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### SITTING DAYS—2015

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### RADIO BROADCASTS

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

Senate Party Leaders and Whips
Leader of the Liberal Party in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Liberal Party in the Senate—Senator Hon. George Henry Brandis QC
Leader of The Nationals in the Senate—Senator Hon. Nigel Scullion
Deputy Leader of The Nationals in the Senate—Senator Hon. Fiona Nash
Leader of the 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 Barry James O'Sullivan
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>
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<tr>
<th>Senator</th>
<th>State or Territory</th>
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<th>Party</th>
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<tbody>
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<td>Abetz, Hon. Eric</td>
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Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives.

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<td>Peris, N.M.</td>
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(1) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice R. Carr), pursuant to section 15 of the Constitution.
(2) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice J Faulkner), pursuant to section 15 of the Constitution.
(3) Chosen by the Australian Capital Territory Legislative Assembly to fill a casual vacancy (vice K. Lundy), pursuant to section 15 of the Constitution.
(4) Chosen by the Parliament of Queensland to fill a casual vacancy (vice B. Mason), pursuant to section 15 of the Constitution.
(5) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice C. Milne), pursuant to section 15 of the Constitution.

**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
### ABBOTT MINISTRY

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<tbody>
<tr>
<td><strong>Prime Minister</strong></td>
<td>Hon. Tony Abbott MP</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon. Nigel Scullion</td>
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<tr>
<td><strong>Minister for the Public Service</strong></td>
<td>Senator the Hon. Eric Abetz</td>
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<tr>
<td><strong>Minister for Counter-Terrorism</strong></td>
<td>Hon Michael Keenan MP</td>
</tr>
<tr>
<td><strong>Minister for Women</strong></td>
<td>Senator the Hon. Michaelia Cash</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>Hon. Charles Porter MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>Hon. Alan Tudge MP</td>
</tr>
<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong></td>
<td>Hon. Warren Truss MP</td>
</tr>
<tr>
<td>(Deputy Prime Minister)</td>
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<tr>
<td><strong>Assistant Minister for Infrastructure and Regional Development</strong></td>
<td>Hon. Jamie Briggs MP</td>
</tr>
<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>Hon. Julie Bishop MP</td>
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<tr>
<td><strong>Minister for Trade and Investment</strong></td>
<td>Hon. Andrew Robb AO MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Minister for Foreign Affairs</strong></td>
<td>Hon. Steven Ciobo MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Trade and Investment</strong></td>
<td>Hon. Steven Ciobo MP</td>
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<tr>
<td><strong>Minister for Employment</strong></td>
<td>Senator the Hon. Eric Abetz</td>
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<tr>
<td>(Leader of the Government in the Senate)</td>
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<tr>
<td><strong>Assistant Minister for Employment</strong></td>
<td>Hon. Luke Hartsuyker MP</td>
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<tr>
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<td><strong>Attorney-General</strong></td>
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<tr>
<td><strong>Minister for the Arts</strong></td>
<td>Senator the Hon. George Brandis QC</td>
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<tr>
<td>(Vice-President of the Executive Council)</td>
<td>Senator the Hon. George Brandis QC</td>
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<td><strong>Parliamentary Secretary to the Attorney-General</strong></td>
<td>Senator the Hon. Concetta Fierravanti-Wells</td>
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<td><strong>Treasurer</strong></td>
<td>Hon. Joe Hockey MP</td>
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<tr>
<td><strong>Minister for Small Business</strong></td>
<td>Hon. Bruce Billson MP</td>
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<tr>
<td><strong>Assistant Treasurer</strong></td>
<td>Hon. Joshua Frydenberg MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Treasurer</strong></td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Agriculture</strong></td>
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<tr>
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<td>(Manager of Government Business in the Senate)</td>
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<td>Hon. Karen Andrews MP</td>
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<td><strong>Minister for Defence</strong></td>
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<td><strong>Minister for Veterans' Affairs</strong></td>
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<tr>
<td><em>Minister Assisting the Prime Minister for the Centenary of ANZAC</em></td>
<td>Senator the Hon. Michael Ronaldson</td>
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Thursday, 20 August 2015

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

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

COMMITTEES
Economics References Committee
Meeting
The Clerk: A proposal has been lodged as follows by the Environment and Communications References Committee for a private meeting today, from 1 pm.

PARLIAMENTARY REPRESENTATION
Tasmania

The PRESIDENT (09:31): I have received, through the Governor-General, from the Governor of Tasmania, a copy of the certificate of the choice by the Houses of Parliament of Tasmania of Nicholas James McKim to fill the vacancy caused by the resignation of Senator Milne. I table the document.

Senators Sworn
Senator Nicholas McKim made and subscribed the oath of allegiance.

BILLS
Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill 2015
Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator CAMERON (New South Wales) (09:35): I am pleased to bring this private senator's bill before the Senate. This is a simple proposition to exclude consumer leases from the Centrepay under DHS. This brings Centrepay back to its original purpose—that is, as a budgeting tool for basic consumer goods and for paying utilities. Consumer lease companies are targeting and preying on vulnerable Australian in low socioeconomic regions in cities and towns. Consumer lease companies are disguising this predatory behaviour in glossy brochures and advertising. Predatory business behaviour under consumer leases is causing massive financial hardship to poor and vulnerable Australians. This predatory business model is growing; however, in my view it should be, and is, unsustainable. There are massive mark-ups in profits at the expense of the disadvantaged, and this should be unacceptable to the
Senate. Consumer and welfare support groups are alarmed at the social implications and the practical application to individuals and their families of these consumer leases. Alternatives to consumer leasing are available, and the Department of Human Services and Centrepay must stop facilitating predatory and unconscionable business practices.

This bill should be supported by all senators, as it is about harm minimisation for poor Australians. The government should expedite the broader review of consumer leases that it has announced and look at the National Credit Code and the implications of consumer leases on a broader basis. This bill does not deny anyone access to a consumer lease, even though I would caution and advise against consumer leases, but it does stop the Department of Human Services and Centrepay facilitating consumer rip-offs in Centrepay.

The purpose of this bill, as I have indicated, is to amend the Social Security (Administration) Act 1999 to provide that consumer leases are excluded goods for the purpose of part 3B of the act. The bill is needed to remove the potential for Centrelink clients utilising Centrepay services and participants in the income management regime under part 3B of the act to suffer financial harm as a result of entering into one or more consumer leases for household goods for which income management measures, including Centrepay deductions, are available. The main provisions of the bill will make consumer leases an excluded good for the purposes of part 3B of the act. What this does is very simple. Item 1 of schedule 1 amends section 123TC of the act to provide a definition of 'consumer lease'. It simply says:

**consumer lease** means a contract for the hire of goods by a natural person or strata corporation under which that person or corporation does not have a right or obligation to purchase the goods.

Item 2 amends section 123TI(1) of the act to provide that consumer leases are excluded goods for the purposes of part 3B of the act.

Centrepay was established in 1998 as a simple budgeting tool to help Centrelink clients budget by paying rent and utility bills through automatic deductions from their welfare payments. Centrepay effectively prioritises payments made this way ahead of other living expenses. I think everyone would agree that Centrepay has been an outstanding success and is strongly supported by Centrelink clients, community services and welfare agencies. It is used by over 600,000 Centrelink clients, on whose behalf nearly two million deductions are made each month. The annual value of deductions is nearly $2 billion. Thirty per cent of Centrepay users are disability support pensioners, a further 20 percent are Newstart recipients and 16 per cent are in receipt of parenting payments. These are the same groups who are disproportionately represented as financially excluded payday lending customers and Centrelink advance and urgent pay recipients.

We all know the problems of payday lending. The problem we have here is that many of the operatives who were in payday lending when some checks and balances were put on payday lending have migrated into consumer leasing. As I have indicated, consumer leasing is growing because of the advertising and the actions of these companies. Centrepay’s reputation as a simple, well-regarded budgeting tool is under threat from the presence of service providers whose businesses provide household goods, whitegoods and electronics under consumer leases. While Centrepay excludes repayment of a credit card debt or any other kind of consumer credit, it can be used to pay for consumer leases. While utility bills still account for a third of Centrepay deductions, household goods leases now account for 14 per cent and their share of Centrepay deductions is growing. As the 2013 Independent Review of
Centrepay pointed out, when consumer lease payments are being made through Centrepay, the arrangement between the Centrelink client and the leasing business is often seen by the client to have 'tacit government endorsement of those same arrangements'. So Centrepay facilitates the payment, and the clients—the citizens who use it—are of the view that it is approved by government. There is evidence that consumer leasing businesses foster this belief in their sales pitches.

Consumer leases are contracts for the lease of goods under which the hire is for domestic or household purposes, the hirer does not have a right to purchase the rented goods, and the amount paid by the consumer is more than the value of the goods, often by a very, very large factor. The Consumer Action Law Centre report *The hidden cost of 'rent to own'* found consumer leases cost at least twice the normal retail price, usually three times more, and often even more than that. Consumers might be able to find a better deal by shopping around, but inquiries usually find the consumer lease cost to be at least twice retail price and often much more. Consumer leasing is expensive even when compared to buying on credit at 20 per cent per annum. Consumer leasing is the most expensive way anyone can obtain a new household good.

Look at some of the prices that are being charged by these consumer lease companies. For a high-definition television, which you can pick up for a retail price of about $749 to about $1,049 depending on where you buy, the rent-to-own price, when it is worked out over the three or four years that the consumer lease is laid out, becomes $3,112 to $3,893, a mark-up of 371 per cent to 415 per cent. These are some of the lowest paid people in the country. Some are on welfare, and this is the type of mark-up that these consumer lease companies are forcing on them.

They target single mums. Many single mums need a stroller for their kids. A mid-range stroller costs between $100 and $300 depending on where you buy it. The rent-to-own price is between $772 and $1,392 for a stroller that can be bought for $100. The mark-up is between 464 per cent and 772 per cent. A cot—again targeting single mums—has a retail price between $270 and $1,000 depending on where you buy it. The rent-to-own price is between $1,552 and $2,488, a mark-up of between 249 per cent and 575 per cent. I can go on, but I do not think there is any justification for any business to be targeting some of the poorest paid in our country with rip-offs and mark-ups to that extent. These prices were looked at by the Consumer Action Law Centre, and this is part of the prices that they have found in their report called *The hidden cost of 'rent to own'* That was published in September 2013.

