted on the wording of this motion. In fact, the coalition cut $2 billion from infrastructure project funding between the 2014 and 2015 budgets, including over $1 billion this year. Labor strongly supports proper assessment of project business cases and notes the hypocrisy of this motion, given the government's failure to properly assess East West Link, WestConnex and Perth freight link prior to allocating funds. The federal Labor government supported the highly-successful stage one of the Gold Coast light rail, which the coalition then opposed. Labor welcomes the decision of the current government to fund public transport projects. It is now the time for action after two lost years.

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

The Senate divided. [15:42]

(The President—Senator Parry)

<table>
<thead>
<tr>
<th>Ayes</th>
<th>31</th>
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<tbody>
<tr>
<td>Noes</td>
<td>29</td>
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<tr>
<td>Majority</td>
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**AYES**

- Abetz, E
- Bernardi, C
- Bushby, DC (teller)
- Cash, MC
- Day, RJ
- Fawcett, DJ
- Fifield, MP
- Johnston, D
- Macdonald, ID
- McGrath, J
- Muir, R
- Parry, S
- Ronaldson, M
- Scullion, NG
- Smith, D
- Williams, JR

**NOES**

- Brown, CL
- Carr, KJ
- Dastyari, S
- Gallacher, AM
- Hanson-Young, SC
- Lines, S
- Ludwig, JW
- McAllister, J

**Back, CJ**

**Birmingham, SJ**

**Canavan, MJ**

**Colbeck, R**

**Edwards, S**

**Fierravanti-Wells, C**

**Heffernan, W**

**Lindgren, JM**

**Madigan, JJ**

**McKenzie, B**

**Nash, F**

**Reynolds, L**

**Ruston, A**

**Seselja, Z**

**Wang, Z**

**Bullock, JW**

**Collins, JMA**

**Di Natale, R**

**Gallagher, KR**

**Ketter, CR**

**Ludlam, S**

**Marshall, GM**

**McEwen, A (teller)**
Question agreed to.

**Senator RICE** (Victoria) (15:48): by leave—The Greens did not support Senator Canavan's motion today because we want to have a more nuanced conversation about public transport infrastructure funding rather than just bandying around headline figures like the so-called '$50 billion' from the government. We have spent the past few years with our cities and our regions desperate for infrastructure improvements, particularly public transport and rail—both passenger and freight—and we have had a Prime Minister who point-blank refused to fund public transport.

We welcome the government's sudden epiphany and we support funding Gold Coast Light Rail Stage 2. However, we think that we need to improve the ways in which projects are assessed, which needs to be through structured, transparent and accountable processes.

**Anti-Poverty Week**

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (15:49): I move:

That the Senate—

(a) notes that:

(i) the week beginning 11 October 2015 is Anti-Poverty Week,

(ii) the main aims of Anti-Poverty Week are to strengthen public understanding, and encourage research, discussion and action to address these problems, and

(iii) poverty and severe hardship affect more than a million Australians;

(b) acknowledges the very important work undertaken by a large number of organisations across Australia in providing crucial services, such as food-banks, housing, social services, counselling and legal support among others, which make an invaluable contribution to Australian society; and

(c) calls on the government to:

(i) increase Newstart and youth allowance payments by at least $50 a week,

(ii) provide adequate support to people struggling with poverty, including young people accessing income support,

(iii) provide appropriate support to service delivery agencies, including stable and adequate funding, and
(iv) develop a national anti-poverty plan with clear targets and measures to address poverty in Australia.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (15:50): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government will not be supporting this motion. Australia currently spends $150 billion a year on social security. Funds available for social security must be directed to those most in need while ensuring that the system remains sustainable for Australian taxpayers. An increase to rates for one payment would have an impact on government outlays and savings would need to be identified elsewhere.

The best way to reduce poverty is to grow the economy. By putting in place policies to drive growth and job creation we will be putting Australia in a position to prosper in a difficult global environment.

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

The Senate divided. [15:51]

(The President—Senator Parry)

Ayes ...................... 9
Noes ...................... 42
Majority ............... 33

AYES

Di Natale, R
Ludlam, S
Rhiannon, L
Siewert, R (teller)
Whish-Wilson, PS

Hanson-Young, SC
McKim, NJ
Rice, J
Waters, LJ

NOES

Abetz, E
Bernardi, C
Bushby, DC
Carr, KJ
Collins, JMA
Edwards, S
Fifield, MP
Gallagher, KR
Johnston, D
Lindgren, JM
Ludwig, JW
Marshall, GM
McEwen, A (teller)
McKenzie, B
Moore, CM
Parry, S
Reynolds, L

Back, CJ
Bullock, JW
Canavan, MJ
Cash, MC
Day, RJ
Fawcett, DJ
Gallacher, AM
Heffernan, W
Ketter, CR
Lines, S
Macdonald, ID
McAllister, J
McGrath, J
McLucas, J
O'Neil, DM
Peris, N
Ronaldson, M
Matters of Public Importance

Water

The President (15:54): A letter has been received from Senator Moore:

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

The Turnbull Government's disarray and division over water policy.

Is the proposal supported?

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

The President: I understand that informal arrangements have been made to allocate specific times to each of the speakers in today’s debate. With the concurrence of the Senate, I shall ask the clerks to set the clock accordingly.

Senator Singh (Tasmania) (15:55): Today we have seen an unbelievable short-sighted attack by crossbench senators on the future of the Murray-Darling water system. Apart from the blindingly obvious point that, without a healthy environment everywhere, no farm anywhere can be viable, the bipartisan progress already made on the Murray-Darling Basin Plan proves beyond doubt that all of its stakeholders can plan together and work together on multiple priorities to achieve multiple outcomes.

But, in their press conference this morning, those six crossbench senators claimed that this parliament needs to choose—that it needs to choose between either farmers or the environment. Those of us on this side of the chamber do not believe that you have to choose. In fact, you can walk and chew gum at the same time. But these crossbench senators have unwittingly highlighted the abyss of disarray and division—which we all know is there—into which the coalition has now drowned. They call for full responsibility for water, including water being stored to save the Murray-Darling Basin, to be placed in the unsteady hands—very unsteady hands, if I might say so—of a maverick Nationals minister, which would constitute a major blow to the health of the Murray-Darling Basin when combined with their demands to amend the Water Act and for the Basin Plan to be paused. These are possibilities dangerous enough to catch the breath of every South Australian and all Australians that support a healthy river system and a viable farming community.

Minister Joyce's reckless approach is not one which properly guards agriculture's long-term interests, nor does it balance the environment and production interests. His approach unsettles the consensus and will make it hard to secure support for even the most modest yet necessary and acceptable reforms. So let us be crystal clear. The Murray-Darling Basin Plan has bipartisan support at the federal level and has the support of the basin states—South Australia,
Victoria, New South Wales, Queensland and the ACT—and importantly also has the support of the farming, environmental and Indigenous groups. There is no doubt that not everyone got everything they wanted from the plan. We know that. But it does remain supported—why? Because it is an excellent example of the sort of negotiated compromise that defines effective governance in this country. The Basin Plan will set basin-wide sustainable diversion limits and return 2,750 gigalitres to the environment. The basin states are required to prepare water resource plans that will give effect to the sustainable diversion limits from July 2019.

Around two million people live and work in the basin in communities ranging from fewer than 1,000 people to large urban centres such as Wagga Wagga, with over 45,000 people. A further 1.2 million people—

Senator Heffernan: Mr Acting Deputy President, I raise a point of order. I just want to express my regret for not getting on the speakers list for this—

The ACTING DEPUTY PRESIDENT (Senator Back): What is your point of order, Senator Heffernan?

Senator Heffernan: because most of this is political bullshit, and all the speeches that follow will be. The person in charge of the weather is Mother Earth.

The ACTING DEPUTY PRESIDENT: Senator Heffernan, resume your seat. That is not a point of order. Senator Singh, please resume.

Senator SINGH: Thank you, Mr Acting Deputy President. A further 1.2 million people depend on its waters to survive. This is so important to those communities. The health of the river channels themselves and the flora and fauna they support are not only vital in their own right but also vital for the economic and social wellbeing of basin communities. We have seen the devastating impact a lack of environmental flows has had on the basin over the past 100 years or more. And, with that knowledge, we must never return to the days where water allocations are based on politics rather than science. If the Prime Minister gives full responsibility for water to Minister Joyce, we will be witnessing the remarkable outcome of the previous Prime Minister having stronger and more principled environmental credentials than the current Prime Minister—a Prime Minister who should know better and care more, considering that he was in fact once the Minister for the Environment and Water.

Labor is committed to the delivery of the Murray-Darling Basin Plan. The Murray-Darling Basin Plan is the only key we can turn that will return our most important river system to health. If we do not turn that key, there will not be a healthy river system. Without a healthy river system we will lose our sustainable communities and industries in the Murray-Darling Basin. The success of the Basin Plan is critically important for Australia. Its success is dependent on the continuing support of the two major parties and the basin states, who I recall all reconfirmed that support just weeks ago during the debate on the Water Amendment Bill. This was another example of the good policy outcomes in extremely complicated areas that can be secured through reasoned debate; when everyone with an interest in the issue can have confidence in the system and the decision-making process.

It should not be up to Labor alone to keep reinforcing the need for bipartisanship and a strong Murray-Darling Basin Plan. The crossbench senators should be aware that there has been significant and ongoing Commonwealth investment that ensures farms remain productive as the plan is delivered. Crossbench senators should understand that there has been
significant commitment to the Basin Plan and to the health of our rivers and the ecosystems and communities they support. The government should confirm unambiguously that on its side of this chamber this significant commitment to the plan remains. Short­sighted attacks on the future of the Murray­Darling Basin water system must be dismissed.

Desperate attempts like those that have been made by Minister Joyce to claw at the Prime Minister's attention must be ignored—and that is all that is going on here with the crossbench senators. The government must share the load, overcome its self­induced confusion and division and stop considering options that undermine public perceptions of its commitment to the plan or reduce and confuse stakeholder confidence in the plan, its processes and outcomes—because that is what you will do.

Labor is calling on the Prime Minister to stand firm on his bipartisan position on the Murray-Darling Basin Plan for the sake of the farmers, for the sake of the environment and for the sake of the communities. Do not change the longstanding bipartisan commitment that we have for the Murray-Darling.

Senator WILLIAMS (New South Wales) (16:03): I rise with pleasure to speak on the subject of water policy. I am amazed that the Labor Party is game enough to talk about water. Senator Singh should realise that, when we were in opposition, the shadow minister for water, then Senator Joyce, actually worked with then Minister Burke to get bipartisan position—the reason being that then Minister Burke was having discussions with none other than Senator Hanson-Young from the Greens from South Australia, who wanted 6,000 gigs taken out of the water system in the Murray-Darling Basin.

Let's talk about what Senator Wong did when she was the water minister. We know what sort of a finance minister she was. Before the auction of Toorale Station in north-west New South Wales, Senator Wong bought Toorale Station for—how much?—a total of $23.7 million. That was to get water into the Murray-Darling system; to get water down the Murray. She paid $23.7 million for the property—way over its value, I might add—and the property had cattle on it. The department said, 'We want those cattle off the property,' and the owner said, 'Righto, $700,000 and I will move them.' So they threw in another $700,000 for them to take their cattle off the property. How ridiculous is this whole situation! There were ring tanks there that had a heritage order on them. So they could not remove the ring tanks—and that just stores the water back. So there were 93,000 hectares of National Park ready to burn that was full of wild pigs, feral goats and you name it, and no water was going into the Murray. That was Senator Wong's first great move on getting water into the Murray.

Then she went to the Twynam Pastoral Company, the Kahlbetzer family, and paid $303 million of taxpayers' money or borrowed money to run more water down the Murray. One of those properties is on the Gwydir River, up where I live. When the Gwydir River is in flood, guess where the water runs. It runs out of the Gwydir wetlands; it does not run into the Murray—but the Kahlbetzer family said, 'Thank you very much for the cheque.' Then there was Jemalong Station on the Lachlan River. I have harvested wheat there. It is a nice property. It is a good irrigation property. They buy the water back off that, when once in a hundred years—once in a lot longer than a blue moon—the Lachlan runs water into the Murray. They paid $303 million for water buybacks that never put water into the Murray. This is ridiculous! Why the Labor Party would raise this matter of public importance on the
issue of water when the fact is that then shadow minister, Senator Barnaby Joyce, worked with then Minister Burke to bring about the bipartisan plan is beyond me.

What we need is a triple bottom line: social, economic and environment. That is why I am very pleased with the agreement that the National Party put in place with Prime Minister Turnbull when he was elected. My leader, Mr Truss, made it quite clear back in January at our meeting at Wodonga that, if there were to be a change of Prime Minister, there would have to be a new agreement with the National Party, because Mr Truss, as Deputy Prime Minister, had signed a letter to the Governor-General saying that he would support Mr Abbott as Prime Minister. This was part of the agreement: water back to agriculture—as it was when Mr Truss himself was agriculture minister and controlled water, and as it is in New South Wales with the Hon. Niall Blair, the agriculture minister and water minister—the two go together.

It was a bipartisan agreement to have the water savings in the Murray—as I said before, set up by then Minister Burke and opposition spokesman for water, former Senator Barnaby Joyce. We have a situation where Labor are talking about water in the Murray and the health of the Murray, which is quite amazing. Remember, the Murray is never going to be the river it used to be, and I will tell you why: man intervened with it. Mother Nature looked after the Murray for hundreds of thousands—perhaps millions—of years. We came along. We put in a barrage in South Australia at the Lower Lakes. We put in the locks. We put in the dams—and even the Greens are not talking about taking them out and giving the river back to Mother Nature. No matter what happens, the Murray will never be the river that Mother Nature made who knows how long ago.

For Senator Wong and the Labor Party to be talking about water when they made such a monumental mess of the management—fancy paying $23.7 million for a property that was worth about $16 million at the time. When they bought it, they did not even look at the property. The department did not ever go and see the property. They bought it unseen: 'We've got to get those cattle off, so here's another $700,000 to move the cattle.' If someone was going to buy my property and said, 'Yes, I'll give you $200,000 to get the sheep off.' Good: I would sell the sheep, keep the money and get another $200,000. That is how outrageous this whole situation is.

We have the opposition, the Labor Party, in this debate leading with their chin. They must be suffering severe amnesia and have forgotten what they did when they were in government and the monumental mess they made of the whole scheme. Keep it going. We will look after the water, and I hope Minister Joyce has it very soon.

Senator HANSON-YOUNG (South Australia) (16:08): I rise to participate in this debate today as a senator from South Australia. Of course it is my home state that bears the brunt when politics gets in the way and upstream states decide that they would prefer to take more water out than allow water to run through the system as the environment requires. By the time you get down to South Australia, there is very little flow left.

For years we have been overallocating the river system over and over again—so much so that we got to a point in the last decade where more water was being taken out of the river than was going in through rainfall and run-off. It is outrageous for anybody to suggest that, despite everything that has happened—the negotiations that have happened in this place and the consultations with communities elsewhere—that we put a hold on reforming the river system.
We cannot keep going in this the way. We need to change business as usual. The Murray-Darling Basin Plan is in place now. Even at this stage it is not at what the science suggested as a bare minimum. The politics of this place and the play-offs between the different states meant that the environment lost out at the end of those negotiations. It is time that we started to understand it.

We heard from Senator Day during question time that the climate is drying and we are heading into a drought period. Of course climate change means we need more water conservation for everybody. The ridiculous idea of trying to play with the Murray-Darling Basin Plan now—rather than increasing the amount of allocations that are going to be to the environment to keep it healthy for the future to ensure that our mighty Murray keeps flowing—and that the plan delivers too much is that it did not even take into consideration the impact of climate change. That is how foolish the politicians in this and the other place were when they struck a deal that cut out and blinded the Murray-Darling Basin Plan from even building into it—and accepting and understanding—a response to climate change.

We are already seeing the levels in the Lower Lakes in South Australia starting to drop. We are already hearing from communities along the lower stretches that salinity levels are rising again. We never got the full flush that we needed when the drought broke only three years ago anyway. Why? Because more water continues to be taken out, but we hear from the coalition, 'Let's just ensure that we prioritise everybody else but the environment.' It does not work like that. If you do not have a living river, nobody is able to use it. If you do not have a living river, you have got nothing left over—not just for now, not just for the medium term but for future generations.

I cringed at the idea of Minister Joyce being given responsibility for the Murray-Darling Basin. I cringed as a South Australian, because I remember what he said when it was the driest river in South Australia in decades. Do you know what he did? He came to Adelaide and said, 'Oh well, if you want more water, you should move upstream to where it is.'

I tell you what: I like Adelaide, thank you very much, Minister Joyce. I like it so much I will be staying in South Australia. I am not packing up, and neither are my South Australian colleagues, my community or my electorate going to pack up and move to Queensland, because you want to dictate as the minister who should get access to the water and who should not.

It is laughable that Minister Joyce is going to be responsible for dictating who gets access to water in the Murray-Darling Basin system and who does not, because we know he does not give a damn about those further downstream. We need to make sure we start protecting the river for the future.

**Senator GALLACHER** (South Australia) (16:13): I too rise to make a contribution on this matter of public importance. I think it is worthwhile just recapping in the short time we have available what is actually at stake. We know that, as far back as July 1997, the Murray-Darling Basin Ministerial Council introduced a permanent cap on the volume of water which could be diverted from rivers for uses such as irrigation. We know that, as far back as July 1997, the Murray-Darling Basin Ministerial Council introduced a permanent cap on the volume of water which could be diverted from rivers for uses such as irrigation. In 2007, the Commonwealth intervened to address the overallocation and established the Murray-Darling Basin Authority that had the charters to develop and implement a Basin Plan to include sustainable diversion limits. CSIRO advised the MDBA about the future climate scenarios for use in modelling future water use and yield from the catchments in the Basin Plan. Under the Water Act 2007,
the MDBA is responsible for planning the integrated management of water resources of the Murray-Darling Basin. Then we know that on 22 November 2012 the Murray-Darling Basin Plan was signed into law.

If it is true that Mark Twain said, 'Whiskey is for drinking; water is for fighting over,' then that was a culmination of a decade or more of pretty strong negotiations involving governments of all political persuasions, involving state and federal responsible entities to get something into place that we could sit down and put into practice. Of course, there is the rub. The challenge of whoever looks after water will be to put into practice—on the best advice possible—the agreed position and to manage the environment, return some water to the river and manage the social cohesion and economic fabric of those irrigators right along the river. South Australia is to be credited, and amongst the best advice I have had is that they initiated drip watering and took responsible water positions. Despite advice to move up the river, they decided to stay and just get more efficient. What we clearly have here is a political situation involving the termination of a first-term Liberal Prime Minister—the first time in the history of that party that they have taken such an action.

Senator Williams: You've got a bit of history on it!

Senator GALLACHER: Our history is on the record, Senator Williams. I was just merely making the observation that you have not got a lot of history on it.

Anyway, in the event that you did have to do a deal—some of you had to do a deal to save respective parts of your electorates—basically we want to know: have the Nationals been given control of water? Answers to repeated questions to the good Senator Colbeck indicate that it is work in progress. The best summation of the three or four questions that he has attempted to answer is that it is a work in progress and that we do not know who has got responsibility for water. But we do know that if it has been traded off in a factional deal—despite the fact that you do not have any factions!—to keep the largest faction, the Nationals, in the tent and they have got power over water, then we would like all of the agreed positions, from 1997 all the way up to 2012, not only to be honoured but also to be implemented.

I said the other day, in taking note of answers to questions without notice, that Dr Horne made the comment that we know very clearly that there is a lot at stake here. I just want to put on the record what is at stake. James Horne, the inaugural chair of the Murray-Darling Basin Officials Committee said:

... merging the two portfolios—agriculture and water—

could have several important implications.

Dr Horne said the job of implementing the Murray-Darling Basin Plan would fall to Joyce as agriculture minister, and that would be 'anything but straightforward'.

It involves implementing water planning in a comprehensive way that has never been seen before in the Basin. This planning is a key element to ensuring an end to the environmental degradation seen in many areas of the Basin in recent decades.

There we have the issue: is one of the best conservative politicians in Australia, who, on occasion, has been known to say whatever in respect of his constituencies—in his time in the Senate he was not shy about actually voting against the position that his government held—to
take a position on behalf of the whole Murray-Darling Basin and manage it in accordance with the agreed position, or will he take a short-term view to please his constituents?