I was concerned again in my local area. I live in the lower Blue Mountains. I do a lot of shopping in the Penrith area. Many areas of Penrith are quite well off, but many areas of Penrith are low-socioeconomic areas. When I had a look at where these rent to own stores were, it was clear that they were targeting the lower socioeconomic areas in our country. I was doing some shopping with my wife, and we were in the Centro Nepean shopping centre. In the middle of the Centro Nepean shopping centre a pop-up retail area had been established, and it was a mob called Rent 4 Keeps. They were handing out leaflets and targeting young families. If a woman was on her own with a young kid, they were being targeted for the leaflets. I know that leaflet drops have been done around some of the lower income and wealth areas that have a high density of welfare recipients in the Penrith areas.
They were handing out this leaflet that I have before me. It says: 'Dealing with R4K is easy. There's an easy application process. R4K comes to you. It's got a great new product range. There's no up-front fees. Flexibility. Six- to 36-month terms. Quick, personal R4K service. You are very important to us at R4K.' I am not surprised that they are very important given they are getting rip-offs and profits on the basis that they have. They say: 'All renters welcome. Government benefits okay. Easy debit okay. Direct debit okay. Low-income earners? Tick. Single parents? Tick. Poor credit? Tick. Carers? Tick.' Then it goes on and shows you some of the goods that you can pick up, and it has this happy, smiling family looking so happy that Rent 4 Keeps have got their claws into them. It is a really slick sales approach.

I went over and asked for one of the leaflets. I went back and had a look at what they were offering. I looked at two of the offers that they had for these consumers that they want to get their claws into in Penrith. There was a Hisense 55-inch high-definition television. I went to look at the model. I went online to Harvey Norman and looked at the price you could get it at Harvey Norman, which was $1,195. You could have got it cheaper if you had done it online somewhere other than Harvey Norman, but Harvey Norman is a good benchmark. Over the 36-month lease period that Rent 4 Keeps were offering, this Hisense 55-inch high-definition television would cost that consumer in Penrith $7,449. I just cannot understand why Centrepay and the Department of Human Services would provide any succour to this type of rip-off. I just do not understand it.

The other television they were offering was a Samsung 40-inch television. At Harvey Norman it was $845. Under Rent 4 Keeps it was $5,608. I cannot understand why anyone would defend this type of predatory behaviour against low socioeconomic communities in this country. That is the type of rip-off that is going on.

If you look at where the rental store locations are, you do not find any of them in the North Shore of Sydney. You do not find any of them in the leafy suburbs of Melbourne. You find them in regional Australia. You find them in low socioeconomic areas in the cities: Blacktown, Campbelltown, Mount Druitt, Parramatta and Penrith—areas where the average income is $49,000 to $50,000 a year. If you look at where the stores are set up, they are targeted there. It is Radio Rentals, Mr Rental, Rent 4 Keeps—all those companies—that are in there.

I was so concerned about it that I convened a round table of a number of welfare and consumer action groups on 20 April in Sydney. Overwhelmingly they indicated that this was unacceptable and should be stopped. As I said, I am not arguing that no-one should have access to this, but I am arguing that the government should very quickly do what it said it would do, and that is to have a look at these consumer leases. In the meantime, we should bring Centrepay back to doing what it was designed to do: to provide a forum or a tool so that low-socioeconomic workers or people on welfare have access to Centrepay to pay for goods that are absolutely needed. As I said, this is supported by many of the welfare and consumer action groups. In fact, the Consumer Action Law Centre put out a press release this morning supporting the proposition we are putting.

The argument we might hear from some of these rent-to-buy companies is that there is no option of doing a community service. Well, that is nonsense. The No Interest Loan Scheme, or NILS, is a community based program that provides access to fair and safe credit of up to
$1,200. The StepUP loans scheme provides low-interest loans of between $800 and $3,000. The Good Money scheme is available, and there is a pilot program in Victoria. The AddsUP matched savings scheme provides matched savings incentives of $500 to help people save. There is a Good Energy scheme. There is a Good Insurance scheme. There is a Good Shepherd Microfinance scheme. These schemes operate in 650 sites around the country. There are 1,300 microfinance workers out there trying to help people to get microfinance and to keep them out of the clutches of these Radio-Rentals type mobs. They are engaging with 100,000 people each year, and they had 27,000 loans out in 2013-14 worth $29 million.

We should be ensuring that the alternative is promoted through Centrepay; that the alternative provides fair and reasonable access to consumer goods for low-income and welfare recipients; that we implement the independent review of Centrepay by Anna Buduls and John Falzon; and that the rip-offs stop. The first thing to do is to make sure that Centrepay is not used by these rapacious companies that are ripping off poor people. (Time expired)

Senator SESELJA (Australian Capital Territory) (09:55): I want to speak on the Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill 2015 and say up-front that the government does not support it. And that is not because we do not support the intention behind this bill. I understand much of what Senator Cameron is saying about some of these rip-off merchants, and we agree with that; I do not disagree with many of the points Senator Cameron has made. But what I want to speak to today is the practicalities of this bill—why we think it is misguided, why we think it would not achieve what Senator Cameron no doubt genuinely wants it to achieve. So, I will go through some of those. We need to make sure that any changes to the system are well-targeted and actually do what we need them to do. Unfortunately, this bill, while it would exclude consumer leases from income management, would not stop Centrepay deductions for consumer leases.

Firstly, let's be clear about what we are discussing here. Centrepay is a valuable bill-paying service that helps many Centrelink customers manage their ongoing expenses. Welfare recipients are usually unable to access most forms of credit, such as credit cards. Regulated consumer leasing is one of the few ways of obtaining essential household goods quickly. Centrepay is voluntary and free for the customer. Deductions are made to elected businesses before the customer receives their welfare payment, which reduces the potential costs of bank fees from overdrawn accounts. Businesses pay a fee for each customer deduction. They generally appreciate how it helps customers to meet their obligations. For example, a person on welfare may need a fridge for their home. They pick up the fridge on consumer lease with monthly or weekly payments. They can then use the Centrepay system to have their repayments deducted automatically from their social security payment before it reaches their bank account. This is an important protection for people so that they are not stung with extra fees for late payments. Importantly, Centrepay is not a legislated program. The Department of Human Services is responsible for it.

I want to go to some of the issues the government has with this bill. The first is that excluding all consumer leases from Centrepay would interfere unduly with existing means of urgent access to necessity goods. The recent changes to Centrepay announced by the Minister for Human Services strike a balance between strengthening protections for customers and not interfering unduly with existing means of facilitating access to necessity goods, such as refrigerators and washing machines. These changes mean that unregulated consumer leases—
that is, consumer leases that are not regulated by the National Consumer Credit Protection Act 2009—are no longer supported by Centrepay. Regulated consumer leases are not being excluded from Centrepay. Remember, though, that there are alternatives to consumer leases, such as the No Interest Loan Scheme, or NILS, operated by Good Shepherd Microfinance, and low-interest loans. We are expanding Centrepay to support these options and other microfinance approaches. But until these alternatives are available on a much broader and larger scale, many people will depend on consumer leases, so the use of Centrepay for regulated consumer leases should remain open.

I know that not every Centrelink customer is able to access a local NILS provider. For example, in some places in Far North Queensland there is no local NILS provider, so the Centrepay system remains vital for people. There are also differences of scale. In 2013-14 NILS approved 24,378 loans with a total value of $22 million. Compare that with the usage of Centrepay for household goods: in just the six months from July to December 2014, a total of 136,000 customers, with total deduction value over $148 million. Not all those deductions were for consumer leases, but the comparative volume indicates significant demand for household goods.

The second issue is that Centrepay is already being improved. With this in mind, I know that the intention of Senator Cameron's bill is to make sure that Centrepay is improved. That is something we agree on. But as I have already mentioned, major changes to Centrepay were already announced in May this year. I have spoken about how consumer leases that are not regulated by the National Consumer Credit Protection Act 2009 have been excluded. Funeral insurance has also been excluded, though Centrepay is still available for scheduled repayments of funeral expenses and prepaid funeral plans. Customers who have been using Centrepay for household goods or funeral insurance have been advised in writing of these changes. They have also been advised of alternatives to consumer leases.

These changes built on other changes following the independent review of Centrepay. Customer complaint mechanisms have been improved to ensure prompt and relevant responses by the department. There has been a full review of the Centrepay policy contract framework and assurance and compliance frameworks. Additional resources have been provided for assurance reviews of participating businesses and the Department of Human Services has reviewed and built on the information provided to customers about their Centrepay deductions by developing a customer deduction statement, which assists customers to better understand and manage their deductions.

The Department of Human Services has also added a link to the Australian Securities and Investments Commission's money manager on its website to help raise awareness of good financial management. The department has strengthened its relationships with ASIC, the Australian Competition and Consumer Commission and the Australian Energy Regulator. Agreements with these regulators allow for the exchange of information in relation to entities of mutual interest, including businesses seeking approval to use Centrepay or who are approved to use Centrepay.

These relationships have led to the exposing of businesses that may not have appropriate licensing, are operating illegally, are not complying with consumer law or are operating unscrupulously towards customers. The department has established a working group with Treasury that will consult on options to use Centrepay policy settings to improve disclosure of
effective interest rates by Centrepay-approved businesses when offering consumer leases. No
decision has been taken on a preferred approach, but this is an issue that is being explored.
The Assistant Treasurer, Josh Frydenberg, announced on 7 August 2015 that there will be a
review of the small-amount credit contract laws. He also announced that this review will also
consider whether those laws should be extended to apply to regulated consumer leases. Any
changes resulting from this review would potentially apply to consumer leases generally, not
only to consumer leases under Centrepay or under income management. The government
looks forward to the results of the review and is not pre-empting the outcome of that review.