We have seen very clearly in areas of rural Australia that there has been concern about coal seam gas mining, there has been concern about the mining of coal—the Shenhua mine comes to mind—and we know there have been very strong, deeply felt and widely held positions in rural communities about this. Any minister in this space is going to be unpopular somewhere. The challenge for him or her is whether they can put the best interests of the Murray-Darling Basin—the environment, the sustainability of the river, the social cohesion, the economic opportunities—together and take the best position for Australia, not in a short-term political way or a partisan political way. That is going to be the challenge for whoever takes up this position and responsibility for water. And, as I said, if it has been traded in a factional way for short-term advancement so that someone could become Prime Minister or someone could be ousted as Prime Minister, then I am not sure that is a good indicator of how this extremely important issue of Australia's national policy will be.

I was part of the debate where the party further to our left advocated for greater flows—when we did the analysis the people in the Riverland may have had to move to higher ground on occasion—and I know that these are really difficult issues. They need bipartisanship, if we can get that. They will need strong and clear leadership. It must be abundantly clear to the Prime Minister that someone needs to be given the responsibility of water. They need to uphold the agreed position of the states, uphold the agreed position of the federal government, work to improve environmental sustainability of the Murray-Darling Basin—our part of it and the whole of the Murray River—and, importantly, the agreed position also needs to deliver a fair and just outcome for South Australia. We will fully be up to the task of keeping whoever the water minister eventually gets to be up to those challenges.

Senator EDWARDS (South Australia) (16:21): I rise to contribute to the debate on this matter of public importance, the government's water policy. It seems like a bit of a beat-up to me, quite opportunistic in some ways, because of the change of leadership. We are now the Turnbull government and we are settling the right people into the portfolios where they can engage their constituency. It is as if all of a sudden it is 'down tools' at the Murray-Darling Basin Authority, just because we are changing ministries and departments and reorganising it so it is better set for the future. Neil Andrew, who chairs the Murray-Darling Basin Authority, and the people who are on the authority are doing a very good job. I have been recently appointed to the Select Committee on the Murray-Darling Basin Plan. Senator Gallacher is quite right when he talks about the agreements that go back to 1997, where the caps were put in, and the formation of the Murray-Darling Basin Authority in 2007. The work of these good people is now just getting underway. I give credit where credit is due. Mr Craig Knowles, a former representative in the New South Wales Labor government, did good work on this across south-eastern Australia, so much so that we now have, by what looks to be 2019, a sustainable diversion limit emerging from what has been a very good Basin Plan.

When you have an El Nino, people get excited, and quite rightly, about the allocation of water, which is the very lifeblood of the inland regions. I have been there and I understand how important it is, on the Murray, the Darling and all of that river system down through there. When you get talk of another drought, you return yourself to the position we were in in 2007, when we had the Millennium Drought. I understand that because I am an irrigator and I
did, like everybody, suffer restrictions on water. I also bought water for $1,200 a megalitre. You cannot make money when you are sustaining your permanent crops in that way. So I am very sensitive to the issue of water. But we have to get over what happened. In 1997, as Senator Gallacher rightly pointed out, there was a cap introduced, and that was because the states—and every state is guilty of this—overallocated the resources which were available to them. Different governments, of all different persuasions, over the decades post war overallocated their water resources. There is no question about that. And now the Murray-Darling Basin Authority, the grown-up authority, the one charged with fixing the basin system, is doing exactly that.

There is no question that, when they come into this period of time where profitability is threatened, people get animated. We are seeing that playing out in the hearings that are going on in the Senate inquiry into the Murray-Darling Basin. We have to remember that two million tonnes of salt has to make its way to the ocean, so the Murray-Darling Basin Authority have to ensure that that goes through the Murray mouth, through Lake Alexandrina, through the Chowilla lakes. It starts with Dartmouth, it is stored in Hume and all the way along there are a series of lakes. We have to understand that the Murray-Darling Basin Authority have to be well administered. They will cope for a week without somebody coming and knocking on their door and answering to a minister. This is a beat-up, an absolute beat-up. The authority are doing the work that successive governments have put them there to do. Of course commercial pressure will come at times when El Ninos are being talked about on our television screens and on the radio and where profitability will be compromised—because you cannot replace rain. No bit of legislation, no law, no regulation, will ever replace rain. For the Turnbull government, in its infancy, to be accused of being in any way derelict in its duty—it is doing the thing it should do most and that is appoint the right people to the right jobs.

**Senator LEYONHJELM** (New South Wales) (16:26): Today the opposition is suggesting that the government is in disarray over water policy. The disarray being experienced in basin communities, I can assure the Senate, is bipartisan in origin. The coalition and Labor own the Water Act and the Basin Plan, having supported both in this place. I chair the current Select Committee on the Murray-Darling Basin Plan. We have heard stories from people who are suffering from over a decade of one-sided water reform. It is not just farmers. In fact, it is quite likely that farmers are not the main victims. It is agribusinesses of all kinds, people who sell rural supplies, seeds, pipes, fertilisers. It is people who sell and service machinery. It is people who work in shops. It is schoolteachers and nurses. It is people that most senators in this place will never meet and never plan on meeting.

Some of the people we spoke to were in tears. They are competent businesspeople who have put their life savings into businesses they started in good faith, in towns that depend on irrigation, only to have their lifeblood taken away through no fault of their own. Families, farms, businesses and whole communities are on the brink. We have heard stories of farmers who have ended their lives and we hear that the welfare of many people is hanging by a thread. Nobody is arguing there should not be change to the way we use and conserve water, but it is clear the changes to date are not fair, equitable or balanced. Too much water is being taken with scant consideration for the social and economic costs to people.
Everybody accepts that the environment needs more water than it was getting in the Millennium Drought. This is now happening. However, the environment benefits when it gets enough water. A cycle of drought and flood is entirely natural in the Murray-Darling Basin. The idea that our inland rivers should always be full is not natural; it is an aesthetic ideal espoused by dangerous imbeciles. There is no benefit in always keeping the rivers full and providing more water than the environment needs. We are seeing the result of a water plan developed in panic during the worst drought for a hundred years, rather than a measured and balanced approach to water use. Three months ago, when I attended a public meeting at Barham on the Murray River, there were a thousand people unhappy, frustrated and looking for answers. They told me that the price of temporary water was $120 a megalitre, up from $40 three years previously, and they were going broke. The price of temporary water this week hit an unprecedented $300 a megalitre. Like everyone we have spoken to, I accept that the environment of the Murray-Darling Basin should be looked after, but it is time for the government to take off the blinkers and realise that people are part of the environment. What we have is bipartisan disarray, bipartisan ignorance and bipartisan callous disregard for the welfare of people that we senators are supposed to safeguard. An environment in which people are suicidal is not a healthy environment. I urge the government to lift allowable water use or stop water buybacks while the select committee does its work and to transfer responsibility for water in full to the agriculture minister. Australia's agriculture should not be sacrificed on the altar of false environmental gods.

Senator McEWEN (South Australia—Opposition Whip in the Senate) (16:31): In 2012, after more than a century of interstate disagreement on how to manage Australia's Murray-Darling Basin, the Labor government finally won support for the Murray-Darling Basin Plan, which will restore balance to our river system as long as the plan is allowed to be implemented. The plan is in fact a very hard fought agreement and, if it is to be implemented, it will ensure that we maintain not just a healthy river but also strong regional communities and sustainable food production. In 2012, it looked like, after many years of interstate brawling about the future of the Murray-Darling Basin, we had finally resolved a plan that would take us forward and give certainty to river communities and indeed to my home state of South Australia about the future of the Murray. But now, as a direct result of factional promises and deals in the new Turnbull coalition government, in the space of just a few weeks since he became Prime Minister, Prime Minister Turnbull has thrown the future of the Murray-Darling Basin Plan into chaos. We know that Mr Turnbull gifting the National Party the water portfolio is not going to be beneficial to anyone except the National Party and Mr Turnbull. As a former minister for the environment and for water during the Howard years, Mr Turnbull knows exactly that, but he wanted to be Prime Minister more than he wanted to protect the river for the future. So he struck a deal that would give the Nats what they have always coveted and in return he got something that he has always coveted, which, of course, is the prime ministership. So the deal was not anything to do with the future of the river. It was not a deal about the sustainability of the river, it was not about securing the livelihoods of the many people who live in the regional towns along the river and it was not about the future livelihood or the security of the two million people that rely on the Murray-Darling. Instead it
was a typical selfish, narcissistic political pact to make sure that Malcolm Turnbull could overthrow Mr Tony Abbott and become the Prime Minister of Australia.

As a South Australian living at the bottom end of the Murray-Darling Basin, I am very worried about this pact and what it will mean for the future of South Australia. Mr Barnaby Joyce being placed in charge of water has sent shock waves through the South Australian community because we full well know what Mr Joyce's position on water is. We will never forget when he infamously told South Australians, 'If you do not like living along the river Murray in its southern reaches, up stumps, pack up and move to the northern states.' It was certainly characteristic of Mr Joyce that he would have such disregard for the people of South Australia and, importantly, for the Riverland communities in South Australia along the Murray. Of course, we know that Mr Joyce's concern in this fracas that is going on between the Nationals and the Liberal coalition partners is all about Mr Joyce shoring up his seat in northern New South Wales because he has a bit of a threat on his hands at the moment. He will do whatever he can to hold onto that at the expense of downstream basin states like my state of South Australia. Given Mr Joyce's policy legacy in this area and his oft stated views about water, particularly about the Murray-Darling Basin Plan, when it comes to balancing the economic, social and environmental interests of the Murray-Darling Basin Plan, the health of the river will always end up last under his watch.

We have the internal brawling in the coalition to worry about, but earlier today I was particularly worried to see six of the eight Senate crossbench senators come out and attack the future of the Murray-Darling. Through what I can only presume is the influence and manipulation of Mr Joyce as he desperately clutches at straws to maintain control of the water portfolio for his own self-interest, crossbenchers have apparently been used as bait to grab the Prime Minister's attention. They have been used as bait to persuade the Prime Minister to keep his promise and give water to the National Party. In the press conference this morning, the crossbench senators claimed that we need to choose between farmers and the environment. This is not an either/or situation. We do not have to choose between agriculture and the environment. The advancement in the Murray-Darling Basin Plan to date proves that we are making progress. Indeed, the whole context of the Murray-Darling Basin Plan was to ensure a balance in allocation of resources for the river, for agriculture and for sustainable communities.

It concerns me most that, amongst those crossbenchers this morning, I saw Senator Bob Day, a South Australian senator. Surely, of all the crossbenchers, Senator Day, from South Australia, would know how catastrophic it will be for South Australia if Mr Barnaby Joyce gets control of water. But of course we know that Senator Day likes to play politics with the river. I was also disturbed to see this morning that, although there is a Senate select committee afoot to consider the Murray-Darling Basin Plan, the crossbench senators—who are both chair and deputy chair of that Senate select committee—seem to have predetermined what the outcome of that Senate committee process will be. They seem to have predetermined what the outcome of that Senate committee process will be, for political gain.

You have to ask: what is the dodgy deal that Senator Bob Day has done with the coalition or with Mr Barnaby Joyce that would make him go out there and attempt to undo more than a century of work that has arrived at the Murray-Darling Basin Plan? Why is he kowtowing to the representatives of upstream states in this issue? And why does he want to stop the plan in
its tracks? To do so will bring back to South Australia the uncertainty and confusion about the future of the River Murray. We do not need any more uncertainty. The plan was hard fought. States and, I have to say, all of the parties in this Senate worked very hard to get that plan finalised and through the Senate. We saw again bipartisan support for the Water Act amendment just a little while ago.

The future of the Murray absolutely depends on bipartisanship. Once we have the situation where senators who have the balance of power, if you like, in this place start playing politics with the river yet again, the only people who will benefit from that will be those crossbench senators. We do not know what they got in return for the position that they articulated today, but what we do know is that the people of South Australia will get nothing in return for that. We will go back to the bad old days of interstate fighting over allocation of water from the Murray-Darling Basin system, and the state that will miss out as a result of that infighting will be South Australia. I urge the crossbench senators to think very carefully about what they are doing in using the river as a political bargaining chip.

Senator DAY (South Australia) (16:40): What an intro! To quote Oscar Wilde:

On an occasion of this kind it becomes more than a moral duty to speak one's mind. It becomes a pleasure.

Yes, the crossbench did address this matter this morning at a press conference. As Senator McEwen says, I am a senator for South Australia, and the River Murray is indeed our lifeblood. There is a simple formula, Senator McEwen. Family farms will thrive and communities will grow if they have enough water. But the opposite is also true. Family farms and communities will shrink and die if there is not adequate water.

Personally, Senator, I do not care who has the water portfolio. We have a Murray-Darling Basin Plan and an independent Senate inquiry, of which I am proud to say I am a member, reviewing that plan. What I care about, Senator—

(Time expired)

The ACTING DEPUTY PRESIDENT (Senator Bernardi): Is someone drawing my attention to the state of the chamber?

Senator Williams interjecting—

The ACTING DEPUTY PRESIDENT: Just a moment. Senator Day, I interrupted you because you were allocated one minute on the clock for speaking. There is still time in this debate, and I will seek further speakers, or I will give you the call.

Senator Williams: Mr Acting Deputy President, I draw your attention to the number in the chamber. I think it is very important that they should be in here during this most important debate.

(Quorum formed)

The ACTING DEPUTY PRESIDENT: For the benefit of the Senate, Senator Day had one minute allocated, according to the timesheet, and a quorum was called at the conclusion of that one minute. Next on my sheet is Senator Madigan but you are still on your feet, Senator Day. It appears to me that Senator Madigan has provided two minutes of his time to Senator Day. That being the understanding, Senator Day, you have two further minutes.

Senator DAY: Thank you, Mr Acting Deputy President Bernardi, and thank you, Senator Madigan. Personally I do not care who has the water portfolio. We have the Murray-Darling
Basin Plan and an independent Senate inquiry reviewing that plan of which I and Senator Madigan are members. What I care about is that there is certainty that whoever is responsible for water can respond urgently to the circumstances in the Basin.

Water is being sold in the Murray-Darling Basin at prices as high as $300 a mega litre out of the Goulburn-Murray water area and $240 a mega litre in the South Australian Murray River at the moment. Price does matter. It may not matter to some senators in this place but, for farmers and people in the communities that depend on the river, price does matter. These prices are double what they were last year, treble what the average price has been over the last three years.

The number of drought affected areas in the Murray-Darling Basin is expanding. As has been said in this place earlier, this season's El Nino event is predicted to be worse than previous events and likely to persist until next year. Something urgent needs to be done.

Senator MADIGAN (Victoria) (16:46): Since his appointment, the Prime Minister has been telling Australians we are entering some new age of political Aquarius. He tells us we have a 21st-century government. Last month Mr Turnbull promised us—no, he guaranteed us—the best policy his government can formulate to meet the challenges of today. Mr Turnbull also said there has never been a more exciting time to be an Australian. This is an extraordinary boast.

Today we are calling on the Prime Minister to address urgently the crisis in the Murray-Darling Basin. The Murray-Darling Basin is one of the most productive food and fibre regions of Australia. It produces 45 per cent of Australia's irrigated agricultural product. The Murray-Darling Basin, which covers the states of Queensland, New South Wales, Victoria and South Australia, as well as the ACT, is home to 2.1 million Australians. The Basin is an essential part of Australian agriculture. What happens in the Basin impacts the rest of Australia. And right now, because of two factors, this critically important region is a tinderbox. We are, without exaggeration, on the verge of a national crisis.

Firstly, the price of temporary water has sky rocketed to $300 per mega litre. In comparison, it was almost 30 per cent cheaper last month. Farmers tell me their businesses are unsustainable at these prices. There is a water market in Australia that is out of control and is being manipulated. You can buy and sell water like stocks on the share market. Water trading has become an insider's market of corruption and back-room deals, and farmers cannot compete.

I received this email from a constituent yesterday. She farms with her husband in northern Victoria. In part, her email reads:

My local real estate agent through whom we buy water suggested the big water traders are continually competing for the limited amount of water on the market and can pretty much set the price as they like because large horticultural companies can afford whatever price is put on it.

Where does that leave the small family farmer such as us? To add insult to injury our 650 hectares of dryland crop is a complete failure, making the irrigated production even more critical.

Our youngest son Josh aged 21 is justifiably proud of himself that he bought his own irrigated farm last year but is now wondering why on earth he committed to such a debt when it is unviable to purchase water. His off-farm income and significant subsidies from us are the only things keeping him going.
We are not greedy people, Senator. We don't have a new house, or a new car and in the 27 years of our marriage have had three family holidays. We have educated our four children and put two of them through university. We are hard-working and committed to our enterprise. I just don't understand how the most precious natural resource we have in this country can be owned by people/corporations who do not engage in agriculture.

Mr Turnbull, her question demands an answer.

Second, Australian farmers are facing a scorching end to the year as the threat of drought from a very large El Nino intensifies. This, combined with the Murray-Darling Basin Plan, has created a perfect storm for our agricultural sector, ladies and gentleman. People are walking off farms. People are committing suicide. These is the early death throes of one of our most important farming regions. And our Prime Minister, the former Minister for Water, seems to us to be unaware.

What is it we want? First, we need immediate reform of the Water Act 2007. This is urgent. It must be amended to give equal consideration to the economic and social consequences as well as the environment. Second, that Prime Minister Turnbull must give agricultural minister Barnaby Joyce full responsibility for the water portfolio. The link between agriculture and water is indisputable. And third, as a matter of urgency, the Prime Minister must pause the Murray-Darling Basin Plan, including buy-backs, pending conclusion and reporting of the Senate inquiry into the Murray-Darling Basin Plan.

Simply, do not sit on your hands; do something about it. Communities, people and families are suffering.

Senator LAZARUS (Queensland) (16:51): Firstly, I would like to thank the government and the opposition for allowing me—and my crossbench colleagues—a little extra time today to speak on this matter of public importance. I would also like to add that, while some of my senate colleagues have chosen to speak about the Murray-Darling Basin water issue today, I have chosen to speak about the water issues most affecting Queensland: CSG mining and the drought.

The Murray-Darling Basin issue is also a concern for Queensland, and I agree the Water Act of 2007 needs to be suspended to enable reassessment of its impact. As the only Independent senator for Queensland, I am the only senator in this place able to talk about the real issues affecting Queensland in relation to water, because all the other senators are constrained by party policy.

Senator Lindgren: That is not true.

Senator LAZARUS: I am not. I am driven by people policy, not party policy.

Senator Lindgren: Oh please!

Senator LAZARUS: I would encourage senators across the chamber to listen in. Let me tell you about the water situation in Queensland and why the state of water across the country is an absolute mess.

In my home state of Queensland, more than 50 per cent of our people live outside the state capital. This means that the majority of Queenslanders live across rural, regional, northern and western Queensland. With so many Queenslanders living outside the state's capital, you would think that most people have access to town water. Unfortunately, you would be wrong. Many people across Queensland still do not have access to town water. As a result, many
Queenslanders have to rely on bores, rainwater tanks, purchased water and dams to survive—to shower, to run their homes, to operate their businesses, to feed their stock and to irrigate their land.

Eighty per cent of my state is in drought. In fact, we are experiencing one of the worst droughts on record. We have been in drought for four years and the drought is expected to worsen. Despite this, governments at all levels have let my state down by doing absolutely nothing to help with the drought or address the issue of water in Queensland.

With so many people relying on water sources other than town water, you would think governments would understand the importance of people being able to access clean water via other sources, such as groundwater. Again, you would be wrong. The scourge of coal seam gas mining is devastating rural and regional Queensland. Queenslanders have no legal right to stop a mining company from entering their land to mine for CSG. Governments have been giving mining companies, including international mining companies, unfettered access to our water; any amount of water they want to extract from the ground, without regard for the impact on the people of Queensland. This means that CSG mining companies drill into the ground, depleting underground water tables and contaminating what water is left.

Landholders who are not connected to town water, who rely on underground water, are being left with no water. Their bores are going dry because CSG mining companies operating on their land or near their land are extracting water from the underground water table with such ferocity that they are depleting underground water resources across huge—

Senator Heffernan interjecting—

The ACTING DEPUTY PRESIDENT (Senator Bernardi): Excuse me, Senator Lazarus. It appears—

Senator Heffernan interjecting—

The ACTING DEPUTY PRESIDENT: Just a moment, Senator Heffernan. Did you have a point of order?

Senator Heffernan: Yes, a point of order, and a correction. Glenn, you said—

The ACTING DEPUTY PRESIDENT: Order! Senator Heffernan, resume your seat—

Senator Heffernan: that you are the only person in here that can speak freely about—

The ACTING DEPUTY PRESIDENT: Senator Heffernan, resume your seat. That is not a point of order; it is a debating point.