The third issue is that the bill as introduced would not impact on Centrepay, but only on
people supported by income management. I think this is a really important point. It is sensible
and reasonable to consider further changes to the Centrepay system, including possible caps
on or disclosure of effective interest rates. But that does not mean that all consumer leases
should be excluded from Centrepay. It is important to note that the Centrepay scheme is not
established by social security law. However, the legislation allows for Centrepay deductions
through section 55 of the Social Security Administration Act 1999, which addresses how
social security payments are paid into bank accounts. Subsection 55(4) of the act enables the
secretary of the Department of Social Services or a delegate to direct that the whole or part of
a relevant amount to be paid to a person in a way other than a bank account nominated and
maintained by the person. Senator Cameron’s bill seeks to amend two sections in the part of
the Social Security Administration Act that is concerned with income management. It would
prevent expenditure under income management on certain consumer leases, but it would not
affect payment of deductions under Centrepay.

The fourth issue, excluding rent-to-buy contracts from income management, is not
supported. I will go through why. It is the view of the government that if Senator Cameron's
bill were enacted it would mean that people on income management would not be able to pay
for any consumer lease obligations, regulated or unregulated, using their income managed
money, regardless of whether they have existing obligations.

That is a critical point. The purpose of income management is to ensure that the priority
needs of welfare recipients are met and that they are protected from the things that would
undermine them, their families and their communities. These are things like alcohol and
gambling. Income management was not designed to stop people from getting access to a
refrigerator to store their food or a washing machine to clean their clothes, if they need to rent
those because it is the only way they can acquire them or because it is the way that they
choose.

The important point is that they have access to the information that would help inform their
choice. That is why the department’s customer service officers will only set up these
deductions following a discussion with the customer about possible alternatives. These
include Centrelink advance payments, no- and low-interest loans from community
organisations, lay-by or savings accounts for the goods. Customers are also referred to the
ASIC-developed rent versus buy consumer lease calculator on the department’s website to
assist them in understanding the true cost of a possible lease arrangement.

The addition of consumer leases to the list of excluded goods for income management is
not supported, as many people would have existing obligations of this type at the time they
enter the program. For many people, these types of arrangements continue to be a practical
option for obtaining basic household goods. I think that this is actually the strongest point against Senator Cameron's bill: people who have existing obligations could be severely undermined by this legislation. I know that that is not the intent of it, but we believe that that would be the effect if it were to pass through the parliament.

Let's again return to the ultimate purpose. People on social security payments still need to occasionally purchase goods such as fridges and washing machines that contribute to an acceptable standard of living. The Centrepay system helps people do that through consumer leases or short-term loans, while ensuring there is less risk of being hit with bank fees or fines for late payments. We do not want people who are already doing it tough to face further problems, so we have changed Centrepay so that consumer leases that are not regulated are no longer part of the scheme. But people still sometimes purchase these goods or enter into some of these arrangements. The government is not excluding regulated consumer leases from Centrepay, so people can still get these necessary household goods. In this context, the government does not agree with Senator Cameron's rationale.

Centrepay is already being improved without legislative changes. The bill as introduced would not actually have the impact its proponent purports to want on Centrepay. Instead, it would restrict people who are supported by income management by adding rent-to-buy contracts to the categories of goods and services excluded for income management purposes. It would not restrict the use of consumer leases under Centrepay.

This change to income management arrangements is not supported by the government. Customers may have existing consumer lease obligations when they enter income management and they may need to continue to meet those obligations. The key point is that people on income management are aware of the alternatives. Departmental officers are providing and will continue to provide such advice to them.

Because the fine print can sometimes have unintended consequences, this is a clear case of why changes to our welfare system must be worked through carefully and methodically. The minister and this government are going to keep working with the Department of Human Services and the relevant consumer protection regulators to make sure people are not being ripped off by lease providers. We are going to make sure the Australian Securities and Investments Commission takes action against these providers and we will work towards making sure people in need get the goods they need in the most appropriate way. This bill is not the way to protect these people and does not do what it claims to do. For all of those reasons the coalition will not be supporting the bill.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:08): I rise today to make a contribution to this debate about the Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill 2015. This is an incredibly important issue and I welcome the opportunity to have this debate in the chamber. I think that many people were incredibly surprised and dismayed to learn that Radio Rentals derives close to half of its revenue via automatic deduction payments channelled through Centrepay. This is an extraordinary niche market that does not really reflect the policy intent behind Centrepay, which is to help those on government payments manage their cash flow by putting aside money for quarterly, annual or big bills. The effective interest rate on these goods is as high as 70 per cent a year, and that is almost four times that of an ordinary credit card.
I do agree with the broad intent of this bill to take steps to address predatory loans. However, before we start looking at controlling how people spend their money and looking at this particular issue, I want to look at the important issue that this brings up, which is both the cause and the effect of debt on those who are on Centrelink payments. I have been looking very closely at New Zealand social services and their approach. Given the other debates we are having in this chamber about the changes the government wishes to make to many social services and social security payments, I took the opportunity to have a look at what is happening there. Aside from the fact that I think that although the government is trying to take some of the approaches from New Zealand and implement them here they are misquoting what is happening in New Zealand, there are many things that we can learn from what is happening in New Zealand. But I will save some of the more in-depth comments on some of those approaches till we get back to debating the Social Services Legislation Amendment (Youth Employment and Other Measures) Bill 2015 that is currently before this place.

As part of looking at what is happening in New Zealand, I came across some excellent research in New Zealand and a particular project called the Family 100 project and a report called Speaking for ourselves. The goal of this project was to understand what factors are keeping some families in poverty while other families are able to move forward and live more secure lives. It was a joint initiative between the Auckland City Mission and three New Zealand universities that aimed to document and explore the everyday experiences of people in poverty over the course of a year by actually talking to the people that are living in poverty. The project involved fortnightly interviews with 100 families that resulted in 339 hours of transcribed interviews. Once the project was finished the report showed that debt was No. 1 of eight clearly defined drivers of poverty in New Zealand. Debt, justice, housing, employment, health, food insecurity, services and education were clearly identified as those eight drivers of poverty, and of those debt was No. 1.

I have not seen a project of similar nature or scope undertaken in Australia, although there are many that have looked at poverty. Dropping off the edge 2015 from the Jesuit Social Services by Tony Vinson was the latest one. However, these two reports do reflect the types of findings that we see through reports that have been carried out in Australia by ACOSS, Uniting Care, Salvation Army, Anglicare and a huge number of other social service providers who are working in this place.

I want to share some of the findings from the Family 100 report because I think it is very relevant to the matter that we are discussing here. One of the key conclusions that we can draw from the analysis of debt is that low-income families are paying a poverty premium. They can only source expensive credit, and this is keeping them in poverty. In other words, those that can least afford it are paying the highest interest rates and they are forced into going to what some would say are the more dodgy credit extenders because they cannot get loans from banks. In the words of one participant:

Debt causes debt. The worst thing about having debt is when you really need something you have to use the most expensive options…

The report shows really clearly that people do understand how to budget effectively but that they have no option but to incur increasing levels of personal debt to cover their day-to-day expenses because they simply do not have enough money. I think this is reflected in the
Australian experience. We saw it in the debate around income management where people said that they knew how to manage their money; they just did not have enough of it.

What the Radio Rentals story highlighted is that this cycle is exacerbated by not being able to access major financial institutions and having to take highly inflated interest rates. We saw this clearly in the analysis of the Radio Rentals loans. The individuals who took up these offers to lease goods through them ended up paying up to seven times what they would have paid if they had bought the items outright. It is worth thinking about how the inadequacy of social security payments themselves is an underlying cause of this issue. The Credit Suisse report notes that the biggest proportion of Centrepay users are on the disability pension, 30 per cent, Newstart allowance, 20 per cent, and parenting payments, 14 per cent. These groups are clearly overrepresented as Centrepay users compared with their proportion of Centrelink payments. It is probably also worth noting that Centrepay has identified that disability support pensioners were disproportionately represented in payday lending, Centrelink advance payments and urgent payments. The adequacy of the payments has been considered in this chamber. In fact I chaired a Centrelink inquiry, and the government senators who were on that inquiry—they were not in government at the time—agreed with the weight of the evidence. The committee questioned 'whether Newstart allowance provides recipients a standard of living that is acceptable in the Australian context for anything but the shortest period of time'. So even those senators who are now on the government benches acknowledged at the time that Newstart payments were inadequate. When you are starting with a completely inadequate payment, what hope do you really have of being able to stay out of debt?

The other thing that the Family 100 report found was that living with debt leads to social exclusion and self-imposed isolation. This in turn leads to a range of other problems such as physical and mental illness. This prevents people from moving forward with their life. It is incredibly hard to go out and compete for a job interview when you are so isolated and under such stress. It is hard to make good long-term decisions when there is a day-to-day struggle to keep your head above water. Debt is a psychological burden, particularly when it seems inescapable and unmanageable without incurring yet more debt. The report also touches on the interconnection between debt and health. Families talked about taking on debt for health reasons such as dental work, glasses or to pay for unexpected illnesses, doctor visits and medicine. This is a reality for many Australian families too. ACOSS has reported in its 2014 poverty report that, despite seeing good health as an essential, families will neglect their health rather than incur yet another debt. I think these effects are really important to understand because we also need to understand why people sign up for unfair loan arrangements.

It is also worth noting that education was another driver of poverty identified in the Family 100 report. Without a high level of financial literacy and the ability to fully understand the contracts, it is easy to see how people sign up to unfair contracts and fall into debt traps that they cannot find their way out of. Debt is clearly a wicked problem that leads to a lifetime of disadvantage. It is well worth our time to think about how we can reduce its impacts on low-income families. It is absolutely essential that we address its impact. But as we consider legislating against lend-lease programs for Centrelink recipients, we also need to consider other alternative credit options. We do need to address the debt issue. Addressing consumer lend-lease programs is absolutely essential. We do need to do that, but we also need to be
addressing the wider issues of debt for those on low incomes and particularly those on currently inadequate income security payments.