Senator Heffernan interjecting—

The ACTING DEPUTY PRESIDENT: Resume your seat, Senator Heffernan.

Senator Heffernan interjecting—

The ACTING DEPUTY PRESIDENT: Senator Heffernan, resume your seat! You are being disorderly.

Senator Heffernan: Good.

The ACTING DEPUTY PRESIDENT: It is not good.

Senator Heffernan: It is a bloody disgrace.

The ACTING DEPUTY PRESIDENT: No; you are. Please continue, Senator Lazarus.
Senator Heffernan interjecting—

The ACTING DEPUTY PRESIDENT: Withdraw that, Senator Heffernan.

Senator Heffernan: I withdraw.

The ACTING DEPUTY PRESIDENT: Thank you. Senator Lazarus.

Senator LAZARUS: I am calling for a royal commission into the human impact of CSG mining, because CSG mining is affecting the health and welfare of our people, and it is affecting their ability to live in this country. This is why I am calling for the establishment of a resources ombudsman, so that people affected by CSG mining, who have lost access to water and are experiencing other issues, have somewhere to go to raise issues and concerns and to receive advice, support and assistance.

What are the people of Queensland supposed to do when governments are allowing mining companies to deplete our land of water, leaving hardworking, decent people, without water. I will tell you what happens: the people of Queensland become stressed and sick with worry. They turn to suicide as a way to escape the horror of their situation. Today, I learned of yet another Queensland farmer, who lives in Chinchilla, who tried to take his own life, because he just could not cope anymore with the stress of dealing with mining companies wanting to enter his land to mine for CSG. He has fought hard for many years to resist the mining companies coming on to his land, because he did not want his family to deal with the toxic hell associated with CSG mining. The mining companies bullied him, harassed him and intimidated him to the point where, out of sheer despair, he tried to take his own life this morning. He could not see any other way to save his family.

Landholders are being left to fend for themselves against the might and money of international mining companies because governments have been giving mining companies unrestricted access to landholders’ properties in Queensland. I am ashamed at the way governments are treating the people of Queensland. I am ashamed that governments are turning a blind eye to the damage CSG is doing to our water and our people’s lives, simply because mining companies are donating to political parties.

As I have already mentioned, 80 per cent of my home state of Queensland is in drought and has been for four years. Farmers across Queensland are suffering. The land is so dry, farmers are having to put animals down and walk off their land. Towns and communities across rural and regional Queensland are on their knees. Mental health issues are on the increase. Social issues are on the increase. Banks are foreclosing on farms, and international companies and overseas countries are buying up our land.

Australia should be the food bowl of the world. As a nation we have the capability to increase our food production capacity if we better manage our water resources. North Queensland desperately needs infrastructure investment. If the Romans could build aqueducts across Europe thousands of years ago to shift water from one place to another, why can’t we build infrastructure to shift water across Queensland?

Water infrastructure would enable the distribution of water to farmers across the state. It would enable towns and communities across Queensland to survive and prosper. It would enable people affected by the scourge of CSG mining to access clean, safe drinking water. It would enable our country to manage the consequences of drought by simply moving water around to where it is needed, like many other civilisations have done successfully before us.
In summary, water management in this country is a mess. Australia needs to establish a national water management body to manage the use, distribution and cost of water across the country as a whole. We urgently need to undertake a water audit to fully understand the status of our water resources.

The ACTING DEPUTY PRESIDENT (Senator Gallacher): The time for discussion on this matter of public importance has expired.

COMMITTEES
Finance and Public Administration Legislation Committee
Government Response to Report

The ACTING DEPUTY PRESIDENT (Senator Gallacher) (16:59): On behalf of the President, I table a response to the report of the Finance and Public Administration Legislation Committee on its inquiry into the Department of Parliamentary Services.

DOCUMENTS
Consideration

The government documents tabled today and general business orders of the day Nos 2 to 6 relating to government documents were called on but no motion was moved.

COMMITTEES
Rural and Regional Affairs and Transport Legislation Committee
Additional Information

Senator SMITH (Western Australia) (17:00): On behalf of the Chair of the Rural and Regional Affairs and Transport Legislation Committee, I present additional information received by the committee on its inquiry into the provisions of the Shipping Legislation Amendment Bill 2015.

Scrutiny of Bills Committee
Report

Senator LINES (Western Australia) (17:00): On behalf of Senator Polley, I present the 11th report of 2015 of the Senate Standing Committee for the Scrutiny of Bills. I also lay on the table Scrutiny of Bills Alert Digest No. 11 of 2015, dated 14 October 2015.

Ordered that the report be printed.

Parliamentary Joint Committee on Human Rights
Report

Senator SMITH (Western Australia) (17:01): On behalf of the Chair of the Parliamentary Joint Committee on Human Rights, I present the 29th report of the 44th Parliament: Human rights scrutiny report.

Ordered that the report be printed.

Senator SMITH: I move:
That the Senate take note of the report.

I seek leave to have the tabling statement incorporated into Hansard.

Leave granted.
The report read as follows—

Parliamentary Joint Committee On Human Rights Senate Tabling Statement
Wednesday 14 October 2015

I rise to speak to the tabling of the Parliamentary Joint Committee on Human Rights’ Twenty-Ninth Report of the 44th Parliament.

The committee's report examines the compatibility of bills and legislative instruments with Australia's human rights obligations. This report considers bills introduced into the Parliament from 14 to 17 September 2015 and legislative instruments received from 28 August to 17 September 2015. The report also includes the committee's consideration of three responses to matters raised in previous reports.

Of the 26 bills examined in this report, 20 are assessed as not raising human rights concerns, five raise matters requiring further correspondence and one has been concluded on an advice-only basis. The committee has also concluded its examination of four instruments, and deferred its consideration of one bill and three instruments.

One of the bills considered in this report is the Health Legislation Amendment (e-Health) Bill 2015. This bill seeks to amend the law relating to personally controlled electronic health records, which provides an electronic summary of an individual's health records. Currently, a person's health records can only be included on the register if they choose to opt-in to the system. This bill would enable trials to take place, which could then be applied Australia-wide, to enable the health records of all Australians to be automatically uploaded onto the electronic database unless the person actively opts-out of the process.

The committee considers that this raises significant privacy concerns which require further justification. In particular, the committee questions whether the objective of the bill, in automatically uploading personal sensitive health information onto the database in an attempt to drive increased use of the database by healthcare professionals, is a legitimate objective for the purposes of international human rights law. To be capable of justifying a proposed limitation of human rights, a legitimate objective must address a pressing or substantial concern and not simply seek an outcome regarded as desirable or convenient.

The committee is also concerned to know whether the limitation on the right to privacy is proportionate; in particular, whether there are adequate safeguards in place to protect an individual's privacy and whether the opt-out model is the least rights restrictive way to achieve the stated objective. As usual, the committee will write to the relevant Minister to seek her advice on these important questions.

This report also considers the Social Security Legislation Amendment (Further Strengthening Job Seeker Compliance) Bill 2015. This bill seeks to impose additional requirements on job seekers as a precondition to receiving social security benefits. Under international treaties which Australia has signed up to, Australia is obliged to provide social security for people who lack access to other income and have insufficient means to access health care and support themselves and their dependents. However, under international law it is legitimate for a state to impose reasonable qualifying conditions to access social security. Many qualification conditions are considered to be reasonable under international human rights law, such as waiting periods for benefits and requirements for welfare recipients to meet certain obligations, such as a minimum number of jobs applied for or a minimum number of hours of community service. Mutual obligation or mutual responsibility is thus an accepted feature of the right to social security and, on this basis, the committee has assessed that three out of the five conditions imposed by this bill do not raise human rights concerns.

The committee does, however, have concerns as to whether the bill's limitation on the right to social security and an adequate standard of living in relation to two of the measures is justifiable.
committee has therefore decided to write to the Minister for Employment seeking further information around these issues.

As always, I encourage my fellow Senators and others to examine the committee's report to better inform their understanding of the committee's deliberations.

With these comments, I commend the committee's Twenty-ninth Report of the 44th Parliament to the Senate.

Question agreed to.

Education and Employment References Committee

Report

Senator LINES (Western Australia) (17:01): I present an interim report of the Education and Employment References Committee on Australia’s temporary work visa programs together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator LINES: I move:

That the Senate take note of the report.

I have to say that in my short time here this has been quite an appalling committee to sit on. In evidence we have heard of workers, who in many instances are guests in our country, who have been treated absolutely appallingly. We have looked at many sections of the Australian labour market, whether it is agriculture, manufacturing, or retail, and we have seen various classes of visa workers be treated appallingly.

I want to start with those young people on 417 visas who come to our country as guests for what is termed in their visa as part of the cultural exchange. They are being exploited across sections of our labour market. We have heard some horrible tales and some shocking tales. We heard, for example, of workers at Baiada Poultry working almost 24 hours straight. We heard also of the appalling practices of the labour hire companies, which are contracted to Baiada to provide the labour, who have nothing more than a mobile phone. The young worker texts the mobile phone for work, that work is arranged and they are picked up by a van in the local town and taken to the factory.

What the inquiry has shown is that with many of these young backpackers there is definitely a business model that is being used, particularly by some very unscrupulous labour hire companies, where they recruit in the home country. We met a lot of young Korean workers recruited in their home country who were brought to Australia and taken to some remote country town, put up in absolutely appalling accommodation where there are maybe six or eight of them double- and triple-bunking in a house. They are charged an exorbitant rate of rent per week for that house. The house is usually in a very derelict condition and does not have proper facilities. In fact, councils have come in in some cases and put work orders on those houses or said that they are not fit for people to live in. On top of that, they then get picked up, usually in some kind of white minivan, and transported to the workplace.

Working in these chicken factories is fast work, it is processing work and it is dangerous work. I am very concerned that if we do not put a stop to these practices young workers, guests in our country, are going to be severely injured or even killed at work. That is the type of blatant disregard which is shown to these young workers.
We heard story after story. In one of the hearings we heard workers—again this was Baiada Poultry—who were on a training scheme for weeks on end and were never paid. They were told they had to finish that training scheme and then they would get paid work. We also saw evidence of at least two sets of books where, if you looked at one set of records, it would look as if they were being paid and paid appropriately; but, actually, when you looked at the cash in hand that they got, you could see they were being paid as little as $10 an hour. And this was a straight $10—in the middle of the night, in the middle of the day, it did not seem to matter. All of the industrial conditions that apply at Baiada chicken were completely disregarded for a significant part of the workplace. This is a significant part of the Baiada workplace where backpacker visas were being exploited.

Before the hearing in Adelaide, the National Union of Workers gave me the opportunity to meet with a whole group of young backpackers. Again these were Korean backpackers. There were probably 30 young backpackers in the room and through interpreters every single one of those workers told me where they were working and what kind of hourly rate they were receiving. It did not matter if they were working in hospitality, whether they were cleaning, whether they were picking tomatoes or whether they were working at Baiada; every single one of those workers was being exploited. That is something that none of us in this place should accept. Certainly everybody on the committee has been appalled at the treatment of these workers.

What disappoints me is that the government will not, at this point in time, give an amnesty to some of those workers whose visas will run out. They have been underpaid and they have to leave the country. We really do need to use whatever tools we have available to stamp this practice out—whether it is making sure that labour hire companies are much more accountable or whether it is accepting that, where workers are ripped off to this extent and their visas have expired, we will create an amnesty. This should not be done on a case-by-case basis, because that would not encourage workers to come forward. It should be a general amnesty. It can be policed so that it is not abused, but we need to be able to absolutely crack down on the exploitation that is going on right across the labour market with a range of visas.

The most recent example is the 7-Eleven case, which has been the subject of a lot of media. The workers in this case were predominantly Indian and Pakistani students who came to Australia—some were recruited in their home countries—and worked in 7-Eleven. Most Australians would not believe that this kind of shocking exploitation of workers would happen in this country. We heard evidence in Melbourne of an adult worker who was being paid as little as $6.50 an hour, when the going rate is probably around $21 an hour. That is disgraceful. This matter is under investigation by the Fair Work Ombudsman and it is also under investigation through an independent committee that the 7-Eleven company has set up. We saw in the media recently that a few days after the chief executive and other officials appeared before the Senate inquiry in Melbourne they resigned. So I do not have any faith in 7-Eleven's ability to carry out that independent inquiry and to make sure that every, single worker who is owed money by 7-Eleven—and every, single worker who works at 7-Eleven is owed money—will get their due entitlements. We were given a commitment by the CEO but two days later he resigned, so I do not have faith that that is what is going to transpire.

The workers in the 7-Eleven case are predominantly international students. For some of them it is time to go back to their home countries, and they need to be given amnesty so that
we can properly get to the bottom of this exploitation. Otherwise I fear that Australia will start
to get the sort of reputation we had when international students were being ripped off by some
educational institutions in this country. That is not the sort of reputation we want to have. We
are a country that prides itself on a fair go. We are a country which has a strong award and
enterprise bargaining system, and yet we have matter after matter where workers are being
ripped off.

The other area where we saw exploitation was with holders of 457 visas, where there is
regulation. This tells us that even in areas where we have better regulation, it is not good
enough. We heard evidence in Sydney of a case where 457 visa workers were brought in and
the local workers were made redundant or their contracts were not renewed. The local
workers were asked to train up the new 457 workers and then their jobs disappeared, only to
be taken by the 457 visa workers. In that instance it is very clear to me that there will be some
kind of underpayment going on. If we are going to have workers in our country on a limited
visa, they need to be treated respectfully and we need to have proper mechanisms in place
through unions, the Fair Work Ombudsman and other places to ensure that workers are paid
what they are entitled to. Otherwise we will be seen as a country that exploits overseas
workers.

The inquiry is continuing; this is an interim report. We have more work to do. I seek leave
to continue my remarks later.

Leave granted; debate adjourned.

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Gallacher) (17:12): The President has
received letters requesting changes in the membership of committees.

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for
Multicultural Affairs) (17:12): by leave—I move:

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

Education and Employment Legislation and References Committees—
Discharged—Senator Rhiannon
Appointed—Senator Simms

House—Standing Committee—
Discharged—Senator Fawcett
Appointed—Senator Smith

Murray-Darling Basin Plan—Select Committee—
Appointed—Participating member: Senator Rhiannon

Procedure—Standing Committee—
Discharged—Senator Ruston
Appointed—Senator Smith

Selection of Bills—Standing Committee—
Appointed—Senator Fawcett.

Question agreed to.
BILLS
Customs Depot Licensing Charges Amendment Bill 2015
Customs Amendment (Fees and Charges) Bill 2015
Import Processing Charges Amendment Bill 2015

First Reading

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (17:13): I move:

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

Question agreed to.

Bills read a first time.

Second Reading

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (17:13): I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

CUSTOMS DEPOT LICENSING CHARGES AMENDMENT BILL 2015

The Customs Depot Licensing Charges Amendment Bill 2015 is one Bill in a package that deals with legislative change to implement measures announced as part of the 2015-16 Budget, following the completion of the Joint Review of Border Fees, Charges and Taxes (Fees Review).

This Bill complements the Customs Amendment (Fees and Charges) Bill 2015, which establishes the liability to pay a number of new licensing charges. An application charge for a warehouse licence, a charge for an application for a customs broker licence and a charge for an application for a variation to a warehouse licence are new charges imposed through this Bill.

In addition this Bill amends the Customs Depot Licensing Charges Act 1997 to consolidate existing custom broker, depot and warehouse licensing charges in the one act.

Finally, this Bill makes changes to the price of existing warehouse and customs broker licensing charges in line with cost recovery guidelines.

CUSTOMS AMENDMENT (FEES AND CHARGES) BILL 2015

The Customs Amendment (Fees and Charges) Bill 2015 is one bill in a package that deals with legislative change to implement measures announced as part of the 2015-16 Budget, following the completion of the Joint Review of Border Fees, Charges and Taxes (Fees Review). This bill amends the Customs Act 1901 to restructure current customs broker, depot and warehouse charges and complements the Customs Depot Licensing Charges Amendment Bill 2015. The bill will also increase the warehoused goods declaration processing fee.

The other bill in the package is the Import Processing Charges Amendment Bill 2015.

This restructure of the licensing regime includes consolidating all customs licensing charges under a single act - the Customs Licensing Charges Act 1997 - introducing new licensing charges, and adjusting
the price of licensing charges to ensure full cost recovery for depot and warehouse licensing activities, and partial cost recovery of customs broker licensing activities.

The Department of Immigration and Border Protection processes and assesses applications, issues licences, and manages the renewal and compliance framework for warehouse and depot licence holders, and for customs brokers. Cost recovery charges are imposed on identifiable persons or businesses holding or applying for licences. These charges were forecast to recover $4.0 million in the 2014-15 financial year. Additionally $1.0 million was forecast to be recovered for warehouses administered under delegation by the Australian Taxation Office.

Under current legislation, depot licence charges are in their own act, while warehouse and customs broker licence charges, which recover costs for similar border licensing activities, are contained in the Customs Act 1901 and Customs Regulation 2015.

Charging mechanisms also currently differ across the different licence types. While depot licence applicants must pay a licence application charge, and depot licence holders must pay a depot licence variation charge, no such charges exist for warehouse or customs broker licences. Prospective warehouse and customs broker licence holders bear no cost if their application is unsuccessful, and warehouse licence holders do not bear the cost of processing licence variations. During 2013-14, 45 per cent of broker licence applications were unsuccessful, which led to a significant unrecoverable expense for the Department.

The current licensing charging arrangements were established to recover the full costs of customs licensing activities, in line with the Australian Government Cost Recovery Guidelines. During the Fees Review, it was identified that there is significant under-recovery of costs within the customs broker licensing program. The revenue from current broker licensing charges represents approximately 30 per cent of total costs, with current prices set more than 10 years ago. During consultation, industry groups voiced concerns that they believe the program to be inefficient, and that significant business process improvement and modernisation would be necessary to provide a more efficient service. In addition to this, they noted that a shift to full cost recovery would present significant affordability challenges to new and existing broker licence holders.

The amendments in this bill and the Customs Depot Licensing Charges bill 2015, will consolidate all licensing charges into a single act to simplify the legislation. It will introduce new licensing charges to better align the charges with the cost recovery guidelines. The new charges include a warehouse licence application charge, a warehouse licence variation charge, and customs broker application charges. This will encourage applicants to be better prepared prior to applying for a licence and will reduce the cost burden of the licensing program, which is currently borne by successful applicants only.

The bill will also introduce a small increase in the fees applicable to an import declaration for warehoused goods. This amendment will complement amendments to import processing charges in the Import Processing Charges Amendment Bill 2015, charges that contribute to the recovery of the costs of managing the import related trade and cargo functions of the Department.

IMPORT PROCESSING CHARGES AMENDMENT BILL 2015

The Import Processing Charges Amendment Bill 2015 is one Bill in a package that deals with legislative changes to the Import Processing Charges Act 2001 to implement measures announced as part of the 2014-15 Budget, following the completion of the Joint Review of Border Fees, Charges and Taxes.

The other two Bills are the Customs Amendment (Fees and Charges) Bill 2015 and the Customs Depot Licensing Charges Amendment Bill 2015.

There are three main changes covered in this Bill. The first will broaden the cost base for import declaration and warehouse declaration charges, by recovering the cost of the Department of
Immigration and Border Protection's cargo and trade related reform initiatives. This will be in addition to the direct cargo and trade related costs that are recovered through existing import declaration and warehouse declaration charges. The charges will increase as a result of this wider cost base.

The second change is that this Bill will simplify charging arrangements, by removing the price differential between charges for sea cargo, air cargo and postal import declarations and warehouse declarations. The same charge will apply regardless of the way in which goods are imported. This change better reflects that border clearance and risk assessment activities are generally the same for all goods, regardless of the cargo stream by which they arrive.

The third change is that this Bill will introduce a standard higher charge for documentary import declarations and warehouse declarations, to that imposed on electronic declarations. A consistent price better reflects that the additional work required to process documentary declarations does not vary depending on the value of the goods, or the pathway by which they entered Australia.

The changes to import declaration and warehouse declaration charges contained in this Bill comply with the Commonwealth's Cost Recovery Guidelines. They are also consistent with the requirements of the General Agreement on Tariffs and Trade, as the revised charges will not exceed the approximate cost of cargo and trade related processing activities.

The changes contained in this Bill will come into effect on 1 January 2016, and will generate additional net revenue of approximately $106.4 million across the forward estimates.