While I support the intent of this bill in drawing attention to the predatory nature of consumer leases, I want to highlight that we cannot simply deal with one issue without dealing with these other issues. This is one step that we need to be taking, and it will not solve the overall problem. I acknowledge that, but we do need to start somewhere. I know that a number of community workers and those working in the community services space have concerns that if we pass legislation in a vacuum without broader reforms we are missing an opportunity. For those who are working with clients in the community who are under incredible stress and at risk of slipping further into poverty it is often the case that imperfect access to lend-lease credit to purchase whitegoods is better than no access at all. So we need to realise that and we need to be making sure that we replace people’s ability to access high-interest credit with a much fairer process. I agree with this perspective. We need to be looking at how we can help low-income households replace broken whitegoods and meet the debts that they inevitably need to face because they are on such a low income. And how do we help them obtain a standard of living that those around people living in poverty take for granted? The impact of not being able to access a replacement is also a contributor to debt. Just think about it: if you do not have a washing machine you have to go to a laundromat and pay to use those machines. If you do not have a fridge, you end up eating more pre-prepared food.

I want to take a moment to reflect my serious concerns about income management. I have expressed those concerns in this place many times. Income management does not produce the results the government claims that it does or that the supporters of income management claim that it does. It is a paternalistic approach that is punitive and unfair and it takes control of people’s personal decision making and takes their dignity away from them. I had a number of emails about that around the healthy welfare card, and that legislation will be dealt with in this place at another time.

We do support the use of Centrepay because it is optional. People can choose their level of participation rather than having it dictated to them like income management does. I have got to say it does make me uncomfortable that we are talking about shutting down people’s options when it comes to the use of Centrepay. However, having said that, the government is not taking enough action to address the issues around debt or to address these absolutely outrageous levels of interest that those on low incomes are paying. They are paying, as the New Zealand report said, ‘premium interest rates’. They are paying the most expensive interest rates.

We need to be looking at this in the context of a range of other actions that need to be taken. Affordable credit should be provided, whether it is through government-sponsored microcredit schemes or, importantly, capping interest rates that are charged by lenders such as this. We also need to be looking at a very strong suggestion that was made in New Zealand: that there is a role for helping consolidate debts and ensuring that there is a lower interest rate for those consolidated debts. What we see from this report and what I have heard from talking to people is that people borrow money to pay back money. Because they are trying to get out of one debt, they will borrow more. So it is a constant round of borrowing money, which only leads to more debt—lifelong debt. People, as I said, talked about the crippling nature of the burden and the psychological impact of that debt.
We need to see some leadership from government to demonstrate not just stopgap measures but long-term measures to assist low-income families. Obviously, one of those measures for those who are living on income support payments is to increase income support. I will note: while we are busy copying New Zealand, we seem to be only taking some of the bad bits, not the good bits, and one of those is, surprise, surprise, that they actually increased income support payments as part of this package. I have not heard that from the government yet. Maybe we should be looking at that before we put in place health and welfare cards.

So far the government has been primarily focused on making life harder for those on low incomes, and particularly those on income support. We have seen attempts to reduce payments by freezing indexation; attempts to deny those under 30 income support for six months at a time; lifting the age of eligibility for Newstart to 25; and now attempts to force people to wait for income support for four weeks—in fact, it is five weeks when you add the week of waiting.

We have also seen big cuts to important programs that actually help low-income households. Millions have been pulled out of the discretionary grant program in the Department of Social Services, and that has seriously affected Australia's ability to address the causes of poverty. We have seen millions—half a billion—pulled out of programs for Aboriginal and Torres Strait Islander peoples. A number of programs have been shutting their doors over the past six weeks. They were the so-called lucky services that had their funding extended for six to 12 months; however, they are closing now. In my home state of Western Australia we have seen the rolling back of financial assistance support.

We are not just losing services; we are also losing an incredible amount of knowledge about how individual communities are coping with the pressures of living with debt. We are losing institutional knowledge about what has been tried and what has worked. We see pilot programs constantly started and then not continued. We are also losing passionate and committed people who are motivated to find solutions that will work at an individual level and who can provide advice and support, and create the change that is needed at local levels.

We need to think very carefully about a holistic approach to how to improve the situation, how we tighten the rules but also how we work with financial institutions to make sure that those on the lowest incomes are not paying the premium interest rates. How can we let this occur in a society where those who are the most vulnerable are the ones who cannot access cheaper credit, who are paying the highest interest rates which leads to an increasing spiral of debt that keeps people in debt and makes it harder to find work? Living in poverty, we know from the evidence, is yet another barrier to employment. Debt is part of that. We should not be standing back and letting Centrepay pay the loans at some of the highest interest rates in this country. We need to address this particular issue.

As I said, we need a more holistic approach to this problem. The NILS program is fantastic, but we need more programs like that. We need to enable people to consolidate their debts and get their head above water. If we can do this, we know that—and, as I said, the evidence shows—people are actually very good at being able to manage their money. They just do not have enough of it. So if we enable people to consolidate their debts and manage their finance without having to be constantly chasing new loans to pay back the other loans, we know that they will get their head above water and deal with one of the barriers to employment.
I urge everybody in this place to look at the excellent research about poverty and not just the examples that I am quoting from New Zealand—the family 100 report—but also the excellent work that has been done here. We know that poverty is a huge issue for low-income families, particularly those living on income support. We need to acknowledge that. We need to look at the work that has just been completed, the latest *Dropping off the edge* report. When you look at the priority areas, you know what? They are not that much different from seven years ago. Unfortunately, they are not that much different from the programs that we are addressing—even though we have learnt so much we are still not addressing those fundamental drivers.

It makes my blood boil when, instead of dealing with these issues, we see some of the state governments and the Commonwealth government withdrawing more services—withdrawning more funding and financial advice services is not the way to go. Please read the report. Please look at this debt issue. It is absolutely critical that we address it.

Senator MOORE (Queensland) (10:28): I wish to congratulate Senator Cameron for drawing the attention of so many in this place and also in the wider community to how the horror—and I use the term quite deliberately—of the situation of those who are most vulnerable in our community can be made worse by the actions of people with a completely profit driven motive.

The bill that Senator Cameron has put before us not only looks at the area of consumer leases which have been considered over a period of time; it particularly asks whether our Centrepay system—which works through the Department of Social Services with the Centrelink network to support people with their budgeting and coping strategies—is the right model for those who have such a profit driven impost on them. That is the background to the bill.

The bill is a stimulant to look at wider issues. This argument that Senator Siewert has put before us is one element of a much wider discussion. It does not pretend to be the answer to all the ills of poverty in our society, it does not pretend to identify all the many impacts that cause people—through desperation, illness or isolation—to make decisions about which they have no real knowledge or power. But it does take one step forward and I think it needs to be considered. Already it has raised awareness in this place, in the department and in the wider community about the issues of which we are speaking. That is in itself a result.

I acknowledge the work that Senator Cameron has done over the last couple of months within the community and also within the department to ensure that change does occur. I also want to acknowledge the work that has been done by the minister. She has responded by looking at how the Centrelink process could operate better, but we do not think it goes far enough. I know that Senator Seselja, in his contribution, worked through the department's responses, but the actions that were taken in June this year by the minister, through the department, to restrict the way the process operates, do not stop it happening. Basically we are saying: with respect to the extent of interest payments that are linked to the process of people being caught up in extended consumer lease payments for things that they need in their lives, that should not be paid for through the social welfare system.

This is not a new discussion. I know that for many years people in the community have been asking questions about whether the system of consumer lease should be able to operate in a largely unregulated market. There does not seem to be any real restriction on the
conditions around consumer leases and the amount of extra interest that consumers must pay if they are caught up in one of these leases. And it covers a wide range of areas. So far in the discussion we have concentrated on white goods, but it is not limited to white goods. If you look at the brochures and the consumer advertising, you see that just about any consumable—from computers to household goods—is available through a range of firms which operate in the Australian market. They are all legal and they are all public. I share Senator Siewert's discomfort about restricting choice. Often I am up here saying that we should encourage choice and provide a wide range of choices, and that is my dilemma in this whole debate: on the one hand allowing everybody in our community to have open choice and, on the other hand, saying through this bill that there should be a limit for the social security system in paying in that way.

I have agonised about this and I have listened to so many people, including Senator Cameron, about the point. But when I actually look at the evidence which has come out from consumer groups, consumer legal groups and ACOSS, I am troubled by the predatory nature of the marketing that can cause people to make decisions and then be caught up in a system over which they have no control. So I have come down on the side of supporting Senator Cameron's push that we should have restrictions in the Centrepay system which say, 'this is one element that should not be supported in this way.' I say that because I believe that the circle of poverty that Senator Siewert described in her contribution links into this whole area.

We have also had discussions in this place over many years about the need for financial literacy and for acknowledgement and transparency of processes. I have looked at some of the contracts and I see that there is detail provided in many of them about the terms of the rental processes and the amount of money that is involved; but when you see information that says that you can buy a fridge for $1,148 at an outlet but, through a consumer lease process, it can cost $4,602 over three years, I see a problem. Or when I see a laptop that can be bought for $898 but someone who takes up a consumer lease pays $2,644, I cannot accept that that is a fair system. I cannot accept that the process that says, 'this is what you can get for immediate ownership of a product but this is the kind of added cost that you would have.' I have trouble with that. I also have trouble with the fact that someone who takes on such a contract may not be fully aware of what they are doing and they do not have any opportunity, without further financial impost, to get out of that process. That is on the one side in terms of the products about which we are speaking.

The other element is that we are supporting that process through the Department of Social Security, through a system which was set up to support. We are actually supporting a market share of businesses through the most vulnerable people, who have the most reduced incomes, who are often completely reliant on social welfare. The discussion about the wider impact of consumer leases, how they operate and how they are regulated—and we have already seen issues around payday lenders in the same discussion—is one issue. This bill is saying that that should not be an allowable deduction through the Centrepay system which is in place already.

I am fully aware that the intent of the Centrepay system was to support people with their financial needs, and I well remember the focus at the time when it was introduced, because I was working in the area, and I remember how we promoted the system in the community. It was looking at people being able to balance things like energy expenses and rent—processes that they already had in their budget. The system would ensure that there would be a regular
process through which they would have security that they would be able to have those things paid. Over the years, as Centrepay has developed, guidelines have been put in place which point out what can be funded through this process and what cannot be. And there has been an evolution to respond to people's needs. Through that process, this area where people have had their consumer leases paid in this way has fallen in as one of the allowable aspects. When people are caught up in these contracts, they know and the businesses certainly know that they will have absolute security of payment because it will go through someone's Centrelink payment.

The figures for the percentage of Centrepay that goes to businesses that are involved in the consumer lease market have grown, to the extent that it is now one of the highest payment areas. That in itself should be cause to question why this is happening and how many people are involved in this way, and to see whether there are any links with the consumer about their knowledge and about their consumer awareness and consumer literacy in the process.

Over the years, I have worked with consumer advocates and with the Consumer Action Law Centre, who have done a lot of work in this area. As always, we can talk in theory and in generalities but the real issue is that it comes down to individuals and the impact on them. One of the Consumer Action Law Centre's newsletters actually put the issue out there about the way Centrepay operates. It had a heading which attracted my attention, 'It's the human cost of rent to buy.' It is a public document. The article was about a Fitzroy resident who was a customer of Radio Rentals and how she was signed up for a product. She said that it was the normal practice when she signed up and gave her details that the options for a Centrepay payment was part of the transaction. It was not a request, not an add-on; it was an automatic part of the transaction. That was how the process operated. There was no alternative offered to Centrepay; it was automatic.

She said that from the time she signed her contract in 2013 for the product, she received constant communication offering her more products to rent. As she was a customer of good standing because she had a secure way of paying because it was through Centrelink, she was offered more and more attractive options. We all fall into that, when we are offered something that is attractive. For some people, though, that can develop into a spiral of debt and a spiral of commitment which can get out of control. It was hard for her to keep control and it got to the stage where she could not pay any other bills because the amount of money that had to be put into the Centrepay process for her consumer leases took so much of her payment.

Whilst that is a personal example and only one, and there could be reasons in her particular circumstances, I think it highlights the issue that if you have a business model which is based on security of payment through the social welfare system, questions should be asked about the way that operates. In fact, there must be questions asked about the way that operates. This is what this bill is all about.

One of the other things that must be put in place is to ensure that there are options for people who have emergency need. That has always been an issue and it was certainly one of the issues that was raised by the welfare rights centre, who do strong work in the community for people who are linked into our social welfare scheme. The welfare rights organisation did raise issues around giving people options for choice. One of the things that has come through the discussions over the last few months on this issue is the need for a secure way of financing
people who are in need. One of those must be the Good Shepherd Microfinance centre, which our government introduced when we were in government and has been supported throughout.

Good Shepherd Microfinance provides certainty and a guaranteed process for people in the social welfare area for loans of up to $1,200 for particular purposes. They have over 690 outlets across the country. I want to see more of these centres made available. They work very closely with people who are seeking financial support who have limited income and who are often reliant on social welfare but need an option for immediate purposes. The Good Shepherd offer NILS, the No Interest Loan Scheme, which works with individuals to build up their strength and knowledge of the system. They provide the financial literacy which is so necessary for dealing with people's ability to budget and their financial security.

In providing the loan, they work with people to ensure they know about the strictures that surround repayment and how to budget. They have a personal relationship with the process. This is a very strong system. It has been in place now for a number of years. There are fantastic audit reports about how it operates. It is also supported by some of the larger financial institutions in our country which is a good thing and shows these financial institutions understand the need to provide financial security and knowledge for these people.

The bill before us offers one element of discussion about how we handle the overwhelming issues of people in need and people who are disadvantaged. This is a form of protection and it is a necessary intervention, I think, by government. My background is that I worked with the then Department of Social Security. At that time, there was a concern about how vulnerable people can be taken advantage of by businesses in different ways and how they can keep these people ignorant of their financial circumstances and force them into choices over which they have not control. There were terrible stories of businesses and organisations that would even keep people's payments for a period of time rather than allowing them to have ownership of their entitlements—That was in the 1980s and early 1990s, and we do not have that overt operation any longer.

What we have are much more sophisticated financial business processes. We have seen the way the Centrepay system has been able to be used effectively by business to ensure that their business is secure, that their payments are secure, without any regard for the needs or the pressures on the people who are taking out their consumer leases. To me that shows a more sophisticated model of people being able to perceive disadvantage and profit by it, and that is offensive. We should not allow our government systems to be able to be used in such a way.

I respect the fact that the government has looked at the range of information and the lobbying that has gone on over the last few years and there have been changes made. As I have said, the minister put out a process in July which has limited some aspects of consumer leases. What is most worrying is that the day after the minister made that announcement some of the largest businesses who are involved in this process publicly announced it would have little impact on their business. That is not only concerning but also, for me, almost a challenge. If their business will not be impacted by the changes that have already been made, I believe there should be information and acknowledgement that there needs to be more change. Senator Cameron's bill puts that challenge to all of us to acknowledge that this, we
believe, is a misuse of a system that was set up to be supportive. This does not acknowledge that the real need is for the people who are already having financial difficulty and who are already in the social welfare system. Their needs and their concerns should be the priority concern rather than ensuring that businesses are able to make the best use of the Centrepay system.

It is really important that the Senate consider this work. It is important that we work with the organisations that I have already named that have been working in this field for many years, and continue to work together so that we can not only come up with a response to the issue of consumer leases but also take on board the wider concerns we have about people who need to have effective support in our community. We need to have a social welfare system that does provide realistic support. We need to truly consider how we as a community ensure that there is not the kind of vulnerability, or business practice, that causes people to be damaged rather than supported.

Senator LINDGREN (Queensland) (10:47): When the government announced it will restrict the type of consumer leases customers can pay for using Centrelink it was to ensure that low-income consumers are protected. The number of low-cost finance options supported through the service will also increase. The Minister for Human Services, Senator the Hon. Marise Payne, said:

The new criteria for consumer leases will mean those leases that run for an indefinite period, or have a duration of four months or less, will be excluded from Centrepay and only those which are regulated under the National Consumer Credit Protection Act 2009 will be allowed.

Minister Payne said:
These leases provide better protection for vulnerable customers as businesses must comply with the responsible lending obligations overseen by the Australian Securities and Investments Commission …

She went on to say:
A Department of Human Services working group with Treasury and key stakeholders will review Centrepay policy to promote the disclosure of effective interest rates by Centrepay registered providers. Vulnerable families often find themselves in positions where the necessary items they require to manage their households are simply out of reach. To have schoolkids' clothes washed and ready for school on a weekday is perhaps sometimes not in the realm of those who are struggling to make ends meet and who cannot afford to go out and purchase whitegoods for their homes, particularly washing machines and refrigerators. What do you do if your refrigerator does not work or your washing machine is not working? You use a consumer lease and you use Centrepay to pay back that lease. Currently in Queensland, Centrepay—the voluntary bill-paying service—includes businesses that align themselves as companies that will allow social inclusions such as paying for sporting fees.

Excluding all consumer leases from Centrepay would interfere unduly with existing means of urgent access to necessary goods. The recent changes to Centrepay announced by the minister strike a balance between strengthening protections for consumers and not interfering unduly with existing means of facilitating access to necessary goods. We have just heard Senator Cameron say that Centrepay has been an outstanding success. This government seeks to enhance that, not detract from it. It is a simple budget tool that is free, and Centrepay deductions are easy to do. Deductions cannot start without permission—this is a very good point that they make. The government strongly encourages people to carefully read the fine
print and research all available options before signing on the dotted line. This means that these families, with the knowledge that they have increased protection aids, can utilise Centrepay to provide their family environment with the goods they need to make sure their family functions well. Is it not our commitment to the people of Australia to provide them with the opportunity and balance to enable them to have a normal family?

Regulated consumer leases are not being excluded from Centrepay. Welfare recipients are usually unable to access many forms of credit, including credit cards, bank loans and other types of loans that exist out there. Regulating consumer leasing is one of the few ways of obtaining essential household goods quickly. There are alternatives to consumer leases, such as the no-interest loan scheme operated by Good Shepherd Microfinance and other low-interest loans. Centrepay is being expanded to support those options and other microfinance approaches, but until these alternatives are available on a much broader and much larger scale many customers will depend on consumer leases, and the use of Centrepay for regulated consumer leases should remain open.

The department has strengthened its relationship with ASIC, the Australian Competition and Consumer Commission and the Australian Energy Regulator. Agreements with these regulators allow for the exchange of information in relation to entities of mutual interest, including businesses seeking approval to use, or approved to use, Centrepay. These relationships have led to the exposing of businesses that may not have appropriate licensing, are operating illegally, are not complying with consumer law or are operating unscrupulously towards customers. This step clearly shows that the government has at heart the protection of consumers foremost.

The bill that we are debating today suggests that all operators are shonks—and yes, there are some that are. The government and the minister are aware of this and that is why these relationships with vital regulatory bodies have been enhanced. The goal is simple: allow access to necessities to those who currently struggle and protect them along the way. I agree with previous speakers that we should not take Centrepay away. Social inclusion and pride can be as simple as the kids leaving the house each day with clean, ironed school clothes on their backs and a lunch box full of unspoiled food. Yes, there are shonky dealers, but the majority of credit providers uphold good credit ethics. This bill suggests that credit providers work under the guise of, 'The providers will rip you off and you are not smart enough to know it.'

This is continually the line that those opposite take. They make people feel vulnerable and weak and they profess that they are the only political party that can help. Continually pushing people towards welfare is demeaning to those who have a greater outlook on life. That is why this government will educate those on Centrelink who choose to utilise the Centrepay options. The Department of Human Services has also added a link to the Australian Securities Investments Commission Money Manager website to help raise awareness of good financial management. We as a government believe that people can be responsible in the way they manage their finance. We will continue to educate them, allowing a more adept choice of consumer spend from their resources. Not all families that receive Commonwealth support choose to—nor are they misguided in their choice of how to—utilise this support to best protect themselves.
I am advised that, if Senator Cameron's bill were enacted, it would mean that people on income management would not be able to pay for any consumer lease obligations, regulated or unregulated, using their income managed money, regardless of whether they have existing obligations. The purpose of income management is to ensure that the priority needs of welfare recipients are met and that they are protected from the things that would undermine them, their families and their communities. These are things like alcohol and gambling. Income management was not designed to stop people being able to rent a refrigerator to store their food or a washing machine to clean their clothes if renting is the only way they can acquire them or if renting is the way they choose to acquire such things.