These changes will provide a more equitable application of border import processing charges, ensuring that costs are evenly distributed across all imported goods, regardless of whether they come by sea, air or post.

Debate adjourned.

Social Security Legislation Amendment (Further Strengthening Job Seeker Compliance) Bill 2015

First Reading

Bill received from the House of Representatives.

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (17:14): 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 FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (17:14): 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—

Today I introduce the Social Security Legislation Amendment (Further Strengthening Job Seeker Compliance) Bill 2015.

This bill will create a simpler and more effective compliance framework to ensure that job seekers are meeting their mutual obligation requirements at every point throughout the job-seeking process.
The bill builds on the successful reforms made last year by the *Social Security Legislation Amendment (Strengthening the Job Seeker Compliance Framework) Act 2014*. That bill applied the 'no show no pay' principle to provide a stronger incentive for job seekers to attend their appointments with their employment service providers.

These reforms have proven highly effective in ensuring job seekers are meeting their mutual obligation requirements. For instance, in 2013-14 - before the changes were introduced - only 65 per cent of job seekers who missed an initial appointment actually turned up for their second, rescheduled appointment. By comparison, in June 2015 over 90 per cent of job seekers are now attending these rescheduled appointments.

This is a very positive outcome for both job seekers and employment service providers.

It means more job seekers are doing the right thing and taking advantage of the help on offer and receiving their income support as intended.

It also means less red tape and costs for providers. Instead of having to spend time trying to contact the job seeker - and then more time filling in forms to report the non-compliance and book rescheduled appointments - providers can use their time to actually help job seekers with practical tasks like looking for work.

The changes introduced last year have also had another positive impact on job seeker behaviour.

We now see that job seekers who have missed an appointment are re-engaging more quickly with their provider. There has been a reduction in the length of payment suspensions by 40 per cent. Between September 2014 and March 2015 the average payment suspension duration fell from 5.2 to 3.1 business days.

This faster engagement is good news for both job seekers and providers.

The no show no pay changes introduced last year work because they do two things.

Firstly, in the event of non-compliance they allow a person's income support payment to be immediately suspended until the person actually does what is asked of them, such as attend an appointment. This provides a highly effective prompt for people to reconnect quickly with their provider.

And secondly, the changes provide a stronger and more immediate link for the job seeker between the non-compliant action and any financial penalties.

Given the very positive impact these changes have had on job seeker behaviour to date, the Government is seeking to apply the same principles to other mutual obligation requirements.

It has long been a feature of our social security system that unemployed people in receipt of certain income support payments – such as Newstart Allowance – are asked to do certain activities in return for that taxpayer funded benefit.

One of the first things job seekers are required to do is to enter into a Job Plan.

A Job Plan - which is referred to as an Employment Pathway Plan in the legislation - lists the activities that a job seeker must do in return for their income support such as look for work, attend appointments and participate in activities like training or Work for the Dole.

The Job Plan must take into account the job seeker's individual circumstances and their ability to comply with the requirements.

Unfortunately, some job seekers are failing to meet this fundamental requirement by refusing to enter into a Job Plan. These job seekers are essentially saying to the taxpayer 'I will take your money but don't expect anything in return from me'.

No worker would be able to demand that of an employer – so why should a job seeker be able to demand that of the taxpayer?
This behaviour flies in the face of the principle of mutual obligation – which is a principle that has long enjoyed bi-partisan support in this place. As a matter of principle, the same standards of behaviour that are expected of employees in the workplace should be expected of job seekers in receipt of taxpayer funded income support.

At present, there are no financial consequences for an initial refusal to enter into a Job Plan. This bill will reinforce the importance of the Job Plan by introducing a payment suspension that will apply until the job seeker accepts their Plan. And if the person does not have a good reason for refusing to enter into a Job Plan they may incur a financial penalty each day until they accept their Plan.

As we have seen with the no show no pay changes introduced last year, payment suspension at the point of non-compliance sends an effective early signal to the job seeker that something is not right. It allows the job seeker to quickly respond and rectify the situation through positive action.

And the application of a possible financial penalty for those people who do not have a reasonable excuse for their failure helps to maintain public confidence and trust in our social security system.

The existing current safeguards in the system will ensure that no one is penalised for refusing to enter a Job Plan if they have a genuine excuse for their failure to comply or it has unreasonable terms in it.

After a Job Plan is agreed, as well as attending regular appointments with their employment services provider, job seekers are often required to attend appointments with organisations such as a training provider or a Work for the Dole host organisation.

The services provided at these appointments are funded by taxpayers to help job seekers improve their prospects of moving from welfare into paid work.

Unfortunately, some job seekers are treating these service providers with contempt by not behaving appropriately at the appointment. This would not be acceptable behaviour in a workplace. An employee who mis-behaves at work and fails to participate would not be paid by their employer.

So why should a job seeker who mis-behaves and fails to participate at an appointment receive a taxpayer-funded income support payment for their actions?

This bill provides that if a job seeker acts in an inappropriate manner during an appointment - such that the purpose of the appointment is not achieved - a job seeker's participation payment may not be payable until the job seeker attends a new appointment and participates appropriately.

In addition, if the job seeker does not have a reasonable excuse for acting in an inappropriate manner during the appointment, a penalty amount would be able to be deducted from the job seeker's participation payment.

Again, these changes mirror the successful no show no pay principles introduced last year and would bring the treatment of inappropriate behaviour at an appointment in line with the existing treatment of inappropriate behaviour at an activity.

As mentioned, job seekers are required to attend appointments with organisations other than their employment service provider such as training providers or Work for the Dole host organisations. These missed appointments cost these organisations time and money. It therefore makes sense to apply the same successful process used for employment provider appointments for all appointment types.

Accordingly, as a matter of practice, from 1 July 2016 job seekers who deliberately miss appointments with specialist service providers without good reason may also incur a financial penalty for each day until they re-engage with their employment services provider.

This will create a stronger incentive for job seekers to attend these appointments and ensure job seekers are getting the support they need.
In addition to attendance at appointments, it has long been a feature of our social security system that job seekers are asked to participate in certain activities - like training or Work for the Dole. Currently, it can take up to five weeks for a financial penalty to be applied after a job seeker misses an activity or job interview. This is too long and makes the penalty less effective.

This bill will fix this by providing that job seekers who do not attend activities - and do not have a reasonable excuse for their failure to attend - will have their penalties deducted from their next fortnightly payment.

Again, this change applies the same principle as in the bill last year to establish a more immediate link between a non-compliant action and its financial consequences.

Looking for work is the most important part of a job seeker's mutual obligation requirements, and gives job seekers the best chance of getting off income support.

Despite this, job seekers who currently do not make an adequate effort to look for work rarely face penalties because the current system is too slow and ineffective. Currently, it takes months of inadequate job search efforts before a job seeker faces any real payment consequence.

This bill will change that process so that job seekers who do not undertake adequate job search efforts without good reason will have their payment immediately suspended until they demonstrate adequate job search efforts. The longer the job seeker delays completing their job search, the longer their payment is delayed, whereas meeting the requirement will result in immediate and full back payment.

In addition to the mutual obligation requirements outlined so far, it is a fundamental requirement of our social security system that job seekers must accept the offer of a suitable job when it is made.

It is an important principle that a person in receipt of benefits - and receiving help through employment services - has an absolute obligation to accept suitable work when it is available.

This principle reflects the fact that Australia's income support system is there as a safety net for people who genuinely cannot find a job – as opposed to an option for those who simply refuse to work.

There is justifiable concern in the community that some people in receipt of benefits are able to refuse a suitable job with impunity.

Under current compliance arrangements, an eight week non-payment penalty can be applied to job seekers who refuse work without good reason or who fail to start a job as planned. Unfortunately, amendments introduced by the previous government mean that job seekers can have this penalty completely waived just by agreeing to undertake some extra activity.

The data indicates that job seekers are increasingly taking advantage of the waiver provisions to remain on income support rather than accept a suitable job. In 2009-10 - when the waiver provisions were introduced - only 45 per cent of penalties for refusing a suitable job were waived and 55 per cent were served by the job seeker. By comparison - in 2013-14, 78 per cent of penalties for refusing a suitable job were waived.

It is clear that these penalties no longer provide an adequate deterrent to refusing work because job seekers know they are able to return to payment with virtually no consequence.

Remember – these people are turning down jobs that they are capable of doing – not jobs that are beyond their skill set or pose a risk to their health and safety.

The reasons given by job seekers for these refusals are not acceptable. They include reasons such as the job interfered with their holiday plans, or the work was beneath them, or it would take too much effort and they would rather stay on the Dole. It is unacceptable that job seekers who are clearly able to work can turn down a genuine work offer without experiencing an actual penalty.

As the examples I have just given show, some job seekers are unfortunately only too ready to exploit those provisions.
This bill will remove the waivers so that all job seekers who refuse an offer of suitable work without an acceptable reason will serve an eight week non-payment period. This change will ensure that job seekers face immediate and real consequences for turning down offers of work.

This is what taxpayers expect. They expect the Government to maintain the integrity of the social security system and to ensure it remains as a safety net for people in genuine need. It is not fair to ask those people who make the effort to go to work and pay their taxes to support others who can clearly work but prefer a life on welfare instead.

Often when there are changes proposed to the job seeker compliance system there is a justifiable concern about the potential impact on certain groups of job seekers.

I would like to assure the House that this bill will retain all the current safeguards that are designed to ensure that vulnerable job seekers do not incur any financial penalties inappropriately.

Job seekers with identified vulnerabilities will continue to be flagged on the IT systems used by the Department of Human Services and employment service providers. And as is the case now, job seekers who give prior notice of a reasonable excuse will not have payment suspensions or penalties applied. This means the penalties will not impact on those whose failure to meet a requirement is beyond their control, for instance, where they were taken ill or had an unexpected caring commitment and, where reasonable, gave prior notice of this.

In addition, employment service providers will still have the discretion not to report a failure to Human Services but use other servicing strategies to re-engage job seekers instead. All decisions involving financial penalties will continue to be made by the Department of Human Services, and if a job seeker is not happy with the outcome they have the option of appealing this decision.

The Australian Government is committed to building a more efficient and effective employment services system that helps more job seekers into work.

I note there has been complaint from some quarters about the funding provided by the Government for the changes in the bill. Let me put this in context. The Government is spending $6.8 billion over four years to help job seekers into work through jobactive.

The $24.5 million provided for the measures in this bill is a very small but important investment to maintain the overall integrity of the social security and employment services systems.

It is very important to remember that non-compliance by job seekers does come at a cost. It costs provider organisations in terms of red tape and downtime, and it costs the job seeker in terms of lost opportunity and benefits, and it costs the taxpayer in terms of the overall welfare bill.

The Australian Government is committed to ensuring the integrity of our income support system so that it is affordable and sustainable over the long term.

In order to do this, we need a stronger and more streamlined job seeker compliance framework that includes appropriate incentives and sanctions for job seekers who fail to meet their mutual obligation requirements.

This bill builds on the successful changes made in 2014-15 by further strengthening the compliance framework to drive a more widespread change in job seeker behaviour.

I acknowledge the support of those Opposite for these reforms last year. Those changes built on the previous Government's reforms in 2011 - which we also supported at that time.

I look forward to further support from those Opposite to complete this process to create a more effective job seeker compliance framework.

I commend the bill to the House.
The ACTING DEPUTY PRESIDENT (Senator Gallacher): In accordance with standing order 115(3) further consideration of this bill is now adjourned to 24 November 2015.

Social Services Legislation Amendment (Cost of Living Concession) Bill 2015
Social Services Legislation Amendment (Low Income Supplement) Bill 2015

First Reading

Bill received from the House of Representatives.

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (17:15): These bills are being introduced together. After debate on the motion for the second reading has been adjourned I shall move a motion to have the bills listed separately on the Notice Paper. I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (17:16): I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

SOCIAL SERVICES LEGISLATION AMENDMENT (COST OF LIVING CONCESSION) BILL 2015

The beneficial new measure introduced by this bill is to exclude the Cost of Living Concession payment made by the South Australian government from being assessed under the social security and veterans’ affairs income tests.

From September 2015, the South Australian government is introducing a new Cost of Living Concession payment, which will replace the South Australian Council Rates Concession (a discount on rates bills).

The new payment will be paid to certain eligible homeowners who previously benefited from the South Australian Council Rates Concession. In addition, the new payment will, for the first time, provide support to certain eligible low-income tenants. The new payment will be a direct annual payment of either $100 or $200 to eligible people (depending on their circumstances).

This bill exempts the new payment from being assessed as income for social security and veterans' entitlements purposes. This ensures people's social security and veterans' affairs income support payments are not affected by receipt of the new payment, and therefore that they receive the full benefit of the Cost of Living Concession payment.

SOCIAL SERVICES LEGISLATION AMENDMENT (LOW INCOME SUPPLEMENT) BILL 2015

This bill reintroduces a 2015 budget measure previously introduced in the Social Services Legislation Amendment (Youth Employment and Other Measures) Bill 2015, which was negativated in the Senate on 9 September 2015.
The Low Income Supplement will be ceased from 1 July 2017.

This initiative is part of an important suite of measures to support the sustainability of the social security system and the nation’s budget.

Debate adjourned.

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

**COMMITTEES**

**Membership**

Message received from the House of Representatives notifying the Senate of the appointment of Mrs Prentice to the Joint Standing Committee on Electoral Matters, Mr Billson to the Joint Standing Committee on the National Disability Insurance Scheme, Mr Macfarlane to the Joint Committee of Public Accounts and Audit and the discharge of Mr Laundy from the Joint Standing Committee on Migration.

**Economics Legislation Committee**

**Report**

Senator SMITH (Western Australia) (17:17): On behalf of the chair of the Economics Legislation Committee, Senator Edwards, I present the report of the committee on the provisions of the Foreign Acquisitions and Takeovers Legislation Amendment Bill 2015 and related bills, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

**BILLS**

**Social Security Legislation Amendment (Debit Card Trial) Bill 2015**

**In Committee**

Debate resumed.

The TEMPORARY CHAIRMAN (Senator Gallacher): The committee is considering the Social Security Legislation Amendment (Debit Card Trial) Bill 2015. The question is that the bill stand as printed.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:18): Minister, I want to go back to an issue that we started talking about earlier in the day before going on to other evaluation issues: the issue of when you are looking at the evaluation process. For a start, you outlined how the collection of data sets is going to make up the baseline information. If I understood what you were saying correctly, the state government and the Commonwealth government are going to be looking at various data sets. Is that a correct understanding of the baseline evaluation process?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:19): Yes.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:19): What is the time frame for the collection of that data? Will that be collected prior to the commencement of the trial? I will leave it at that, firstly.
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:19): I think that things will be measured pre, during and after. There will be data sets before, data sets during and data sets after. I cannot give you detail as to exactly what data sets will be received and when particular data sets feed into which particular components of the evaluation. I just do not have that information, sorry.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:20): I have a specific reason for asking this, and that is why I was talking about baseline data. During the committee inquiry process there seemed to be some doubt as to whether there would be adequate baseline information collected. That is why I am asking specifically about the data sets—so that we have a baseline from which to evaluate.

One of the problems with evaluating the Northern Territory intervention has always been that there was not that key data set—a baseline data set—available. I am particularly pursuing this line of questioning to find out whether we will in fact have an adequate baseline data set from which to evaluate and whether it will be available before the start of the trial and whether it will be publicly available so that we all can see what that baseline data is.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:21): The government will be working with the South Australian government to establish the appropriate baseline data sets. Whether it can be released publicly or not, I do not know. I guess one of the considerations would be whether, in a small community, data sets could potentially identify people. I do not know—I am not familiar enough with it—but I know that there are some reasons why particular data sets in particular formats might not be able to be released. I am just surmising on that point. I think that it would be the intention to make available the baseline data sets in the interests of transparency, because I think everyone wants to see what the results of the trial are.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:22): Thank you for that. Our experience with the NT intervention is that anything less than 20 just has 'less than 20', and that has been generally acceptable. That is a way that we can get around that particular issue. If that is in fact the intention, that would be a good start. Is the government intending to provide extra funding to the state for this data collection and for the ongoing evaluation? How much funding has been set aside for this process?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:22): The South Australian government have just agreed to share, I understand. It is not on a fee-for-service basis.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:22): Firstly, where extra data is needed beyond what they generally collect, have you considered that? Secondly, for the evaluation per se, have you set aside a particular level of funding to ensure we have money available for a thorough process?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:23): The independent evaluation group will be collecting the data
and South Australia will be providing the data at no charge. If there are other datasets to obtain from different sources which require a fee then I am sure that will be done.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:23): Will the independent evaluation that will be carried out only be done on the qualitative data? Interviews with trial participants and a wide cross-section of the community to explore the impact of the trial would be qualitative data. Will quantitative analysis be done?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:24): There will be qualitative as well as quantitative. The nature of the qualitative work will be interviews, feedback, focus groups—not in the sense of focus groups that we might be more familiar with, but there will be a range of different mechanisms to seek that qualitative input.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:25): I want to go back to the original question. In relation to the independent organisation that will carry out the qualitative analysis, will the government go through the normal process of tendering it out, and what funding is allocated to that? Is that the process that will be used?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:25): It will go to tender, and the funding is in the contingency reserve.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:25): While we are on the qualitative process, I wanted to confirm whether you intend to try to cover all of the participants in the trial or whether there will be a selection and, if so, how will that selection be carried out?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:26): I think that is still to be determined. I don't know whether it will be sampling, whether there will be an endeavour to connect with each individual participant. I think that is still to be determined on the basis of expert advice as to how best to conduct these evaluations.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:26): The reason I am asking is that it is quite clear from the evidence we have heard, both in this chamber and in the inquiry, that not all income support recipients in the Ceduna area have been consulted. If that same process happens again, you will get a skewed evaluation. That is why I am asking whether there is a commitment that all participants will be involved. What is the commitment to having an independent process where there is not a selective analysis or consultation with people?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:27): Whatever is done will be representative and comprehensive. There is no desire or intention to have an evaluation that is anything but that. It is not ministers who are designing the evaluation; there is expert advice as to how that is best done.
Senator SIEWERT (Western Australia—Australian Greens Whip) (17:27): The quantitative analysis is not referred to in the evaluation process. I want to confirm that there will be funding for a quantitative analysis as well.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:28): Yes.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:28): I want to go to the questions I was asking earlier about commitment of funding to like-size communities who have similar sorts of issues so that we have an adequate comparison between a community that is getting the sorts of wraparound services that you are providing—$1 million worth of services is quite a significant injection of services—and a community that does not get that. Many communities do not get that. How will you compare apples with apples if you are looking at the impact of the card versus the impact of the services? I go back to where I was heading before we went off on another issue. Will you be looking at a like community that does not have the card but that is receiving the services so that we can then look at the impact of card and the impact of the services? Many of us would argue that those services are key. I will say again that it is really good that services are going in. This is so we can look at what the impact of those services is and what the impact of the card is.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:29): Part of the evaluation design will be to ensure that any comparative communities are also comparative in terms of the sorts of wraparound services that they have.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:29): So that I am not verballing you: does that mean you will be having a comparison community where you are putting in that level of services but they do not have the card? I want to be really clear about this.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:30): The intention is to compare like with like, to make comparisons with communities that have those sorts of services.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:30): Can you tell us which communities have the same allocation of the sorts of services that are going to be on top of the services that Ceduna now receives?