The bill as introduced would not actually have the impact on Centrepay that its proponent purports to want. Instead, it would restrict people who are supported by income management, by adding rent-to-buy contracts to the categories of goods and services excluded for income management purposes; not restrict the use of consumer leases under Centrepay. The change to income management arrangements is not supported. Customers may have existing consumer lease obligations when they enter income management and they may need to continue to meet those obligations. The key point is that people on income management are aware of the alternatives. Departmental officers are providing and will continue to provide such advice to them. The government will continue to support and educate people who enter such agreements and, most importantly, the government will continue to work with stakeholders to weed out dishonest sharks that prey on the weak.

Senator CAROL BROWN (Tasmania) (10:56): I rise to speak on the Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill. I would like to start by congratulating Senator Cameron for bringing this bill forward and for the work that he has done in formulating this bill and raising awareness of what is happening with people on very limited incomes who use Centrepay. This bill seeks to exclude consumer leases—or what are commonly called rent-to-buy or rent-try-buy agreements—from Centrelink's bill paying service, Centrepay. The intention of this bill is not to limit the choices of Centrelink clients; the purpose of this bill is to stop companies pushing Centrelink customers—many of whom may experience financial difficulties or be particularly vulnerable—into agreements that financially exploit them.

Centrepay was introduced in 1998 to help Centrelink clients budget by paying rent and utility bills through deductions from their fortnightly payments. The central purpose of Centrepay is to act as a budgeting and financial capability tool. Centrepay is undeniably a very useful service which helps people prioritise and meet certain critical expenses. However, the impact of allowing consumer lease providers to access Centrepay is that they are able to be paid as a priority without Centrelink clients being able to allocate money for essentials like food and transport. In fact, while utility bills still account for around a third of Centrepay deductions, household goods leases now account for 14 per cent of all deductions, and this number is only growing.

People turn to these consumer leases because they cannot afford to buy household goods outright or cannot access financing and credit. But, ultimately, these consumer leases are one of the most expensive ways for people to buy household goods, with interest rates far beyond that are usually charged by credit cards and in-store credit arrangements. In Senator
Cameron's contribution to this bill he articulated very well for senators the actual rates that are being charged and the outrageous profits that are being made.

A Consumer Action Law Centre report, *The hidden cost of rent to own*, found consumer leases cost at least twice the normal retail price of most goods—usually three times and often more. I would encourage anyone in this place who is not aware of this issue to contact the Consumer Action Law Centre to hear about the people they have assisted—for example, the grandmother who paid nearly $3,000 over several years for a vacuum cleaner, or the single mother who signed up for a consumer lease and was then inundated with offers until over $120 was being deducted from her income support through Centrepay, leaving her unable to pay other bills.

The common element to all the stories is that people simply do not know that there are other options. People are not choosing this—they do not know that they have a choice, or they are being forced into using Centrepay. Many of the companies are taking advantage of the fact that there is a view that there are limited options for people on low incomes who are wanting to purchase household items. While financing options for low-income earners are undeniably limited, they are not limited to these types of agreements which carry exorbitant interest. There are other options out there, and I would highlight the great work of some organisations—in her contribution, Senator Moore mentioned Good Shepherd and microfinancing providers like the NILS network of Tasmania, in my own home state.

The Good Shepherd microfinance, through its no-interest loan scheme, offers no-interest loans of up to $1,800 for the purchase of essential household goods. The NILS network operates across 609 locations through 257 community based organisations across the country. In comparing the two options, Mr Adam Mooney from Good Shepherd, said:

If you want a fridge that costs $650, for Radio Rentals their average contract will see you pay three times that, around $1,800.

That is from $650 to $1,800 dollars. He continued:

For us, you take out a no interest loan from one of our 600 locations and you pay $650 over 18 months, rather than $1,800 over two, three years. So there are alternatives out there.

There are alternatives out there, and these are the options that should be promoted and supported for people to use. Consumer advocates such as the Consumer Action Law Centre and financial counsellors, including their peak organisation, Financial Counselling Australia, have regularly reported that significant numbers of people are coming to them in financial stress as a result of entering into consumer leases using Centrepay.

There is an ever-increasing number of financial service providers in the market looking to take advantage of and to exploit people who have low incomes and are under some financial pressure. Consumer leases should be excluded from Centrepay for the same reason that payday lenders are. On this point, CEO of the Consumer Action Law Centre, Gerard Brody, has said:

It makes no sense that businesses charging three to five times the retail price of household goods have access to Centrepay. We don't let high cost credit products like payday loans deduct from Centrepay. It's time to end the free ride for consumer lease providers.

As far back as 2007, the Micah Law Centre has noted that consumer leases are not genuine leases, but 'loans in lease clothing'. In a 2013 paper published in the *Australian Business Law*
Review, Melbourne University law school academics found that inconsistency in the regulation of consumer credit and consumer leasing is creating loopholes through which consumer credit contracts can be passed off as consumer leases. The government should not aid or be seen to support arrangements that make a profit from exploiting people in our community who are financially vulnerable.

Some of the companies involved in providing consumer leases have been found to be engaged in a number of questionable practices. Earlier this year Make It Mine, a consumer leasing business that specialises in white goods, computers and other electronics, was found to have breached consumer credit laws by the Federal Court. This is an organisation that was making use of Centrepay. The court found that Make It Mine failed to inquire about whether the rental rates were affordable for more than 20,000 customers between April 2011 and March 2013. This is a pretty basic requirement under responsible lending obligations, but Make It Mine customers only had to sign the leasing contract for the deductions to begin. These customers were not informed about the details of the agreement, they were not told the actual value of the goods that they were leasing and they were not even told how much interest they would be paying. Centrelink recipients make up a significant portion of the customers of organisations like Make It Mine, and a vast number of them use Centrepay to make the payments.

In March of this year an investor report found that another consumer leasing company, Radio Rentals, generates about half of its nearly $200 million revenue through Centrepay deductions. Mr Brody from the Consumer Action Law Centre highlighted how staggering this figure is, and said:

But to see … such a high proportion of their revenue being paid from people who are Centrelink recipients, they are people on welfare payments and this business is sustaining itself on that, is astounding.

Radio Rentals advertisements specifically target people on Centrelink payments. I am sure that many of us here would have seen the Radio Rentals ad where a customer proclaims: 'I'm on benefits and I have got a fair go.' But this is not a fair go—this is a trap. These companies are essentially high-interest lenders for the purchase of consumer goods. Allowing them to access Centrepay deductions gives the mistaken belief that they are supported by the government, allows them to target people who may be financially vulnerable and gives them priority over other essentials that people need to purchase, like food and transport.

I acknowledge here today the steps taken by Senator Payne to address this issue. However, on this side we feel that these fall well short of what is needed and will have negligible results. In May of this year the minister announced that the government would be restricting the type of consumer leases customers can pay for using Centrepay, to ‘increase protection for vulnerable Centrelink customers.’ This is a step in the right direction, but it will only achieve small protection for vulnerable Australians from the unfair costs and questionable behaviour of consumer leasing. In response to the minister's announcement, Mr Brody from the Consumer Action Law Centre said:

Access to Centrepay simply dulls the incentive for consumer lease providers to lend responsibly— it gives them priority access to people's social security income.

Today's announcement captures the small unregulated sections of the market, but it's business as usual for the providers who cause the majority of the problems.
It simply is not enough. I also welcome the government's review of the credit laws which cover both payday lenders and consumer lease companies. However, this review is not due to report back until the end of 2015. This is simply too long to wait when we have the opportunity to take action on this specific issue now.

If the minister is serious about increasing protection for vulnerable clients, then all consumer leases need to be excluded from Centerpay. Those who oppose this bill might say that this is really a decision of the person entering into the agreement. That it is really the decision of the person choosing to use Centerpay but as I said earlier, that simply is not the evidence we have. This is not what is happening. People are not being given the opportunity to make informed decisions.

This bill will not stop people freely walking into a consumer leasing company and signing up to rental contracts they may not be able to afford. However, it would stop the government, through Centrepay, facilitating the growth of a business that is now clearly preying on financially vulnerable people and creating poverty traps. We should not allow government processes to assist businesses which seek to make such outrageous profits. I urge the Senate to support this bill.

Senator REYNOLDS (Western Australia) (11:09): I rise to support the Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill 2015. The government does not support this private members bill. We all acknowledge on this side and, as those opposite have said in the debate this morning, the minister is absolutely committed to this issue. In fact, the government is already addressing this issue but unlike many of those opposite who have a history of putting forward bills with extremely catchy titles which, if ordinary people were to look at them, would think, 'That makes a lot of sense,' the bill fails to deliver what the title says.

I can well remember a few months ago those opposite supporting a bill called Defence Amendment (Fair Pay for Members of the ADF) Bill 2015, again another catchy title but, had the bill been implemented, it would have decreased pay and allowances and conditions of service for all defence personnel. Upon having a look at the impacts of this bill, as proposed by Senator Cameron, I believe it is in the exactly the same category. It sounds good, but it does not achieve what the title says it is supposed to achieve.

It is helpful first to look at what this bill is designed to do. What is Centrepay? Centrepay is a valuable bill-paying service that helps many Centrelink customers manage their ongoing expenses. Centrepay is voluntary and free for the customer. Deductions are made to elected businesses before the customer receives their welfare payment. It is a very important service because it reduces potential bank fees from overdrawn accounts and also repossessions of critically important household goods. Businesses pay a fee for each customer deduction because generally they appreciate how it helps customers to meet their obligations.

When a consumer seeks finance and they are excluded from mainstream options, such as credit cards or bank loans, which many of us are able to take advantage of, they can instead take out a small amount credit loan or a consumer lease. Small amount credit loans are loans of up to $2,000 where the contract term is between 16 days and one year. Loans with terms of fewer than 16 days are prohibited. These small loans are often used to finance emergency expenditure, such as an unexpected car repair bill—something critically important for people to get their kids to school and to get themselves to work. A consumer lease enables a
customer to lease an item—for example, a fridge or a washing machine—over a specified period, usually between two and four years, with ownership and, therefore, responsibility for maintenance, resting with the provider of the lease. Customers make regular rental payments—usually monthly—until the term of the lease finishes. As ownership remains with the provider, the consumer does not own the goods until the end of the lease. As The National Welfare Rights Network said in their submission to the Independent Review of Centrepay—and this is not the government saying this:

People can opt into Centrepay and use it as a tool to help arrange their personal finances. People benefit from its convenience and security and the fact that it does not charge people for a deduction, unlike banks which impose fees for the establishment of a regular deduction to a third party.

The National Welfare Rights Network have acknowledged that this is a critically important service for some of the most disadvantaged in the Australian community. Centrepay allows customers to manage their finances by paying bills off in affordable instalments. In the alternative, a customer may be compelled to either obtain a cash advance from Centrelink or use a payday lender in order to pay the quarterly electricity bill. A welfare rights caseworker with over 10 years of experience noted in a submission:

For many people doing it tough and who regularly have budgets in the red, Centrepay is a real godsend. It's better than sliced bread—it is one of the best things that Centrelink has ever done. People really love it and it helps people keep on track financially when so many other things are going on their lives.

Remember, that is a quote from a welfare caseworker who has worked in this field for over 10 years with the people who benefit most from this system.

When we look at the merits of this bill it is important to note that Centrepay is not a legislated program. The Department of Human Services is the responsible department. I had a look at the bill and the issues that sit behind this. I have categorised why this bill is so bad and, quite frankly, why it is completely unnecessary. Apart from the fact that it is absolutely unnecessary, I found at least four major reasons why this is a bad bill. I am sure there are more, but I will now go through the four main areas I identified.

Firstly, it is a bad bill because excluding all consumer leases from Centrepay would interfere unduly with existing means of urgent access to necessary goods, such as fridges, washing machines and other day-to-day appliances needed to support a family, for those who need it the most. The recent changes to Centrepay announced by the Minister for Human Services strike a balance between strengthening protections for customers and not interfering unduly with existing means of facilitating access to the necessary goods.

Regulated consumer leases are not being excluded from Centrepay. Welfare recipients are usually unable to access most forms of credit, such as credit cards. Regulated consumer leasing is one of the few ways for those most disadvantaged in our community to obtain essential household goods. There are alternatives to consumer leases—we all know this—such as the no-interest loans scheme operated by Good Shepherd Microfinance and low-interest loans.

The government has already taken action to ensure that Centrepay can be expanded to support these options and other microfinance approaches that are responsible. Until these alternatives are available on a much broader and larger scale within the community, many customers—again, those most disadvantaged in our community—will still depend on consumer leases. The use of Centrepay for regulated consumer leases must, therefore, remain
open to not disadvantage those in our society who most need it. Not every Centrelink customer is able to access a local no-interest loans scheme provider. For example, as we heard from my colleague from Queensland, in Normanton in Far North Queensland there is no local no-interest loans scheme provider. It is simply not available.

There are also differences of scale. In 2013-14 the no-interest loans scheme approved 24,378 loans, with a total value of $22 million. Compare that with the use of Centrepay for household goods. In just six months, from July to December last year, 136,000 low-income customers had a total deduction value of over $148 million. Not all those deductions were for consumer leases but the comparative volume clearly indicates to anyone looking at the statistics that there is a significant demand for basic, everyday household goods. That is the first reason why this is a bad bill.

The second reason this bill is unnecessary is that, as the last two speakers, Senator Moore and Senator Carol Brown, have acknowledged, Centrepay is already being improved. The government is already taking a wide range of actions. In fact, major changes to Centrepay were announced in May this year. On a quick review I have found at least 10 comprehensive changes that the government has already implemented. The first thing it did was exclude consumer leases that are not regulated by the National Consumer Credit Protection Act 2009. The second thing the minister did was exclude funeral insurance, although Centrepay is still available for scheduled repayments of funeral expenses and prepaid funeral plans. The third thing the minister did was advise in writing customers who have been using Centrepay for household goods or funeral insurance of these changes. They have also been provided additional information on the alternatives to consumer leases that they can look at. These three changes alone build on at least six other changes following the independent review of Centrepay.

The fourth major change that has occurred already is that customer complaint mechanisms have been improved significantly to ensure prompt and relevant responses by the department. The fifth measure was a full review of the Centrepay policy contract framework and assurance and compliance frameworks. Again this is critical to ensure anybody abusing the system and taking advantage of the most vulnerable in our society are identified and stopped. Additional resources have also been provided for assurance reviews of participating businesses.

What is the sixth measure the government has already implemented? The Department of Human Services has reviewed and built on the information provided to customers about their Centrepay deductions by developing a customer deduction statement that assists customers to better understand and manage their deductions. It is not a paternalistic approach like that proposed by those opposite but another measure to empower and educate clients on how to best manage their own circumstances. The seventh action the government has already taken is the Department of Human Services has added a link to the ASIC money manager on its website to help raise awareness of good financial management. Again this is another practical measure to educate and further empower individuals.

The eighth measure I found was that the department had also strengthened its relationship with ASIC, the ACCC and the Australian Energy Regulator. Agreements with these regulators allow for the exchange of information in relation to entities of mutual interest, including businesses seeking approval to use, or approved to use, Centrepay. Again we are
doing much more due diligence up-front to make it less likely that a rogue operator will be able to join the scheme and exploit some of Australia's most vulnerable. These relationships have already led to the exposing of businesses that may not have the appropriate licensing, are operating illegally and are not complying with Australian consumer law.

So, there is more. The ninth measure the government is already taking that I have identified is that the Department of Human Services has established a working group, this time with Treasury, which will consult on options to use Centrepay policy settings to improve disclosure of effective interest rates by Centrepay approved businesses when offering consumer leases. Clearly, with the issues that have been raised and discussed in this chamber today, that alone will make a very significant difference in ensuring that those who go into these arrangements are not exploited with outrageous interest rates.

The 10th change that the government has implemented was announced by the Assistant Treasurer, the Hon. Josh Frydenberg, on 7 August 2015 that there will also be a review of the small amount credit contract laws. He also announced that this review will consider whether those laws should be extended to apply to regulated consumer leases. Any changes resulting from this review would potentially apply to consumer leases more generally, not only consumer leases under Centrepay but also under income management arrangements. So that is the second reason. Those are the 10 changes this government has already implemented and that is only the second reason why this is a bad bill.

Thirdly, I believe this is a bad and unnecessary bill because the bill as introduced and as discussed by those opposite would not impact on Centrepay, but only on people supported by income management. Again, the bill itself will not realise the intent for which it is being put forward. This is because the Centrepay scheme is not established by the social security law. However, the legislation does allow for Centrepay deductions through section 55 of the Social Security (Administration) Act 1999, which addresses how social security payments are paid into bank accounts.

Senator Cameron's bill amends two sections in the part of the Social Security (Administration) Act concerned with income management. It would prevent expenditure under income management on certain consumer leases, but would not affect payment of deductions under Centrepay. I will say that again because I think that is one of the most critically important points here. Senator Cameron's bill is concerned with income management, and, if you have a look at the wording of the bill, it would actually prevent expenditure under income management on certain consumer leases but would not affect payment of deductions under Centrepay. So that is the third reason why this is a completely unnecessary bill.

Finally, I think that it is a bad bill because excluding rent-to-buy contracts from income management is not supported by the bill. It is clear that if Senator Cameron's bill was enacted, it would mean that people on income management would not be able to pay for any consumer lease obligations using their income managed money regardless of whether or not they have existing obligations. Think about that. Think about the impact of that on people currently on income management plans. It sounds like a bit of bureaucratic speak and it is, but the practical implications of those currently using income management money would have a significant and quite devastating impact on those people. That is because the purpose of income management is to ensure that the priority needs of welfare recipients are met and that they are
protected from the things that would undermine them, their families and their communities—alcohol and gambling and other social issues.

Income management was not designed to stop people from getting access to a refrigerator to store food to feed their families, or a washing machine to clean their clothes. If they need to rent these it is because it is the only way they can afford acquire them—or because it is the way they choose to acquire them. The important point, I believe, is that they have access to the information which would help inform their choice. This is why the department's customer service officers will only set up these deductions following a discussion with the client about possible options. Alternatives include Centrelink advance payments, no- and low-interest loans from community organisations, lay-by or savings accounts for the goods. Customers are also referred to the ASIC-developed 'rent versus buy (consumer lease) calculator' on the department's website, to assist them themselves to understand the true cost of a possible lease arrangement. The addition of consumer leases to the list of excluded goods for income management is not supported, as many people would have existing obligations of this type at the time they enter the program. For many people—again, for many of our most disadvantaged in Australian society—these types of arrangements continue to be a practicable, and sometimes their only, option for obtaining basic household goods.

The changes and the comprehensive suite of measures the government has implemented are not only sensible; they are simply good government. Welfare recipients are usually not able to access most forms of credit such as credit cards, consumer leasing and other arrangements that many of us are able to access in society. There are alternatives to consumer leases, and I am very pleased to see that Centrepay will be expanded to support low-interest loans and no-interest loans. In light of the overwhelming evidence that, yes, there is a problem, this government has not just talked about it—has not just put forward empty bills that will be counterproductive—but has actually taken a comprehensive approach to this and implemented at least 10 very strong recommendations. Instead of a paternalistic approach to protecting people from themselves, our solutions are all about educating and empowering consumers—not protecting them from themselves. We acknowledge the potential abuse, but that is why we have taken the measures that we are taking today. It is for all of these reasons that I cannot support this unnecessary and counterproductive bill.

Senator GALLAGHER (Australian Capital Territory) (11:29): I welcome the opportunity to speak this morning in support of Senator Doug Cameron's bill, the Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill 2015. It is an important bill to provide further protections to those using Centrepay in a rapidly evolving environment of increased choice for the purchase and leasing of products, which we are seeing across the community.