Senator MOORE (Queensland) (17:30): Minister, before you answer that question, I have a supplementary question to that one. It is in terms of the fact that one of the core aspects of the trial was an audit of the current services and then community consultation to augment those current services. I am interested to see whether a similar process has occurred anywhere else with quite a specialised preparation. In the paperwork we received on the trial, it was very clear that there had been a specific audit of the current services in the region and discussions with the state government about the services they are providing and then, on top of that, with community consultation, Minister Tudge provided the augmentation of the million dollars. In terms of having a direct comparison, will there be any place that would
have had that same degree of service focus to make that kind of comparison, or are you preparing to have a more general process about similar services rather than the same?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:31): The Assistant Minister is committed to making the full evaluation framework public. As I say, the intention is to compare like with like. So I cannot really add any more to that at this stage.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:32): Thank you for the information that you provided about making the framework available. What is the timeline for making that framework available? Will it be before the trial?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:32): Yes, it will.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:32): I am trying to work out the process for finding another community that is along the lines that Senator Moore just articulated.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:32): There will be a process to do that. As I say, the evaluation framework will be made public, but I cannot really give you any more detail as to how exactly that will be done.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:33): I am finished with the evaluation framework for the time being. I want to go to issues around the package of early childhood services. The letter to the shadow minister says that Ceduna was prioritised as one of the 10 communities in the early childhood services $20 million commitment. I am trying to find out whether this decision was taken before the MOU was signed with Ceduna and, if so, when?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:34): I will endeavour to find that out. I do not know that, but we will see if the advisers can advise me. If you have another question, that might give some time for them to seek to get the information.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:34): Thank you. My next question is related to that, and that is: if it was after, does that mean that there will now be 11 communities, or did one community then miss out? I am trying to work out whether they were getting the funding anyway, or if it means that there is another community that is now missing out or in fact whether we have an extra community. I am not complaining if no-one was kicked out.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:34): It is a level of detail that I do not have.
Senator SIEWERT (Western Australia—Australian Greens Whip) (17:35): Was the money committed to early childhood services part of the extra package of $1 million or is it on top of that?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:35): I am advised that the early childhood is on top of that amount.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:35): Does that mean that centres that were not part of the early childhood commitment will also get additional funding for early childhood services as well?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:35): I am advised that those 10 sites are not dependent on the trial.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:35): Sorry, I missed that. They are dependent?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:36): Those 10 sites are not dependent on the trial.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:36): I apologise; I may have miscommunicated what I wanted to know. If the East Kimberley goes ahead, will there be a similar commitment to those early childhood type services as well?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:36): If those community leaders think that that is appropriate, that is something that will be discussed with them.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:36): I am trying to find out—and you may not be able to answer this because you are trying to find out yourself—what the process was for Ceduna to get these early childhood services. Was it part of the concepts of working out the trial process—whether it was before or after? I am trying to find out whether you are going to go through the same process for the other trials as well.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:37): Ceduna had asked for it in the consultations, so it is a product of that. With other trial sites, we will see what the discussions and the requests are.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:37): That is helpful, thank you, but my question is still whether it was before or after the MOU; and whether we have now got 11 or one has been bumped.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:38): I cannot add anything at this stage but I will see if I can shortly.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:38): Thank you. If you cannot, could you take it on notice.
Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:38): The advice has just come through: it was after the MOU.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:38): So it was originally one of the 10 therefore.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:38): The 10 were announced after the MOU, and Ceduna was one of them.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:38): I just wanted to clarify that my understanding was in fact correct, thank you.

Senator MOORE (Queensland) (17:38): This is on a different issue, Senator Siewert. Going back to the community panels that we talked about earlier, during the community affairs hearing there was a range of discussions about how they would operate. In your previous answers this afternoon, you were really clear that this was going to be determined by the community. We understood that was the process. I asked on the day at the community affairs inquiry: is it possible to have a range of options within the same community around this assessment process? We talked at the time and I raised the issue on the Hansard about the fact that members of the community would feel more comfortable with different people. We talked in the discussion with the department that afternoon about whether it would be someone from Centrelink or a community determined panel, and whether the same people from an Indigenous community would be assessed by the same people as by the non-Indigenous community. This range of discussions occurred, and my understanding when I went away from that meeting was that it was still under consideration; however, there could be the possibility that there would be a range of options all determined by the community and all agreed by the minister to suit a number of the people in the community. I am just wondering whether that variation is still under consideration.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:40): It is not something that has been asked for at this stage, I understand, but it is something that would be possible.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:40): Just following up on that issue, because I want to double-check a couple of things too: who is the final decision maker in terms of what that process will look like? I understand what you are saying, which is that the community will be determining how to run it. I still hold concerns about what the minimum standards I was asking about earlier are, and who therefore makes the decision that there may be several bodies?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:41): Ultimately, the minister would sign the legislative instrument that would recognise the body or bodies; however, obviously, it would be hoped that that would simply be reflecting the agreement that had been reached in the community.
Senator SIEWERT (Western Australia—Australian Greens Whip) (17:41): Presumably, you would have the same manner of operating for whatever number of bodies you came up with. You do not envisage having a different set of criteria for different bodies—would that be a correct understanding?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:41): It is probably not likely that there would be different criteria, but there would be discussions with the local communities in different trial sites. It would be theoretically possible that there could be some variation but that has not particularly been envisaged, if that makes sense.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:42): Potentially, what is envisaged is that, instead of having one body, you could have them based on communities. When you were answering Senator Moore's question, is that what you were thinking about?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:42): You could have different authorised bodies—that is right—but in Ceduna that has not been sought at this stage, but it is something that is a possibility.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:42): Who would be the secretariat for this body or bodies? Is it the department?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:43): Again, that is something that will be determined in consultation.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:43): So funding therefore for the operation of these bodies?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:43): I guess that will be a function of how they are structured, but there will be the appropriate funding to facilitate what it is they need to do.

Senator MOORE (Queensland) (17:43): On the same point, in terms of the decision—again, it is a clarifying point, and I know a lot of this is under consultation at the moment; I am trying to get an idea about the process. It is important that there is consistency and integrity in the decision making so people understand that. I am just trying to clarify: is it an appellable decision so that, if you go to the body and ask to change from 80-20 to, say, fifty-fifty and the group or the authorisation says no, is this an appellable decision as I would understand an appellable decision under the act?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:44): If someone does not agree with a decision, then they do not have to be bound to it, and the status quo is what prevail Your question is: will there be a formal mechanism by which someone can seek to have that revisited? I will seek some advice on that. The initial advice, and I guess this is the ultimate advice as well, is that the minister
could override a panel decision. Someone could raise it with the minister as to whether there is an avenue below the minister. The minister will review the operations of the panel in addition to that at least every six months. In terms of how the processes operate, how the particular body operates, to some extent that will still be the subject of consultation.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:45): This is an area we started pursuing earlier and we did not quite conclude it. If you recall, we were talking about small communities with a small number of people who are going to have to front up to people who, in a lot of instances, they know quite well to air their personal views or opinions. Given that, I would have thought that there was even more reason for the fact that you would need an appeal process. There is a big gap between going to the local community body and to the minister.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:46): There will be discussions, in the process of establishing the local body, as to what arrangements there are for another look to be taken at someone's situation after a decision has been made—that is, short of going to the minister.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:47): Can I interpret that to mean that there will in fact be a process that does not require the minister—so in effect an appeal process? I am conscious that you have got formal appeal processes that are available through the various legislative mechanisms, so you are not talking about a formal process. You are talking about putting in place another process where people can have a review outside the minister?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:47): You are right—something that is not terribly formal. For instance, it could be asking the local body itself to take another look. Whether there are variations on that, that is something that there will be further discussions on.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:48): I want to go back to the issue that we were talking about with funding. There will be funding available? I suspect I could almost answer my question because I will get told 'the contingency fund', but what are the processes that you have agreed with the community will be funded in terms of sitting fees, operational fees, secretariat—this is obviously going to be a very sensitive issue, so there is going to have to be due process around this community body. What are the processes that you have been discussing and that you have established to ensure those due processes when dealing with very personal information and the direct impacts on people's lives? What funding has been made available, and what other things would be funded through this community body?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:49): The funding that will be required and who the funding might be paid to on the basis of sitting fees—I think you mentioned those—will be a function of the actual structure that is chosen for that body in the particular locality.
I should also mention that in terms of those who will be participating in the local body, the privacy requirements would be outlined in the formal agreement between the local community body and the Commonwealth and would comply with the Australian Privacy Principles. Each individual member of the local community body would be required to sign a declaration of confidentiality confirming that they will not disclose any protected information of trial participants. As I was saying before, there will be further consultations to ensure that it is an appropriate review process that will be set up to allow an independent review of decisions separate from the board.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:50): I was aware that those privacy issues are outlined in the letter. I was not in any way trying to impugn anybody who may be on a community body by suggesting they may breach privacy. The point I was making is that this is a very important body. As you have just pointed out, there will be statutory obligations, which means that it needs to have an adequate level of funding to support it. That is why I was asking that, why I was putting it in that context. What funding has been made available?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:51): There is appropriate funding in the contingency fund to ensure that will be the case.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:51): How did I accurately predict that, or did I not accurately predict that answer? I thank you for that answer. I wanted to go to one final issue, for me anyway, and ask: where is the regulatory impact statement?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:52): I am advised it has been through the Office of Best Practice Regulation, but I assume you are asking: “Physically where is it that I can get my hands on it?” I assume that is the question, and I will inquire as to what the status is. It may take a moment for that advice to come through. I think it has completed the process and it has been agreed, but its publication status is something that I will have to take on notice at this stage.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:53): How close do we think it is? We are being asked to vote on legislation, and we have not seen that statement. I actually thought there was something wrong with the processes we were using to try to find this, because I just did not think that we would be asked to vote on this without seeing that particular statement. So when will it be published? When will it be made available?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:53): We will need to seek advice from the Office of Best Practice Regulation as to the publication status or otherwise of the document.

Bill agreed to.
Bill reported without amendments; report adopted.
Third Reading

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:54): I move:

That this bill be now read a third time.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:54): I want to make a short third-reading contribution following the discussion we just had. I promise I will not speak for long. I thank the minister for the diligent attempt to answer my questions. I say ‘diligent’ because he did try, but there are so many unanswered questions here. We are being asked to now vote. We are at the very last vote on a bill where there are so many unanswered questions in terms of the funding available, in terms of the evaluation process and particularly in terms of how it will actually work, in practicalities. What are the practicalities of this particular card? Where will it work? What will it cost to fund? We know there are merchant fees. There is a commitment from the government to talk to the local merchants to see if they can get the cost of merchant charges down. We do not know how the minimum cost on EFTPOS is going to work. Certainly that is not going to work outside Ceduna. There is a different process outside Ceduna and inside Ceduna. While we are debating this, we do not know what the third community is that may or may not be in. We do not know how the community bodies are going to work. We do not know whether there will be one or many. There is lots of funding. We do not know what the government have committed in terms of being able to deal with the issues around bank fees. While the government have said there will be no bank fees, we do not know if the amount is capped. We do not know what they have committed. We do not know who the financial provider institution will be. There are so many unanswered questions, despite the minister's diligent attempts to answer our questions.

I come back to the fundamental issue here, which is that income management does not work. This is what this card is. It is effectively income management. This chamber is being asked to vote on a piece of legislation which is ideologically driven, and we actually do not know how it is going to operate. On some of the most basic issues, we do not know how it is going to operate. The Greens will be voting no on this. None of what we heard during the answers to questions convinced us that this is something that should be supported. It did not address the issues of income management, and there are still massive question marks about how this process is going to work. There are so many unknowns.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (17:57): I just want to thank my colleagues for their diligence through not just the committee stage process here but also the Senate inquiry and acknowledge that Senator Siewert and Senator Moore are always very diligent and always bring the best of intentions to these matters.

The ACTING DEPUTY PRESIDENT (Senator Williams): The question is that the bill be read a third time.
The Senate divided. [18:02]
(The Acting Deputy President—Senator Williams)

Ayes ...................... 37
Noes ...................... 10
Majority ............... 27

AYES
Bernardi, C
Bullock, JW
Collins, JMA
Day, RJ
Fawcett, DJ
Gallacher, AM
Ketter, CR
Lazarus, GP
Lindgren, JM
Madigan, JJ
McAllister, J
McGrath, J
Moore, CM
O’Neill, DM
Polley, H
Ronaldson, M
Seselja, Z
Wang, Z
Xenophon, N

NOES
Di Natale, R
Ludlam, S
Muir, R
Rice, J
Waters, LJ

Brown, CL
Bushby, DC
Dastyari, S
Edwards, S
Fifield, MP
Gallagher, KR
Lambie, J
Leyonhjelm, DE
Ludwig, JW
Marshall, GM
McEwen, A
McKenzie, B
Nash, F
Peris, N
Reynolds, L
Ryan, SM
Smith, D (teller)
Williams, JR

Hanson-Young, SC
McKim, NJ
Rhiannon, L
Siewert, R (teller)
Whish-Wilson, PS

Question agreed to.
Bill read a third time.

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

Second Reading

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

Senator DASTYARI (New South Wales) (18:02): I rise on behalf of the Australia Labor Party to oppose the Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015. This bill takes transparency away from the tax system. Transparency matters; it is fundamental to ensuring that all taxpayers get their fair share. It is through high-quality transparency that we can ensure that firms and individuals pay their fair share of tax. Labor will be opposing this bill because this bill would gut Australia’s existing
tax transparency laws that were put in place by Labor over the opposition of the coalition in 2013. We took this action in government not from some prudent interest in the tax affairs of Australia's largest companies but in response to growing concern that some big firms are not paying their fair share of tax.

It is our understanding that the Australian Taxation Office have prepared the information that would allow them to publish information on the income tax paid by companies earning over $100 million a year, as they are required to do under these transparency measures. However, they are holding off from following through on that legislative requirement and actually publishing that information—as I said, a legislative requirement—because they are waiting on the outcome of a vote in this parliament. I would urge those crossbench senators who are wavering at this point—and urge anyone with influence on crossbench senators to tell them—not to gut tax transparency.

On this matter, I note that in the Senate we have given a notice of motion for an order for the production of documents in the last sitting fortnight. This motion seeks to have the Australian Taxation Office fulfil its reporting obligation as the law currently stands and get this information released before any change to the legislation passes the parliament. Whilst Labor hope that this bill does not pass and that the current legislation remains unamended, we want to ensure that, in the event that the government's proposal is agreed to by the Senate, the Australian Taxation Office still discloses to the parliament the information that it has already prepared under the current statute.

As I noted, the current legislation requires the Commissioner of Taxation to make the information public 'as soon as practicable' after the end of the income year. Because companies have until June of the following year to submit their tax return, this means that the earliest practical date for publication was 1 July 2015, as not all companies have filed them. Labor is concerned that, despite the current legislative requirement to prepare and publish the tax transparency report, the Australian Taxation Office is not progressing this, because the government has indicated its intention to roll back the laws, which it seeks to achieve through the bill we are debating today.

The laws currently apply to about 2,000 of Australia's biggest firms, but this government wants to carve out almost half of the companies affected and all of the private companies affected. These are extremely large firms. We are not talking about small businesses; we are talking about significant firms with a major presence in the Australian market. They represent less than one per cent of all companies doing business in this country. Labor believes it is appropriate to have tax transparency for our biggest firms and that companies should not be able to shield themselves from tax transparency by staying private rather than being public. Labor believes that the threshold should be a revenue threshold, an income threshold, not whether a company is private or public.

I ask: what sort of situation are these laws designed to address? Well, the situation as described by the Australian tax office to the Senate Economics Legislation Committee inquiry on this bill is that one in five private companies earning over $100 million do not pay any tax. That is right: the evidence of the tax collector is that one in five private companies earning over $100 million do not pay any tax. This government should be making scrutiny of large Australian private companies a higher priority.
I commend to the Senate the dissenting report by Labor senators and the Australian Greens to the report of the Senate Economics Legislation Committee on this bill. This dissenting report highlights that many of the arguments being wielded clumsily in defence of this bill are absurd, illogical and often lacking any evidence. It notes that this bill has few supporters and that the government is evidently doing the bidding of a tiny number of very, very wealthy individuals.

There were just a handful of submissions to this inquiry. Other than tax consultants and tax lawyers servicing large private firms, the only corporation to make a contribution was Teys Australia, a privately owned meat-processing joint venture with the American company Cargill, based in Brisbane. I will come to them in a moment.

It is deeply disappointing that this is the first major piece of tax legislation that the government has introduced this year and that this legislation works against minimising multinational tax avoidance. In this parliament, just as they did in the last, coalition members have consistently voted against tax transparency. They voted in 2013 against Labor's package to make multinationals pay their fair share, and now they are moving to gut tax transparency.

When Labor brought forward that bill in 2013, we did so guided by work from the OECD which suggested that Australia's transfer-pricing rules and its anti-avoidance provisions needed to be tightened up to move with some of the sharp accounting practices that some of the world's largest firms were engaged in. The former Assistant Treasurer, David Bradbury, won an award that year for being one of the world's 50 most significant tax reformers. That tax reform award was a credit to the work that Mr Bradbury, along with the former Treasurer, Mr Swan, had done to make sure that Australia's tax laws suited contemporary circumstances. We did that alongside the transparency measures because we know that transparency and reform go together.

In trying to sell this as something other than shielding their mates from public scrutiny, the government have cycled through a series of questionable arguments. Liberal ministers first suggested that we needed to roll back tax transparency because it presented a security risk to the owners of big firms. I note that the Treasury, the Australian tax office, the Attorney-General's Department and the Australian Federal Police all said they had given no such advice that tax transparency generated a security risk for the individuals involved in managing large firms.

As was identified in the dissenting report, there are many criticisms that Labor and Greens senators have of this straw-man logic being used to justify the introduction of this bill. None of it is in poorer taste than the invoking of article 17 of the International Covenant on Civil and Political Rights. Drafted at the United Nations General Assembly in 1966, article 17 of the International Covenant on Civil and Political Rights was drafted to prevent governments arbitrarily or unlawfully invading the privacy of people's homes and bedrooms. It states:

1. No one shall be subjected to arbitrary or unlawful interference with his privacy, family, home or correspondence, nor to unlawful attacks on his honour and reputation.

2. Everyone has the right to the protection of the law against such interference or attacks.

In evaluating the limits of the application section 17, the Australian Human Rights Commission observed:
… the protection of privacy is necessarily relative. Balancing the rights to privacy and/or protection of reputation with the rights to freedom of information and expression presents challenges.

In case it needed any further emphasis, the committee report clarifies that both the Senate Standing Committee for the Scrutiny of Bills, and the Parliamentary Committee on Human Rights scrutinised the bill and found no evidence that any human rights would be violated. Labor Senators and the Australian Greens senators rightly objected to the invocation of section 17 of the International Covenant on Civil and Political Rights in the strongest possible terms. As the dissenting report said, invoking this instrument is an obnoxious attempt to misguide the public, the press, and the parliament. It has no connection to tax privacy, and the claim deserves both derision and ridicule.

Another argument suggested by the government was that tax secrecy was fundamental to the integrity of our system. They said that such laws reveal too much information about companies. I agree that confidentiality is an important principle for individual taxpayers and for many businesses. But you have to balance privacy with the public interest. If you are turning over $100 million a year, you are among the most successful firms in Australia. So there is a legitimate public interest in knowing whether firms like these are paying their fair share. The Senate inquiry into multinational tax avoidance heard evidence about some companies paying effective tax rates of two per cent or less. These laws make public basic details about the total income, taxable income and tax paid by big firms so that we can better understand the contribution they are really making to Australia.

Further, much of the information required to be disclosed is already public. As noted in the chair's draft, under the existing provisions of section 3C(3) of the Taxation Administration Act 1953, the Australian Taxation Office will be required to publish the following basic information about large privately owned Australian corporations with revenue in excess of $100 million: firstly, their Australian Business Number; secondly, their total income; thirdly, their taxable income or net income; and, finally, if any income tax is payable. Much of this information is already a matter of public record, and its availability will not be affected by the introduction of this bill. The public can easily find a corporation's Australian Business Number by searching the Australian Business Register. Teys also published theirs—38 009 872 600—in a privacy policy document on their own website.

Apart for some minor exceptions, all Australian corporations must provide copies of their financial reports to the Australian Securities and Investments Commission. The public can access a wide range of often detailed personal and financial information, including copies of documents lodged with Australian Securities and Investments Commission. Financial reports can be purchased by the public, their competitors, nosey senators, or any other interested party. A copy of Teys' 2014 financial report, which was included as an appendix to the dissenting report, informs us that Teys' total income in 2014 was $52,161,000, its net income was a loss of $7,925,000 and its income tax payable was $14,881,000.

Labor Senators and the Australian Greens sensibly rejected the ridiculous arguments the government is mustering to conceal this information. Firstly, an individual's right to privacy of their income and tax information remains preserved under current legislation. Private corporations with revenue in excess of $100 million and a single shareholder are not subject to current disclosure requirements. Corporations do not enjoy the rights and privileges of natural people. It is important to note with respect to any allegations that privacy would be
violated that the name and address of any current or past company directors are already available from the Australian Securities and Investments Commission.

Most recently the government has raised the spectre of big supermarkets like Coles and Woolworths squeezing their suppliers in business negotiations if they are able to find out the total income and tax paid by a firm. But does anyone really believe that these large firms do not already have access to detailed financial information about the firms they buy from? It is possible to look up one of several dozen online business databases right now and see the annual revenue of dozens of Australian food manufacturers, and it is highly likely that the big supermarkets have access to far better sources of industry information than that basic information.

Tax transparency matters because, without it, we have no way of knowing if big companies are paying their fair share. There are plenty of big firms that pay their fair share, and their contribution deserves acknowledgement. But, more importantly, it is clear that some firms do not. When companies are paying tax at a fraction of the standard rate, Australians should ask why. At a time when the government is floating plans to raise the rate of the goods and services tax, we should look closely at whether all taxpayers are making their fair contribution.

We will not be able to do that if this government gets its way on replacing transparency with secrecy. The consequence is that some companies will be able to get away with ducking their taxes. Every single dollar that gets sent offshore or minimised with a handy loophole is another dollar that cannot be spent on things that matter—things like hospitals, schools and a liveable pension, which have been under sustained attack from the government's budget cuts.

If the government had its priorities right, it would be delivering policies that stop companies shirking their tax. It would be building on the good work engaged in by Mr Swan and Mr Bradbury, on multinational tax avoidance. Those were important reforms for bolstering the Australian tax system, for broadening the base with the possibility that we might ultimately be able to lower the rate.

Labor's multinational tax package was produced in the first half of the parliamentary term. It adds $7.2 billion to the budget bottom lines over the course of the next decade, but the Treasurer does not want a bar of it. He has had the option on the table since Labor announced our package in March. We are happy to sit down with his officials and work through how it can be implemented. It is a great Labor idea, and it is there to be stolen if the government is willing to step up to the plate on multinational tax avoidance. I do not know why this government is too stubborn to acknowledge a good tax idea when it sees it, but we do know that the issues that Labor's package goes to are important ones.

We know that some big companies are transferring money into their Australian arms and dressing it up as a loan when it is really shifting money from one pocket to the other. We know that the problem of using debt to shift profits is a serious one. That is why Labor is proposing moving from the current system, which allows firms to pick their favourite debt deduction rule, to getting rid of the two debt deduction rules that lack economic sense and sticking with the one that does have economic sense: the worldwide gearing ratio. That would allow firms to claim for their Australian operation the average amount of debt they owe to banks around the world. If your multinational group owes a lot to the banks, it can claim a lot back in tax deductions. If it does not owe the banks a cent and instead is just engaging in
internal loans, it cannot claim subsidies from the Australian taxpayer—those subsidies which are underpinned by all Australian taxpayers.

The current tax transparency laws, which the Australian Taxation Office will hopefully soon begin to implement, help us hold firms accountable. They help us policymakers and the broader community see where there are problems that need fixing to create a fairer tax system. But, when Labor tries to make sure that we get good information out in the public domain, the government stand on the side of secrecy. They care far more for the feelings of a handful of big companies than they do for making sure that we have a strong tax system without loopholes.

Frankly there has been a disconnect between the rhetoric that has been spoken of by this government, by the former Treasurer, and the reality of the legislation we have seen to date. While the rhetoric has been so strong, the actions of the government have been disappointing; and this legislation is another part of that long line of disappointing action.

The Turnbull government wants to project an image of change. But, if the Turnbull government does not want to be known as a government which stands up for a handful of megarich against regular Australians, then it should cease this attempt to gut tax transparency laws. To pursue this bill is to stand up for the secrecy of large firms against the public interest.

I urge the government to withdraw this bill and to keep the current tax transparency laws in place. If they do not, we will continue to call them out for their duplicity every step of the way to the next election. We call on those community groups who care about multinational tax fairness and about tax transparency to join us in a conversation with the Australian people about this bad, terrible and harmful legislation.

Senator EDWARDS (South Australia) (18:25): Now we are all out of our misery. What a report on what could possibly be wrong. Where do we start? Is this the politics of envy? Is this the politics of inequity? Fair suck of the sauce bottle! Really and truly! Is there a suggestion from Senator Dastyari that everybody that has a turnover of less than $100 million is fully compliant and those over $100 million are not going to be compliant unless their full financials are published? Spare me!

What we are hearing in the contribution from Senator Dastyari is outrageous. It assumes that Chris Jordan, the Commissioner of Taxation in this country, cannot possibly do his job unless all private companies with a turnover in excess of $100 million have their full details—and all of their commercial transactions and effectively the insides of their businesses operations—exposed publicly. That is completely outrageous. It assumes that unless everything is published, we—'nosey senators' as I think he has referred to in the dissenting report—are the only ones who can find out all these wicked people in private enterprise.

The basic tenet of taxation and the application of paying tax and the relationship between the tax commissioner and any company—public or private or an individual—is one in which confidentiality prevails. It is a tenet which is sacrosanct.

The contribution we have just heard is not just outrageous. And I mention the word outrageous because we heard some other outrageous comments earlier. He made some reference to Prime Minister Turnbull earlier, about where his business affairs are domiciled. I can assure you that some junior woodchuck, ex of Sussex Street—

Senator Dastyari: Is that me?
Senator EDWARDS: would probably do well to err on the side of caution with reference to what he brings to this privileged house, with no capacity to render any legal support for the position that they take, because I would suspect that the Prime Minister in his dealings—being who he is and what he is and of the character he is—would have all of his tax paid here in this country.

Once again the inference from Labor is that, unless everything is publicised—come back, Senator Dastyari! Through you, Mr Acting Deputy President: come back. Come back and listen to this! I had to listen to you talking about your dissenting report for 20 minutes.

The ACTING DEPUTY PRESIDENT (Senator Williams): Senator Dastyari, you have a point of order?

Senator Dastyari: I would appreciate it if the—

The ACTING DEPUTY PRESIDENT: Your point of order?

Senator Dastyari: Yes, earlier the senator did not refer to me by my proper title. I would appreciate it if he referred to me as 'Senator Dastyari' while I go back to the hearing of the Senate economics committee that I am chairing.

The ACTING DEPUTY PRESIDENT: Sorry, I missed that point of order, Senator Dastyari. If I had known that Senator Edwards referred to you like that, I would have pulled him up, I assure you.

Senator EDWARDS: I am sure I did not. If I had really been thinking about it, I would have said, 'Newly Appointed Parliamentary Secretary to Save the World' because of all the work he has been doing in the economics committee. I must say that when they do eventually take him from that committee I will miss the theatre, the theatrics and the bashings of all of those that really cannot fight back. I am very sure that the economic secretariat will not at all miss the workload of the 14 inquiries that we have in trying to pursue this politics of envy that the Labor Party seems to be hell-bent on.

I submit that Labor's income tax public disclosure laws required the Commissioner of Taxation to publish the name, the address, the business number, the total income, the taxable income and tax payable of companies with a total income of $100 million or more—we know that. Every company that operates in Australia, whether private, public or multinational, is expected to meet their tax obligations with the tax commissioner. Whether it is public or not makes no difference—not one whirly bit of difference. They have to comply. As I said, the confidentiality cannot be unbroken. They should be able to rely on that.

Let us take an example in the wine industry, in which I am a participant. Sadly, I do not have my details published, because I do not reach $100 million in revenue, but I do know companies that do. It is a highly competitive environment which you have heard about in the contribution of the politics of envy that we have just heard from Senator Dastyari. He has indeed defined Coles and Woolworths as a duopoly that we have in this country. Perfect. If you are a wine company and you are in excess of $100 million, all of your private financials are provided to them via the tax office under this disclosure law. It is not very difficult for the people you supply to, your competitors and the people that are looking to supply. Take the wine which you produce and your competitor wants to take that off the duopoly shelves. It is very easy for them to start working out what their volumes are from the market information they get from supermarkets. It is very easy to start working out how much you are selling.
Why should there be a disadvantage in going over $100 million in revenue? Why should they be disadvantaged from the person that only makes $95 million, who does not have to disclose all of their information? This is discriminatory and this bill addresses it.

There is much said about how this was colloquially known around the halls here as the 'kidnapping.' The reason it was known as the kidnapping act is there were people who were quite rightly genuinely concerned that the companies that they have built—and they have never listed them publicly—would be subject to scrutiny from crime gangs, from people who would look to extort. This is not unusual. These are not terribly sophisticated people, but why would you hand all this information to them? Some people might think that is bah humbug.

We live in a relatively safe country in terms of commercial issues which may arise. But there are examples in history in developed countries where people have been kidnapped for a ransom. Those are the issues. That has been raised. Whether you agree with it or not, it has been raised, and we are here to represent those people who are contributing to the debate.

If unamended, this legislation presents the whole taxpayer system as it was under Labor's laws, where the ATO was compelled to list the taxable income, so that now differentiates. I have had to do this a few times in inquiries: identify the revenue, identify the taxable income—which then, obviously, extracts the costs and gross profit and then provides transparency not to the tax commissioner but to your competitors and to the people that you sell to.

I will give you some idea of what several Labor members have highlighted previously yet failed to apply in these circumstances. Bill Shorten, the Leader of the Opposition in the other place, said:

The inconsistencies and ambiguities associated with the existing law have the potential to undermine its primary purpose—that is, to provide clear protection for taxpayer information. The taxation law has long recognised that such protection is fundamental to ensuring that taxpayers maintain their confidence in the operation of the tax system.

This is Senator Dastyari's mate, the fellow that just gave him his most recent promotion, and he is shrilly in here talking about what is good for the nation. Yet his boss, the Leader of the Opposition, Mr Shorten, is somewhat at variance to that.

I will go on to quote the Shadow Treasurer, Mr Chris Bowen, who said:

The Government affirms the importance of maintaining a high level of protection of information provided by taxpayers.

We have got one more from Mr Swan. I think he was dubbed—quite ironically now in light of what he left this government with to clean-up. Mr Swan is quoted as saying in his time:

I would have thought that everyone out there that was concerned about good public administration would see the common sense in observing what the Tax Office says about confidentiality provisions because they are important to every Australian and it's not a decision of the government, it's the decision of the Tax Office.

What we are seeing playing out here is the politics of envy.

I have talked about the safety risks; now I will look at reputation. The CEO of Godfrey Hirst Australia, Australia's largest carpet manufacturer, noted:
By publishing extremely limited information selected specifically to put the targeted taxpayers in the worst possible light, it invites (incites) public action against the target taxpayers and potentially those associated with them. There are national and international examples of such actions against companies involving physical damage, reputational damage and commercial boycotts.

Why would we want that in this country? We do not want businesses boycotted in this country; why would we want to prejudice businesses in this country? Why aren't we unbridling people? Why would we say to people, 'Don't go above $100 million in turnover because your tax affairs will become known by your competitors and the people you supply to—rough elements and so on—and you will lose your competitive advantage and, therefore, any international company that is looking to compete with you in that space is going to know everything about you but you are not going to know anything about them'? In other countries they do not have anything that is as prejudicial to private individuals as this is.

For public companies—that is why they go public. They have to report every six months, they have to say whether or not they are going to give a dividend, they have a continuous disclosure obligation, their shareholders need to be able to reach in at any point in time and understand. Why is that an imperative for them, to publicise their accounts and their reports? Because they are listed in the equities market, on the stock exchange, or they have multiple stock exchange listings—like BHP and Rio Tinto do. That is in the public interest. They are massive companies with tens of billions of dollars' worth of capital value. And obviously, as a basic tenet of the equities market, you need to know that these companies are compliant. Not so for a meatworks, a mid-west New South Wales wine company that happens to be very successful, a Barossa wine company, or a whisky distiller that has done very well and has had exponential growth. Why do they have to? There is no need; they are private companies. They have not got any public money. They have not got any faceless investors. They are doing what they are supposed to be doing, and it is what we should be encouraging in this country—not telling people to 'just grow your revenue to $99.999 million and don't go over it, because then everybody gets a look into your business.'

A similar disclosure regime was abandoned in Japan after 2005 after a recommendation from the Japanese tax advisory commission, which found that there were 'various reports of the disclosure being a factor in causing crimes and harassment'. I am not making this up. This is what the Japanese tax advisory commission said. And they abandoned it. They got rid of it. They did not wax lyrical about the politics of envy and say that everybody who generates over $100 million must be known'. Senator Dastyari—the newly-promoted shadow parliamentary secretary for saving the world—made all these references about 'if you don't publish the results, those people are cheats.' That was the inference. That is what was being said: 'unless we publish everything above $100 million they will cheat.' That is outrageous. That is not the case at all. That is vilifying good people in this country who have good businesses. So everybody who has revenue under $100 million is okay. They are fine. They are good, honest people. Anybody with over $100 million is not. That is the inference. Japan abandoned it, and the fact that the Labor shadow ministry points to the publication of the BRW rich list as evidence that this information is already in the public domain is an insight into its complete disconnect from business. That is where Labor gets their inspiration for identifying who is on their politics of envy hit list. It is just not on.

In opposing the passage of this bill, Labor is tinkering at the edges of an ideological folly to attack the rich. It achieves nothing of its stated objectives to ensure companies pay their
rightful taxes. All it means is that busybody, nosey senators can take cheap shots whenever they like because they can just dial it up on the internet. It is not on.

I note that the Commissioner of Taxation says that the vast majority of Australian companies are paying the right amount of tax, and I know that, in the inquiries that we have been conducting in the Economics committee, I trust the information that I have got about what the tax commissioner is doing. The number of people on his watch list has gone from 30 to 86. These are big Australians. They are not on the watch list because he suspects that they are doing anything wrong; it is just they are big, complex companies in multinational jurisdictions and those companies are, in the main, working with him to ensure that they pay the right tax.

So the suggestion that everybody above $100 million is delinquent and less publicised serves no purpose at all. It raises not one more cent in taxation. All it does is cause pain and suffering to those people looking to build their business in anonymity—which is what everybody below $100 million can do—to grow and to aspire to be great Australian companies which can go out and forge a path around the world. They are looking to grow their businesses beyond that without all of the commercial disadvantage of having the inside measurements of their commercial underwear up for show for everybody around the world to look at.

I suggest that the Labor Party have a look at their politics of envy because that is how it is being seen widely amongst the business community. They should have a look at how they reconnect and restore their reputation from this ridiculous, intransient position that they are taking on this bill. I urge them to reconsider their dissent with regard to it.

Senator O'NEILL (New South Wales) (18:45): Before I go to my more formal remarks I will just make a few comments on that contribution we had from Senator Edwards. Those three-word slogans that they are full of: we have had a gutful of them across the country for far too long. We are supposed to be entering a new and enlightened age under the great messiah, the new leader of the government. Now we have this new three-word slogan, the 'politics of envy'. What a con! What a con he is attempting there. What we are talking about here is the politics of fairness—

Senator O'NEILL: (New South Wales) (18:45): Before I go to my more formal remarks I will just make a few comments on that contribution we had from Senator Edwards. Those three-word slogans that they are full of: we have had a gutful of them across the country for far too long. We are supposed to be entering a new and enlightened age under the great messiah, the new leader of the government. Now we have this new three-word slogan, the 'politics of envy'. What a con! What a con he is attempting there. What we are talking about here is the politics of fairness—

Senator Edwards: What rot! You are calling everybody crooks!

Senator O'NEILL: It is something that those on the other side simply do not seem to understand. There is nothing envious about a community wanting to have quality infrastructure, such as a hospital to which they can go when they are sick. There is nothing envious about a community seeking investment in infrastructure so that they can move around freely, have successful businesses, do business and trade, grow jobs, grow our economy and then go home to their family in a reasonable time. There is nothing envious about that. It is about a call for fairness and a fair distribution of opportunity for every single Australian.

But what we see on the other side there is a group of people who are happy to pull down the shutters, to do little deals on the inside with their insider mates, to prop up their own perverted sense of advantage and to shut out the rest of Australia. All of the other workers and all of the other businesses—small, medium and large—do the right thing. They pay a fair share of tax and make a contribution to the country, which is a very significant thing. Those
opposite just do not want people who are making an awful lot of money to have to reveal anything of the truth of their earnings to this country and pay their fair share.

Then we have the other fake argument—the 'privacy' argument, that people who earn that much money should be entitled to their privacy. People who are earning $30,000 in the seat of Robertson on the Central Coast could say they need to be able to have their privacy, too, and that the Taxation Office should not look into their affairs. The reality is—

Senator Edwards: Why do you hate wealthy people who pay a lot of tax?

The ACTING DEPUTY PRESIDENT (Senator Lines): The senator has the right to be heard in silence!

Senator O'NEILL: Thank you very much, Madam Acting Deputy President. I will actually put on the record how difficult it was for me to exercise personal discipline—to sit there and listen to the nonsense that I heard spewing forth for 20 minutes. There was no substance to it. It was just a recitation of a few lines that I expect we are going to hear over and over—the speaking notes that they have been given. Anybody who actually cared about this country and anybody who actually believed in fairness would never stand up and make the speech that Senator Edwards has just made. His is a politics of advantage for the few at the cost of the very many.

The argument about privacy is just a load of nonsense. People who make an awful lot of money generally show up on the BRW Rich List. It is not a secret, and they are probably not living in a very modest way either; I am sure that there are a few accoutrements of gathering wealth. And there is nothing wrong with that, but the argument is that you should have privacy because you are wealthy! Privacy for the wealthy and scrutiny for the poor—that is not the sort of country we live in and that is not what Australians think. If it is good enough for the workers who take home a very small pay, if it is good enough for the small businesses who might turn over $2 million or $3 million a year and pay their workers a fair and decent wage—a safe wage—in accordance with the law and if it is good enough for small businesses to fill in their BAS statements every four months, ever since John Howard made that a growth industry, it is good enough for those who have lots and lots of money to probably pay somebody to do it for them.

It is about fairness, it is about equity and it is about a level playing field for every Australian. That is the kind of Australia I believe in. That is the kind of party Labor is, because we stand up for those values and those principles. We will always stand up for fairness. We do that because we need to have a fair and equitable taxation system where everybody puts in their bit relative to what they can pay, because with that money we can plan for a great future for this nation. We can plan a great future for the children who are born into excessively, exceedingly and wonderfully wealthy families, and a great future for children who were not so—I do not know if I want to call it 'lucky', but those who did not land with those parents. Children of talent and capacity—whether they are creative, whether they are going to be our engineers or our science graduates, or our musicians, dancers and storytellers, or our carers, teachers, mechanics and plumbers—whatever they are going to be, they need to get a great education. That is what the tax dollars that Australians put in build for Australia. That is what we do; we make that happen. But this lot—this government—are committed to making this an unequal, unfair country, and this piece of legislation characterises that attitude.
Let us just go over a few of the facts with regard to this bill that is before us—the Taxation and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015. The title itself just leaves me weak at the knees with its gross misrepresentation. It is hardly 'better targeting'; it is about getting a particular group off the radar.

The reality is that in 2013 it was Labor that passed legislation that required the tax commissioner to publish the taxable income of, and the income tax payable by, all companies who had an annual turnover of $100 million or more. They might not be listed companies but they are doing a fair bit of business in Australia; there is no reason they should not be subject to scrutiny in the way that any pay-as-you-go earner is. Senators will remember that we did achieve the passage of that legislation and that degree of scrutiny, against a background of incredibly fierce and unrelenting opposition from the coalition, who were then in opposition and are now in government. Labor's aim then remains our aim today—to ensure that some of Australia's largest multinational corporations and companies pay their fair share of tax.

The current system covers about 2,000 of Australia's largest companies. The bill before us seeks to ransack and emasculate the legislation by removing Australian owned private companies from the disclosure of taxpayer information. Currently, such companies make up almost 50 per cent of those affected. The government have a shameful reputation for stifling transparency, and this is but one more example of that. Labor's position, in contrast, could not be clearer. By moving ahead with their irrational plan to gut Labor's tax transparency laws, the government have illustrated yet again how little they care about the fact that too many large corporations simply do not pay a fair and reasonable rate of tax. I refer to paragraph 1.3 in the dissenting report put forward by the hardworking senators who advanced this for us:

1.3 The ATO gave evidence during this inquiry that one in five private companies earning over $100 million do not pay any tax. This government should be making scrutiny of large Australian private companies a higher priority.

They are making it a high priority all right—they are making it a high priority to get them off the radar so they are never subject to any sort of scrutiny at all.

When I look around the community that I live and work in and I see small business people who work hard and create jobs in my community, when I see students that I taught who are now running businesses and bringing up their own children in that community, I know they are working and contributing and paying a fair share of tax. Not one of the people that I know would be in a position to say that they are not paying any tax. This is the fact. That is why the piece of legislation that Labor introduced was so important and why what this government is trying to do with this legislation—the emasculation of it—is so shameful.

Of course, there are many firms, ethical businesses, that have a view to the future, that are sustainable and that will understand reputational damage from doing the wrong thing. Those that do the wrong thing can run but they cannot hide. In the end they will be picked up. Good companies that believe in doing the right thing, that grow jobs, are a part of this nation. But we are not talking about them. They are not the ones who will be upset about the legislation as it exists. This is a cover for companies who are doing the wrong thing, who are hiding profits, who are doing whatever they can to avoid paying their fair share of tax, to a point where they are not paying any tax at all. That is who this government wants to unleash. That is what this bill is about. It has lots of words, lots of pages, lots of terms that are appropriate for a parliament. In a nutshell, this is about letting off people who do not pay any tax, who do
not want to pay any tax, and making it possible for them to do that shameful thing. Of course there are firms who do pay, but it is equally clear that some do not. We know this to be true.

At the hearing into the tax transparency amendment bill, evidence was given that, in 2014, 22 per cent of privately owned companies with revenue in excess of $100 million paid no tax. It is simply unfair, unconscionable and unacceptable, and the wider community have a right to express their real and legitimate concern. Unlike this government, Labor believes in more transparency, not cover-ups. The current tax transparency law helps hold firms accountable. In contrast, what is crystal clear is that this government denies public scrutiny and believes in hiding from the Australian public information about how much these companies actually pay.

Time and time again we have heard the same tired, cliche-ridden rhetoric from the government about their commitment to tackling multinational tax avoidance, when this legislation does exactly the opposite by ensuring there is less transparency, not more. They say to the Australian people, 'We'll make sure these big multinational companies that get featured on programs over a period of time pay their fair share,' and then, when they think no-one is looking, when they think they are really smart and they can pull the wool over the eyes of the Australian population, they put forward a piece of legislation like this and whip away any scrutiny. Put this alongside their decision to reopen offshore loopholes, which is worth $1.1 billion, and you have a pretty clear road map of where the government's taxation priorities lie. It is not with fairness and it is not with the expectations of the Australian population; it is with their top-end-of-town mates and with people who do not want scrutiny, who think they are above and beyond.

What is so insidious about this legislation is the way in which the government has struggled to justify why it might be necessary. I did make commentary particularly on Senator Edwards's presentation here this afternoon. Some of the explanations presented in defence of this legislation are facile and risible, containing not a single shred of evidence to support them, but are an absolute revelation of ideology, of advantaging the few, of keeping their rich mates out of the Australian taxation system. For example, suggestions that publishing the information would represent a security risk—which is one of the arguments I have heard—have been absolutely rebutted not only by common sense amongst Australians but by the Australian Federal Police, who think it is a joke, by the Australian Taxation Office, by Treasury and, indeed, by the Attorney-General's own office. So any claim of security risks around making these wealthy individuals subject to scrutiny is simply a misrepresentation of reality.

What evidence is there to suggest that out there in the community people are writing to their MPs and demonstrating their outrage at the idea that some of the largest multinational corporations should actually be open and transparent about the amount of tax they pay? I have not had any letters telling me that they want less scrutiny. I am waiting for the campaign. I do not think GetUp! are going to run it. I cannot see thousands of emails coming across my desk saying, 'Give those multinational corporations a break. Let them loose. They've been doing it too hard. They have not been paying any tax for so long now. We really have to look after them; they are stressed.' I do not expect that sort of a campaign. I certainly have not received one so far.

While we might joke about how ridiculous the proposition is that underpins this bill, it is really a very serious issue. A fair, competitive and sustainable taxation system is absolutely
vital for the future prosperity of this nation. Tax avoidance weakens and impoverishes our society. It exacerbates inequality. It is unfair. It is unacceptable. Yet it is being given support by those opposite and this piece of legislation. This is a very live issue of immediate concern to the millions of Australians and their families who pay their own taxes and then rely upon the revenue raised through them to fund schools, to fund hospitals, to fund pensions and support people, to provide great infrastructure and to build and sustain communities in a myriad of ways. It takes money to buy things that matter for our community.

Just last week I was able to go to the Cancer Centre on the Central Coast at Gosford Hospital. When I was saying 'I was able to go to', I am glad that I do not have to go there to seek treatment. But, frankly, the hoops that I had to jump through with the New South Wales government to be actually allowed to go into that place are a little bit interesting. There is no openness; it is about keep out of the hospital people they do not want there. It is about controlling the environment, just like those opposite are trying to do for their mates—control the environment so their mates do not have to pay tax. Nonetheless, I was at one of the 26 regional hospital cancer centres that were delivered by the last government, the Labor government. We saw inequality across this country in terms of health outcomes, and the taxation dollars of good hardworking Australians went across this nation to make equitable access to healthcare possible for people and their families suffering illness.

These multinational companies that are earning these enormous amounts of money and do not want scrutiny might be able to afford to pay for their treatment in different places, but for most Australians access to a public hospital and access to a cancer centre when they need it is their only option. They are never going to be able to buy a wing and set it up off the side of a private hospital. They are going to need a public health system. That is what they get when people pay a fair amount of tax. It makes the building of our nation possible. It makes access and equity possible. But this legislation is anti-equity. This is anti-access. This is anti-Australian. It offends every value that decent hardworking Australians own.

I do not divide business and workers. Workers work in businesses and businesses that are ethical employers are sustainable businesses and workers come and they own those businesses. That is exactly how it is happening in the regions right around this country. Good people who pay their fair share are the ones who are going to miss out if this government gets this piece of legislation through. There can be no logical reason that the government have introduced this legislation other than to look after their mates at the big end of town and to avoid the public backlash that would emerge if it was found out that some corporations pay almost no tax. That is what we are doing today: reminding people that some corporations pay almost no tax.

What makes this legislation even more galling to those of us on this side who are committed to openness and clarity on this issue is that it is being introduced at the very time that, as a consequence of two disastrous budgets, more and more Australians are struggling and finding it even harder—under this arrogant Liberal-National coalition—to make ends meet and to cope with the pressures of everyday life. School funding has been cut by $30 billion. Health has been cut by $57 billion. They cut and they cut, but they are happy to cut and run and leave a spot for their mates to bask in the sun in the glory of their millions and pay on tax. They will keep the rich making that money in an excessive and obscene way and take money from those who have the least.
Clearly there needs to be a balance struck between privacy and what is in the public interest, but this government is afraid of any scrutiny at all. It was Labor who, in 2013, in the Tax Laws Amendment (Countering Tax Avoidance and Multinational Profit Shifting) Bill, plugged loopholes in Australia's transfer pricing rules and anti-avoidance provisions. It was Labor that signed 28 bilateral information sharing agreements. In March this year Labor announced a package of measures that would result in $7.2 billion of tax coming to Australia during the course of the coming decade. This legislation would interrupt that. (Time expired)

Senator McALLISTER (New South Wales) (19:06): This government said that it was too busy dealing with other legislative priorities to bring forward a vote on same-sex marriage. It is interesting to contemplate then why it is prepared to dedicate time in this chamber and the other place to unwinding a popular piece of legislation that lets Australians see how much tax business is paying. The answer is hidden in the explanatory memorandum to this bill, the Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015, and it pays to review the reasons that are set out there. Reason No. 1 is that it 'ensures that the public disclosure of information by the Commissioner of Taxation under the income tax transparency laws does not affect the privacy and personal security of the ultimate owners of Australian-owned private companies'. Let's turn to privacy. This is clearly not a genuine reason for this to be pursued in this way. Information about the value about these companies—companies worth more than $100 million—is publicly available on databases like IBIS. I heard Senator Edwards remark that the BRW Rich List might be the source of Labor's information on this. I have never read that but I can tell you that IBIS routinely publishes very detailed information about the affairs of companies and individuals associated with them, and the value of their assets. It is also willingly disclosed by many of these people to BRW, although Senator Edwards clearly sees this as a complete waste of reader's time.

Personal security is also referred to in this reason and, as we learned in the legislative hearings for this bill, there has been absolutely no advice provided by the AFP that kidnapping is a risk in relation to the publication of this tax information. There has not been to my knowledge a spate of kidnappings exposed in the newspapers—I have not read anything about that. In any event, wannabe kidnappers do not need to review information that is provided by the Commissioner of Taxation and traced through the beneficial ownership back to particular individuals to work out who is wealthy and who is not. We have a growing gap in this country between the haves and the have-nots. It is fairly obvious who is wealthy and who is not.

Reason No. 2 in the explanatory memorandum says that it 'removes the risk that such disclosure of the information will harm Australian owned private companies' market environments'. This argument about competition is not a genuine reason to proceed with the measures in this bill. This bill in fact levels the playing field between the publicly listed companies whose financial reporting gives a much clearer picture of the risks related to those companies and the private companies whose lack of reporting may conceal the true risks associated with that company.

Reason No. 3:
These amendments will reduce the compliance costs imposed on Australian-owned private companies. Again, really, compliance costs are a genuine reason? We cannot be serious about this. Compliance costs are always a question of proportionality and balance. If there are costs
associated with this and there is a public good, then reasonable compliance costs should be borne by the business.

But, finally, in reason No. 4, we come to the real reason that this bill is being brought forward:
The amendments will reduce the need for such private companies to correct probable misinterpretation of the information and to manage reputational risk.

This really lays it bare, doesn't it? There are some companies out there, not all by any means, that are paying an amount of tax that the community, if it knew about it, would think was unfair. The disclosure of that, quite probably, as outlined in the memorandum would lead to reputational risk—more properly described perhaps as complete outrage about the situation that sees some of these companies contribute very, very little to our national outcomes.

The explanatory memorandum acknowledges that misinterpretation is not only possible but probable. What is really happening here is that people who are determined to conceal some outrageous propositions have leaned on the Liberal Party to do their work in this place. Because the truth is that, although most companies—and it is most companies—try to pay their fair share of tax, there are some companies that take aggressive steps to minimise the amount of tax that they pay in Australia. There are some companies that are in legally grey areas, so the ATO has publicly stated that privately owned corporate groups, often controlled by a wealthy individual or family, pose tax compliance risks. These are the very companies that this government is trying to exempt from scrutiny.

We know that the ATO is negotiating with some large multinational companies to unwind dubious tax structures that have seen hundreds of millions of dollars expatriated in questionable circumstances. The Senate committee has reported on the dangers posed by base erosion of profit shifting—multinational companies taking advantage of their global organisational structure in order to shift profits from where they were actually earned into low-tax jurisdictions. There is no doubt that some of these tax structures are strictly illegal; however, they produce outcomes that most Australians would not think fair.

I want to recognise the very important work that has been done by the Tax Justice Network in highlighting the tax practices of Australian and multinational corporates. They gave evidence to the legislative committee, which indicated that nearly one-third of ASX listed companies have an average effective tax rate of less than 10 per cent; and 26 per cent of Australian headquartered companies with over $100 million in income paid no tax. Private companies linked to Australian high-wealth individuals have average profit margins lower than other categories of companies. Almost two-thirds have some form of international related party dealings—and these companies amount for most of the international party dealings reported to the ATO, despite being only 21 per cent of the business caught under the relevant provisions of the legislation. Not all of these companies are going to be in breach of the law and not all of these companies are going to be engaged in aggressive tax minimisation. But there are signs that there is a problem that would benefit enormously from the scrutiny under daylight.

The Institute of Public Affairs submitted to the Senate inquiry that there is nothing wrong with an individual or company structuring their affairs to pay the minimum legal amount of tax—I beg to differ. If that were actually true, then there would not be any reputational risk from the public finding out how little tax some companies pay. The truth is that most
companies are interested in being good corporate citizens, and part of that involves paying a fair share of tax. This is because tax supports the systems that those companies need to continue to do their business and generate profits.

The tax raised pays for schools and universities that educate the workers that these businesses need. It pays for blue-sky research that produces innovation that products build on—things like the CSIRO's invention of wi-fi. It pays for the security and safety that allows customers to feel safe buying and using high-end electronic products like the phones most of us carry around—secure that it is not going to be nicked by a violent offender, because we have got very good law and justice systems in this country. It pays for welfare protections that give workers some comfort—to be able to take on the flexible working conditions that many of these companies demand—in the knowledge that is if there is a difficult adjustment between jobs, then there is some sort of support system that those workers can fall back on. These are all critical elements of running a successful business in this country and it is why this country remains a place where business wants to invest. The companies who are employing aggressive tax minimisation strategies know that this is true. They know that these are things that are valued by the public and they know that they would face significant public pressure to pay more tax if the amount that they were paying was made public.

It misses the point to say that these strategies are legal. There are plenty of things that are legal that are not right. It is legal to walk past someone who has fallen down and hurt themselves, but the fact that it is legal does not make it right. If you do something like that you cannot complain if the people around you rightly call you out on your actions. That is what the measures introduced by Labor, to provide for some level of tax transparency for large companies, do. They let Australians call out the behaviour of companies who have chosen to walk past rather than help out.

We have heard that Australia has a budget crisis repeated a lot in the last few years. This government has suggested that everyone is going to need to make sacrifices in order to return to surplus, although in the measures that were introduced in successive budgets it become very clear that when they said 'everyone' they really just meant 'working-class and middle-class families'. Australians, in this context, have a right to know—if we can borrow the former Treasurer's words—whether companies are lifting or leaning. The companies out there that are doing the right thing, who are paying the right amount of tax, have a right to know whether their competitors are lifting or leaning. ACOSS has calculated that $1 billion a year in revenue would be gained if the use of private companies to avoid income tax was curbed.

There is a significant public interest in our current budgetary context in making this information available and in putting it in the public domain. The government has said that it is worried that if information is disclosed it will be misinterpreted. We know that this is not true. The government is not worried that the Australian people will not understand; they are worried that the Australian people will understand. They are worried that the Australian people will understand all too well and that they will demand explanations. If people and companies want to use contrived structures to minimise their tax to avoid tax, then they should be prepared to defend their decisions.

As Australians, we have high expectations about the services that we can receive from government. My colleague Senator O'Neill talked about those. People expect high standards of health, people expect a decent education, people expect to be looked after in retirement as a
reward for many years of hard work and service in the community, and people expect to be able to access justice when they need it. Australians also understand that if we want these services we need to take responsibility for raising the revenue to pay for them. We need to have a national conversation about how best to do this, but the precondition for any such conversation is a belief that everyone is contributing. There would be nothing more corrosive to this conversation than the perception that things are not fair. Unfortunately, there is a widespread perception at the moment that the system, as it currently operates, is not fair. Not just the tax system, but the entire system by which decisions are made and by which we order our affairs.

Debate interrupted.

**ADJOURNMENT**

The ACTING DEPUTY PRESIDENT (Senator Lines) (19:20): Order! I propose the question:

That the Senate do now adjourn.

Environment

Senator HEFFERNAN (New South Wales) (19:20): Just briefly on the previous speech by Senator McAllister, on the Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015. To put it into context: the law for the present tax system has been outsmarted by technology. Do not try and tell me—I know you did not mean me—that because I am in the Liberal Party I am against doing something about it. On 30 June last year, the World Bank said that $3 trillion was on the merry-go-round running away from tax; $700 trillion was on the derivative merry-go-round. The US estimated that they missed out on between $650 billion and $800 billion and no-one broke the law. Change the law!

I rise tonight because I have been bloody insulted today. I came through the doors this morning and saw a group of people playing politics with people's livelihoods. I came into the chamber today and saw the same thing in speeches here—and I refer to the Murray-Darling Basin proposition. It is easy to go out to the electorate or to go to Griffith and say, 'We're going to give you more water,' or to go down the street and say, 'We'll provide free beer.' You will be popular, but you have got to apply some science to it.

The question the other day from Senator Wong to Senator Colbeck was, 'Do you promise, by legislation, that you will keep the mouth of the Murray open for nine out of 10 years?' It is complete rubbish! Mother Nature and Mother Earth control what happens. We have to take some notice of what the science is saying is going to happen in the future. For Senator Glenn Lazarus to say today that he is the only one who can speak—although he did not talk about water, because he knows nothing about it—because he is not attached to a political party and tied to their policy, well try me on.

Let me tell you what the science says will happen—and all science has vagary, as all human endeavour has failure—in another 25 to 30 years in the southern Murray-Darling Basin. The Murray-Darling Basin, by the way—I have no notes; no-one wrote this for me—has 6.2 per cent of Australia's run-off, 23,400 gigs, of which 14½ thousand gigs is allocated. That is a small proportion of Australia's run-off. They say that there is going to be a decline of 15 per cent in the rainfall in the southern Murray-Darling catchment, which will relate to a 35
per cent decline in run-off. They say that we will go back to under a week of snow, from three weeks. There will be no snow melt. It will only evaporate. Not this year, not last year, not the year before but three years ago there was no snow melt; it evaporated. There was not enough snow. So bear that in mind.

Then people want to go round to Griffith or somewhere and say, 'We're going to give you more water.' The only way you could do that is if the fish grow legs, because the river has actually got to run and the fish have got to swim. Obviously there has got to be some balance in this. Senator Madigan and I had a yarn this afternoon about balancing the debate, but to come in here and say, 'We're going to politically promise something,' is complete garbage. It is not up to us. It is up to Mother Earth—and thank God we do not control the rainfall.

But the science is warning us. If the prediction of the science is 40 per cent right—and the prediction goes right around Australia, and I would need an hour and a half to tell you about it and unfortunately I have only got 10 minutes. I could take you round every river and tell you the median flow and what has happened to every river in Australia. There is 70.4 per cent of Australia's run-off in three catchments in the North: 78,000 gigs in the Timor catchment; 98,000 gigs in the gulf catchment, of which we only divert 55; and 85,000 gigs in the north-east catchment, of which we divert 350. The science says that the weather is going to go anticlockwise and that south-west Western Australia is going to become unfarmable and that parts of the pastoral country of Western Australia will become farmable. If the science is 40 per cent right, the only water that will be reliably available in the Murray-Darling Basin will be the environmental flows for the fish—so they do not have to grow legs—and high-security water. What do we do about that? We do not go to Griffith or to Coleambally and say, 'We're going to give you more water.' I have places there and I know the people, but you cannot play politics with their livelihoods.

Let us just go a little further down the science road. Does anyone know why the water is in a paddy rice field? It is not there because the rice needs it; it is there to average the temperature variation in the plant, because, if you get a cold snap at the wrong time with rice, it will sterilise the plant and, if it gets too hot, the plant will lose its flower. Guess what. Five or six years ago when I got up and talked about this in this place and said, 'We've got to go to dryland rice,' the scientists rang me up and said, 'You're right, Bill; we've got the varieties.' What does that mean? It means about a 15 per cent decline in yield and a 50-odd per cent saving in water. The reason the paddies are there is to be a thermostat. We have now built that into the plant so it can protect itself from the variation in the temperature. We are better off to talk about this stuff than to say: 'The farmers are running out of water. We've got to give them more water.' Where is it going come from, for God's sake?

Have you been to Carnarvon? It has 3½ thousand acres of irrigation. You look. It is a speck. In the year I was there as the chairman of the northern development task force—and we should be doing all that instead of talking about it—they made $69 million from 3½ thousand acres, using Spanish and Israeli licensed technology. It is very good technology. In the same year, the Ord made the same money with 40 times the amount of water. In the same year, they were 40 times less efficient. In the same year, the Murray-Darling average across the basin was 20 times less efficient than the most efficient. We have got to learn from this.

You can argue for as long as you like about the politics of it. Put the politics to bed, for God's sake. We are arguing about whether the National Party is going to have water or
someone else is going to have it. Every minister for water in this place has just about cocked it up. As I said to Senator Wong yesterday, some of the buybacks that they made were ridiculous—Tandau and Toorale and Booligal Station. The biggest fraud on the public purse in my time in this place, with regard to water, was the Nimmie-Caira buyback. I have not got time to explain to you why. These are deadhead decisions. Cubbie Station—and Barnaby and I have had a few blues about this—was a great idea but it was built on the wrong scale. The mean annual flow of the Culgoa is 1,200 gigs. They allowed them to build 1,500 gigs of off-river storage. They did not issue licences based on the flow; they issued them based on the size of the bloody storages that were built, and that depended on the size of the bulldozer! Twenty-seven and a half per cent of the flow of the Culgoa used to get to the Darling. Now 4½ per cent does.

_Senator Canavan interjecting—_

_Senator HEFFERNAN:_ Twenty-five per cent of the flow of the Culgoa. It has occurred in four years since 1921. It has an 835 per cent variability. You probably do not know any of that.

So we have got to apply science to this argument and not play politics with it. I am bloody angry that we are playing politics, because the global food task does not have a solution. The global energy task does. By 2050, the science is saying, we will go to nine billion people, and by 2070 we will go to 12 billion people. They predict that 30 per cent of the productive capacity of Asia will have disappeared. Thirty-five per cent of the world's population is going to live in that region. Fifty per cent of the world's population will be unable to feed themselves. Fifty per cent of the world's population will be poor for water. We have got a lot of work to do. Northern Australia needs to be developed. Most people say it is too hot and too far away, but the only reason is that they are looking back to bloody Sydney and not to Singapore. It is closer to Singapore, where the market is, where two-thirds of the world's population is going to live. And we are saying it is too hot. Where is the best place to be on a hot day? In the cab of the tractor. It is better than the damn house. Come on! Let's have a go.

I can remember back to John Anderson, God bless him, in cabinet—I was the cabinet secretary—saying that we must have a nationally traded water initiative. I said to John Howard, the Prime Minister, 'This poor bugger doesn't know what he's talking about.' You cannot trade water from the Fitzroy in Western Australia into the Murray. They tried it. They actually tried to trade water from the Darling to the Murrumbidgee. It does not work. They even tried to trade water from terminal rivers. Most people do not know what a terminal river is. At the Lachlan River, they rebuilt the wall on the dam to try and provide water to the bottom of the river. What happened? The politicians at the time thought they would be generous to their electorates and they issued a whole lot of new licences to the top of the river, and the bottom of the river still misses out. For God's sake, let's get the politics out of it. This today was a wedge by the so-called independents against the government about who is going to take over water. Senator Canavan is probably part of it. That is fair enough; that is politics. I do not want politics in water. I do not want some mug who knows nothing about water making decisions on it. The Nimmie-Caira buyback is a perfect example of ruining the public purse. (Time expired)
Carers

Senator MOORE (Queensland) (19:30): This week is National Carers Week where we get a chance in the community to show that we care for the carers in our nation. Every year, someone will make a speech about that, but we need to. Throughout our community, every day, ordinary Australians freely give their time, money, capacity and care to help others. Many of our social welfare programs—the ones on which the community depends—would fall apart without the role of people who care. They are really unsung heroes, and because of that we can easily forget their outstanding contribution to our quality of life. Our carers can be especially invisible, so this week it is particularly important for us to recognise the incredible and invaluable contribution they make.

People may not realise but in Australia today there are around 2.7 million unpaid carers who provide unpaid care and support to family members and friends with a disability, mental illness, chronic condition, terminal illness or who are frail and aged—people who actually need care. There are 300,000 carers that we know of who are under the age of 24 and 150,000 that we know of under the age of 18.

This week there was a launch for Carers Australia here at Parliament House, which I think is appropriate because we as a parliament get a chance to acknowledge this work. Parliamentary Friends of Carers, which is a cross-party group that has been working in this parliament for many years, had the chance to host Carers Australia and their supporters. Ara Cresswell, the CEO of Carers Australia, introduced me to young carers from the ACT: Hannah and Chantelle. These young women are part of ANYCAT—the Australian National Young Carer Action Team. It is made up of young carer representatives from carers associations in every state and territory. ANYCAT reps catch up once a year to provide advice and feedback on the Young Carers program, something that has operated over many parliaments and which gives particular attention to the needs of young carers, because we know—and after talking with Hannah and Chantelle—that being a young carer can be a particularly tough job. It often means more responsibilities at home. You miss out on time with your friends and you can miss out on doing the kind of fun stuff that other young people are doing. But you do it because you know one of your family needs your help.

There has been a particular acknowledgement that young carers need some support to ensure that they complete their education. The Young Carer Bursary Program, which has been around for a number of parliaments, particularly identifies that. I want to congratulate the people at Carers Australia who do the amazing work which involves talking with young carers, assessing their needs and also having the task of acknowledging who would then be able to receive a scholarship. They know that it has been tough and they know that they can give some support. Young carers like Hannah and Chantelle are both caring for their mums. We were really lucky at the launch earlier this week to meet Chantelle and her mum together because they could show that they represent people in the community who are ill, who need support and who get the amazing support that someone in their family provides for them.

We also note that young carers show that caring can be a positive experience. We know that the research indicates that when people are without support their own health, mental health and wellbeing can be seriously impacted. That is why we in the community have the opportunity not just in Carers Week but throughout the process to provide help and support and to show that we care for carers.
I am particularly aware of this issue because my mum was a carer. In fact, most of her life she was a carer. When I was very young, she actually looked after my dad full time at home because dad had had a car accident. We only knew that this was her job. She was doing her job as a mum and providing support to all of us through this process. This was before there were payments through the social welfare system to acknowledge this particular work. Mum's experience was not unlike that of so many other people in the community. However, what made her a little different was that she had taken on this carer's role for dad but when she was young—much younger than I was at the time—she had the responsibility, as the youngest daughter in an Irish family, of looking after her mother who became ill. So, for that period of her life from about 13 to her early 30s, her major work was caring for her mum at home.

She epitomised the kind of experience that now Hannah and Chantelle share with us, but what was not available in the past was the kind of identification and support to allow continuing education and options for work. Those chances were not provided to people in the last century but they are now. We need to protect services for carers. I am very proud to be part of a Labor Party that in 2009 delivered the National Carer Recognition Framework, which involved the Carers Recognition Act and the National Carer Strategy Action Plan. That is what was put into our strategy to ensure that there is recognition for carers. We also have the carer payment and the carer supplement, which provide financial support for carers which they desperately need.

Disappointingly, on the eve of Carers Week—in fact, just last weekend—the new Minister for Social Services identified that there was a blow-out in the amount of money being spent in this nation on carers payments and also on disability. It seems pretty ironic. We are at a time when we are calling upon our community to acknowledge the extraordinary work of unpaid carers—work which has been identified quite recently by a Deloitte economics report which quantified the amount of money in our budget which is actually saved by the work of unpaid carers.

At this time, National Carers Week, there is another layer of insecurity and worry being placed on our carers because they are now on notice that their government is actually looking at what it calls a blow-out, an expansion of the amount of money which is spent on carers payments.

In terms of the message for National Carers Week this week, it is important to acknowledge the care and important to acknowledge the support networks such as Carers Australia, but also I think it is important for this parliament to be part of the acknowledgement of carers and to ensure that their needs are understood, that their needs are identified and that, through our payment system, there is effective acknowledgement of the work of unpaid carers and that allowances and payments which have been particularly designed in the system to give support to carers are maintained. Should there be decisions made about different ways of operating—and of course the system is dynamic—we must actually engage the carers in those decisions. This means, in the true words of the consumers' network, 'nothing about us without us'. If we are going to be looking at any change for carers, we should be engaging with carers because they engage with the people who need help in our community. In National Carers Week, we have the chance—and in fact we have the responsibility—to show that we care.
Tasmania: Gas Prices

Senator LAMBIE (Tasmania) (19:38): I recently received a briefing from one of Tasmania's most respected and senior businessmen, Wayne Bould, of the Tasmanian Minerals and Energy Council, who has warned me about a looming crisis in natural gas prices for our residential and business customers. Mr Bould indicated to me that, if the Liberal state government of Tasmania, assisted by this federal government, does not take steps to purchase or take control of the privately owned pipeline which delivers gas from mainland Australia to Tasmania, from the company Palisade, increases of up to 40 per cent, perhaps even more, could occur for all commercial users of gas. This would mean that Tasmanian pensioners, families, small business, the unemployed, single parents, schools, hospitals, bakers, supermarkets, retirement villages, mineral value-adding operations and our heavy manufacturing all would be looking at significant rises in their gas bills, perhaps up to 40 per cent, toward the end of 2017.

Mr Bould explained to me the reason for the gas price increase:

At the moment there is a contract between Hydro Tasmania and Palisades—
this is a private company which owns the gas pipeline—
where around about 50 per cent of the pipeline transmission cost is paid by Hydro to Palisades, on the basis that it was going to feed the Bell Bay power station.

Obviously this is a gas powered station. He continued:

Now because we have a surplus of electricity, to the extent we can actually sell it through Bass Link - Bell Bay power station is no longer a viable option.

It isn't an income generator - and isn't required strategically because there is enough electricity generated in the system and there is enough water in the dams to the extent it's no longer required.

So their contract as we understand it ends somewhere around 2017.

At which time their subsidy (Bell Bay Power Station) effectively, of the transmission pipeline, ends at that time.

And that means, Palisades, in order get its recovery of the return it wants on the pipeline will need effectively to double its transmission costs that it charges to all the users of the pipeline.

So that means everyone in the system is going to receive an increase in the cost of the transmission cost.

The transmission cost isn't the ultimate cost, it could be 10 per cent or 20 per cent of the total cost of gas.

And that is some of the numbers. I am asking people to provide me with—

that—
at the moment.

But let's say it's 20 per cent the cost of gas - then what we will see is Hydro dropping out with its subsidy and that will give a 10 per cent or better increase of cost to users.

I think the transmission cost is much higher than the numbers I have used, because people are talking 30 to 40 per cent increases at a commercial level.

That will flow through to the mum and dads. You have got to recover your costs.

It is clear from Mr Bould's warnings that a gas price crisis for Tasmania will occur if measures are not put in place by both the state and federal Liberal governments to prevent the
private company Palisade, which owns Tasmanian's gas pipeline, from passing on the full costs of gas transmission once the gas fired power station at Bell Bay is decommissioned.

I understand that one of the reasons that Palisade are forced to seek a very high return in their gas pipeline transmission charges is that they are looking for a return on a $200 million investment. Now, some in the Tasmanian business community are suggesting that the price of $200 million was inflated and that it should have been between $100 million and $150 million. I have also been reliably informed that the Liberal Party, both state and federal, have known about this looming gas price crisis for a number of years, and it appears they are up to their old tricks of putting this in the too-hard basket when it comes to Tasmania. Regrettfully, I am disappointed that, once again—just like the Bass Strait freight cost crisis and the RET crisis and the coastal shipping cost crisis, which threaten to shut down some of our major businesses—it will take an Independent Tasmanian senator to force the major parties to fix problems which have strangled economic growth and job creation opportunities for decades in Tasmania.

Wayne Bould strongly suggests that the best way to avoid this gas price crisis is for the federal government to put some money, approximately $40 million, into a joint fund with the Tasmanian state government with a view to purchasing our gas pipeline. That way the government takes control of the situation and can guarantee the delivery of competitively priced gas to all Tasmanians for the foreseeable future. Unlike the majority of politicians in this parliament whose focus is on clean energy at any cost, Mr Bould and Tasmanian captains of industry understand that, in order for Tasmania—to thrive, prosper and protect workers when competing on unfair overseas markets, we must be able to deliver and guarantee cheap energy to our communities. When compared to our overseas competitors in America, our industries are paying approximately three times the cost of energy. That means that, for a business to compete, they must cut wages and conditions of Australian workers or just go broke. We do not want either, so we must guarantee our businesses cheaper energy. In describing his solution to the gas price crisis, Mr Bould said:

Federal government can subsidise the transmission costs, but the other thing I put to you guys the other day is that when you look at the large pledges of money .. that normally occurs when you move to election mode in this crazy three-year cycle.

... people start to wave their arms around and say we will put $20 million for this and $30 million for that; it's going to generate some jobs.

The first rule for dealing with politics is the jobs never arrive, the money gets spent and predominantly gets wasted. So if you look at sensibly applying money to infrastructure in Tasmania, and one of the big issues Tasmania has right now is replacement of infrastructure, then you would be better off saying to the government: 'Put some money towards a loan for us to buy out Palisades so that the Tasmanian government could own the pipeline forever and a day.'

There are several ways to do it. One example would be the government stumps up $40 million and, between the state government's AAA borrowing rating and the federal government's AAA rating, we go to an investment bank or an investor of the toll road scenario and say to them: 'You fund the rest of it and you get a return on it for the next four or five years.' But at the end of the four or five years or ten years, the loan is repaid and the Tasmanian government then owns the pipeline. Or alternatively you have a toll on the
pipeline for that period of time, but it resumes to the Tasmanian government and that way, ultimately, we get to own it.

The trick is not so much in looking after what comes down the pipeline now but in using it strategically. If we want to build on the north-west and north-east coast or in the midlands and Oatlands then we want to build downstream processing or value-adding processing for niche businesses that take our resources and add value to them, either from the forest or from minerals, or even from agriculture.

Just about every downstream processing plant requires energy and one of the best forms of energy, one of the most efficient forms of energy, the least polluting energy is gas. So if you want to take a hardwood woodchip that is currently being exported to Japan and make it into pellets that can be used for power generation or house frames, or technologically advanced things such as they are making in Scandinavia, you can do that. They are not big businesses but you can have a lot of small businesses. They are all energy dependent so the conversion process from woodchip to whatever your end result output is will always be dependent on energy. The energy that comes from that gas pipeline can be redeployed to add benefit that will ultimately add downstream jobs and downstream processing.

I call on the government, both state and federal, to listen and respect business people like Mr Bould and the Tasmanian economic council, and to act to protect us from this looming Tasmanian gas price crisis.

Middle East

Papua New Guinea and Solomon Islands: Climate Change

Senator RHIANNON (New South Wales) (19:48): Yesterday I met John Salisbury. John is a retired restaurateur. He arrived in Canberra after leaving the Sydney Opera House on 4 October and walking to Canberra. He walked all that way for Palestine. He is a very interesting man. John has taken a very commendable stand. I found him fascinating to talk to. He has never been to Palestine and never been to Israel. He is not Palestinian and he is not Israeli. He had a very clear message—that is, he is calling on the movement to end Israel's occupation of the Palestinian territories, the 'cause of our time'.

He was supported by the Greens, and a number of Labor MPs supported his work as well. This was something John spoke very passionately about when we group we met with a group of his supporters on the lawns outside Parliament House. Many commented how now over 130 countries recognise Palestine. These were some of John's words:

In the past 12 months, France, Sweden and the Vatican have joined international community recognising Palestine. Australia's position is embarrassing, deeply embarrassing, and we should not be complicit on the periphery to expropriating land based on religious entitlement.

I do commend and congratulate John Salisbury. His walk actually traced the footsteps of Marcelo Svirsky, an Israeli-Australian academic, who, last year, conducted a similar walk from Sydney through Wollongong and Moss Vale. Yesterday he walked alone from Bungendore to Canberra. It was a fantastic effort. Along the way he would often stop to collect signatures for the petition, give out materials, talk to people and get a fantastic reception to the work that he is doing. It is not surprising he gained such a good reception and such a strong response. The Australia Palestine Advocacy Network in conjunction with Ray
Morgan research found 57 per cent of Australian respondents thought that Australia should vote 'yes' in the UN to recognising Palestine. Just eight per cent thought that Australia should vote against.

Mr Marcelo Svirsky was there when John Salisbury arrived in Canberra yesterday. He also, on his walk, spoke out about his support for Palestinian self-determination.

Our foreign affairs spokesman, Scott Ludlum, has also taken this issue up very strongly. With the current outbreak of violence in the Middle East, in the Palestine-Israel area, it is certainly an issue that we need to add our voice to in order to end the suffering and to end the occupation. Senator Ludlum has called on the Australian government to break its silence and help de-escalate the spiral of violence in Israel, in occupied East Jerusalem and in the Gaza Strip.

I was in the Gaza Strip in early 2013. Since then there has been extreme bombing activities, and now we are seeing more attacks. It is hard to believe the situation would get worse but that is what appears to be happening. In reading what is happening in Ramallah, what struck me was how young the men and women are who are collecting stones and throwing them at the Israelis. These young people are making it quite clear that they will not tolerate occupation, that it must end. The world must hear that and we can start by recognising Palestine.

As my colleague Senator Ludlam has also said, until the siege of Gaza is lifted and the Israeli authorities cease the expansion of illegal settlements in the occupied territories, pressure will continue to boil over into violence. There is no military solution to the security needs of Israelis and Palestinians. An end to this conflict requires a diplomatic solution. That was certainly the message that John Salisbury reiterated when he arrived yesterday. Many of his supporters had a similar message, and it is one we need to hear loud and clear.

On another matter, this week I met with representatives from some of the aid organisations, and they provided some very alarming information about the very serious and extreme drought conditions in PNG. I have read that there is a similar situation in the Solomon Islands. The local gardens in the PNG highlands have been destroyed by frost. People have described the current weather conditions there as like Tasmania; it is so cold. It has been said that it was the worst frost to hit the province in 40 years, and it is directly affecting 300,000 people.

Disaster funds are going to the area. In the Solomon Islands they are calling for water rationing as drought conditions prevail there. This is an issue that we clearly have a responsibility to consider. We are a former coloniser of PNG; we remain a large aid donor to that country; they are a close neighbour. We have a big responsibility. But we also have a big responsibility because Australia is one of the drivers of human induced climate change, and these are some of the islands that are going to be first impacted. They are already being impacted by the effects of climate change. Much of this is linked with the latest El Nino effect. This is incredibly serious, because 85 per cent of Papua New Guinea's population resides in rural areas, and it is those areas where people are struggling to get enough food right at the moment.

So I did appreciate the briefing I received this week from the Adventist Development and Relief Agency and also the Micah Challenge. They described to me some of the people they met. One of those people was a young woman called Jenny. Jenny is a young mother. She has
two young children. She is from East New Britain Province. She is experiencing—this is from the ADRA briefing—firsthand the impacts of climate change in her community, with the El Nino drought causing severe water and food shortages. This is some of her story.

The crops in the highlands have been destroyed by frost and by water shortages, and it is affecting so many communities. Jenny said to the ADRA representatives that the drought has severely affected her family and she feels an incredible burden to try and keep her children healthy. She and her children now have to walk up to two kilometres each day to collect water for the family, predominantly from unsafe water sources because the normal sources have dried up. These are some of her words:

Because of the drought, we use the same water for washing, drinking and laundry. We experience diarrhoea and other sickness. The drought I feel has really affected my children because they have to walk a longer distance to collect water for our use.

Jenny went on:

My children experience headache, shoulder and backache because of the daily work of collecting water.

Food supplies are dwindling as crops continue to fail. Jenny said:

The drought has affected our food gardens. When we go to harvest the food from our garden the yield is usually small or there is no yield at all.

That is what I have heard from many quarters and after reading many reports; in so many of these gardens that people depend on, the plants have died. These plants are not equipped; they have not evolved to survive frost. So this has truly been devastating. Jenny worries that the drought will affect her children's future. She said:

If the drought continues, my fear is that the children's education will be affected, including those of us who are studying at the college here.

I find that deeply disturbing and I imagine that all colleagues would be very concerned that any young mother is experiencing such hardship.

We clearly have a responsibility when we consider that the impact of climate change is occurring in these countries already. Extreme and variable weather events are becoming how climate change is playing out. Climate change has undoubtedly worsened the impacts of the drought which is predicted to be worse than the one in 1997 to 1998, which also devastated most of the country.

I do congratulate ADRA and Micah Challenge for the work they are doing in this area. I think it is at this time, when we are considering the specific developments because of the drought in PNG, that it is worth reminding ourselves that it is not just drought and water shortages in terms of how climate change is playing out. We have heard from the President of Kiribas at different times—and other leaders of Pacific nations also speak about this—about rising sea levels and higher storm surges. They talk about how it is contaminating the aquifers on their little islands. It is damaging crops and it has already displaced communities.

They predict that these impacts will worsen. So we have the current situation with the hardship that is being inflicted on people in the Solomon Islands and PNG, but this in various ways is the story repeated across the Pacific. It is a reminder that Australia has an enormous responsibility—immediately—to assist in disaster relief but also to very rapidly reduce our greenhouse gas emissions. Thank you.
Senate adjourned at 19:58

DOCUMENTS

Tabling

The following documents were tabled by the Clerk pursuant to statute:

*Defence Act 1903—Section 58B—*

- Special Forces—amendment—Defence Determination 2015/36.

Tabling

The following documents were tabled pursuant to standing order 61(1)(b):

- Department of Industry and Science—Report for 2014-15, including reports of Geoscience Australia and IP Australia.
- Government response to Ombudsman's reports, dated 8 October 2015.

Tabling

The following documents were tabled by the Clerk pursuant to order:

- Departmental and agency appointments and vacancies—Budget (Supplementary) estimates—Letters of advice pursuant to the order of the Senate of 24 June 2008—Department of Agriculture and Water Resources.
- Department of the Prime Minister and Cabinet.
- Departmental and agency grants—Letters of advice pursuant to the order of the Senate of 24 June 2008—Budget estimates—Department of Agriculture.
- Budget (Supplementary) estimates—Agriculture and Water Resources portfolio.
- Estimates hearings—Unanswered questions on notice—Budget estimates 2015-16—Statement pursuant to the order of the Senate of 25 June 2014—Prime Minister and Cabinet portfolio.