The purpose of the Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill 2015 is to amend subsection 123TI(1) of the Social Security (Administration) Act 1999 to provide that consumer leases are excluded goods for the purposes of part 3B of the act. The bill is needed to remove the potential for Centrelink clients and participants in the income management regime, under part 3B of the act, to suffer financial harm as a result of entering into one or more consumer leases for household goods, which are currently available for people using Centrepay and those participating in income management.
This bill underwent consultation earlier this year with stakeholders and representatives from a number of community organisations with excellent reputations in providing protections for consumers, particularly protection for vulnerable consumers from particular products. These organisations are, for example, the Consumer Action Law Centre, the Financial Rights Legal Centre, the Redfern Legal Centre, the St Vincent de Paul Society National Council, ACOS, Financial Counselling Australia, UnitingCare Australia, Good Shepherd Microfinance, National Welfare Rights Network and the CPSU. When you see the names of those organisations and the particular expertise that they bring to debates such as this, these are the organisations that are providing the national advocacy on a whole range of supports for those particularly vulnerable Australians who are experiencing financial hardship at the moment. They are also those who work face-to-face every day, day in and day out, with people who are suffering severe financial hardship, either through personal circumstance or indeed through getting themselves involved in contracts or leasing arrangements without fully understanding the ongoing cost for those arrangements. I do not see that, in terms of this bill, being paternalistic in any way. We have a number of laws which are there to provide protections for people, particularly when you see a problem emerging. I think the evidence will show, very clearly, that the prevalence of these types of products being available to people and, in a sense, promoted to people is growing each year.

When you look at information about Centrepay and search what Centrepay is, you can see a very simple outline of what Centrepay does. It is an excellent service and it has done what it was intended to do which was to provide a free service that allows people to allocate payments to certain services, utilities and bills for things that they are engaged in but to pay them over time in an affordable way. When you go to what you can use it for, the instructions are for rent, electricity, gas, water, telecommunications, education fees and expenses, child care, home care services, medical expenses, household goods and services and no-interest loan repayments. Then it goes on to say the bills you cannot pay with Centrepay and they include: credit-card payments and fees; payments to cash lenders, payday lenders, porn brokers or debt collectors; instalments for hampers; vehicle leasing; payments for taxi services; income protection, funeral or life insurance; and unregulated rent or lease arrangements of household goods where the agreement is less than four months or does not have an end date. So there are a range of exemptions and those exemptions exist for good reasons. Senator Cameron's bill simply seeks to add in to that list of exemptions another criteria.

The support is there from stakeholders. The Consumer Action Law Centre summed it up very nicely and said: 'Consumer lease providers should not have access to Centrepay. Centrepay was intended as a budgeting tool to help welfare recipients but got hijacked as a selling point for high-cost products. Rent-try-buy products mean that the poor pay more. These providers should be given priority over the basics like food, transport, rent and utility bills.' The Consumer Action Law Centre welcomes Senator Cameron's bill and would like to see the government take urgent action to keep Centrepay focused to its original purpose. Maintaining the integrity of Centrepay should be a bipartisan issue. The Indigenous Consumer Assistance Network said: 'There is obviously a market need for essential house items in Australia's most disadvantaged homes. Unfortunately high-cost consumer leases just add to the disadvantage and poverty. Government, industry and the community sector need to further develop ethical solutions like no-interest loan schemes to ensure Australia's most
disadvantaged have a bed to sleep on, a refrigerator to store their food and a washing machine to clean their clothes.' Both of those comments sum up exactly the intent of Senator Cameron's bill.

It is clear that Labor will not stand by while low-income and vulnerable Australians are able to be exploited through the current arrangements. I think there is acknowledgement that the existing law, as it stands, should protect the poor and the vulnerable and not leave them open to attack from businesses, credit-lending agencies and leasing agencies. The original intention of Centrepay as a budgeting tool should be maintained. The evidence is that for those clients who use it, it is a very positive service used by over 600,000 Centrelink clients on whose behalf nearly two million deductions are made each month. The annual value of all these deductions is nearly $2 billion.

We also know that, of those clients who use Centrepay, 30 per cent are disability support pensioners; a further 20 per cent are Newstart recipients; and 16 per cent are in receipt of parenting payments. I think the data coming out of Centrepay shows that utility bills have been around a third of all Centrepay deductions. Household goods leases now account for 14 per cent of all deductions, and their share of Centrepay deductions is growing. That is the issue that this bill seeks to progress.

In some of the comments that were made by previous speakers, I think there was a concern about what it would mean for those on existing arrangements. My advice is that the aim of the bill is that Centrepay be prospectively closed to consumer leasing companies for the same reason that other entities such as payday lenders are already excluded, so I think some of the concerns about what it would mean for existing clients on those arrangements could be averted that way.

Protecting vulnerable Australians from getting into arrangements which in the long term cause severe financial hardship and result in poor people often spending two, three, four or five times what it actually costs to lease this equipment is something that the Labor Party have always been strong advocates for. I know that in Canberra we did a whole piece of work around understanding this issue and providing protections to people through targeted assistance to make sure that for people living on low incomes, who are often recipients of Centrelink payments, if an unexpected expense arose, there were ways and means of acquiring funds. No-interest loans are a more common way now of addressing that expense, rather than having no options available and people feeling that they have to enter into these leasing arrangements. Sure, on the surface they look affordable, but over the long term and in the fine print they actually deliver a much worse financial outcome for vulnerable Australians.

This is partly about providing an exemption for these arrangements, but I think we also need to acknowledge and continue the work that is being done across the community sector to provide alternatives for access to cash and credit when it is needed by people who are on fixed and low incomes. There are very good products available, many of them being led by organisations like Good Shepherd Microfinance, but even some of the banks now will offer particular products for people in financially difficult positions. I speak from very close experience of people getting into long-term rental arrangements for products, of how difficult it is to extricate yourself from them and of how much it costs poor people—people who do not actually have the funds to spend—just to enjoy, say, in this example, the household goods that we all rely on to live. Those arrangements are extremely difficult to get out of and
extremely costly. People make a lot of money out of those arrangements, and it is not poor people who do well out of them; it is the leasing companies themselves that do very well. The profits that come from these arrangements are substantial.

This bill seeks to ensure that there is not tacit approval by the government of these arrangements. That could be how it is read if you are a person trying to research what you can use Centrepay for. When you look at the list and see that these leasing arrangements for household goods et cetera are allowable under Centrepay and then there is a whole list of things that are not, it does look as if the government has looked at these and believes that they are okay and that they would deliver a good outcome for Centrelink clients. The reality from all the evidence is that they are not. Their being allowed to be included in these arrangements I think sends the wrong message for people about what arrangements they are getting into.

So I am very happy to support Doug Cameron’s bill today. I think it makes a lot of sense. For those who are on existing arrangements, those would continue, but for those who are considering it now or in the future, as these products evolve and are encouraged, it would not be seen as an appropriate use of the Centrepay function. I do accept that the government have made a number of changes. I think the fact that they are making a number of changes indicates that there are issues in this space and that they are seeking to address them. But I really think that, in the interests of Centrelink clients, this is something that both the government and the opposition could agree on together. The government have acknowledged that there are issues. This is something that is supported by the stakeholders. There is a lot of work that has been done on it. It is a sensible reform and one which should be supported by the Senate today.

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (11:43): I too rise to speak on the Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill 2015. Hopefully my voice will last long enough to make my contribution, though I apologise if I have to drink a lot of water on the way through! Senator Cameron has introduced this bill, and in his explanatory memorandum he has indicated the reasoning behind his decision to do so. He has explained that the purpose of this particular bill is to provide that consumer leases are ‘excluded goods’ for the purposes of part 3B of the Social Security (Administration) Act. He has gone further. He says that he believes that there is a need to remove the potential for harm to Centrelink clients—and we underline Centrelink clients—and participants in the income management regime, who in his opinion have a potential to suffer financial harm as a result of entering into a consumer lease for household goods. Consumer leases should no longer be eligible to be applied through the Centrepay system.

I think the first thing that we need to realise is the fact that the Centrepay option provided to people is voluntary. They can choose whether they wish to avail themselves of this particular service. Centrepay has been around, I believe, for 25-plus years. It was put in place as a budgeting and financial capability tool to assist people who are on Centrelink to be able to better manage the payment of the accounts and bills that they choose themselves to enter into. We need to be very clear that there is a difference between a mandatory income-management scheme and what is being offered here by Centrepay. As I said, it was established back in about 1988-89, and I understand that to date more than 600,000 people have availed themselves of this service. But that 600,000 people have made a decision to use
this voluntarily and have made a decision as to which goods and services they wish to have paid through this service.

Unfortunately this bill singles out one group of people in our community and makes the decision that they are not able to access the capacity to, over a period of time, purchase goods such as a washing machine, a refrigerator or other such household goods that all of us here take for granted that we are able to have. If they are excluded or precluded from that or even have their capacity to access those sorts of goods diminished, then are we not differentiating between somebody who is on a Centrelink payment and somebody who is not? I think it is very dangerous to treat somebody on Centrelink differently from the way we treat somebody else in the wider community—in a sense lessening our belief in their capacity to make sensible decisions on their own behalf.

Obviously we do not like a situation where we have people preying on those in our community that are less fortunate than others. We do not like people preying on anybody in our community, no matter who they are. But to create a situation where somebody, just because they are on a Centrelink payment, has a greater level of oversight of what they choose to spend their money on, no matter where they get it from, is something that is potentially fraught with danger. In a sense, what we actually inadvertently do is say to those people, 'Okay, we're going to make your decisions for you, so you don't have to do it.' We weaken their understanding of their responsibility to their community to be responsible for themselves and their expenditure.

I would like to think that we could come up with some methods and means by which we can actually increase people's understanding of their financial arrangements and make them better managers of their household budgets. But taking away some of their power to make decisions about themselves and how they spend their money is absolutely fraught with danger. The fact that somebody is on social security or a welfare payment does not preclude them from being able to make decisions for themselves.

If we really want to look at the underlying issue that Senator Cameron is trying to establish—and that is to protect those people who are on lower incomes and have probably got less capacity to absorb an unforeseen additional expense—then we should be looking at protecting everybody in society and making sure that our consumer leasing laws are such that nobody can be scammed in the way that Senator Cameron is suggesting is occurring to the people who are using Centrepay.

I do not think anyone would doubt the benevolent intent of Senator Cameron's bill; I am just not sure that the outcome would be in the best interests of the people he is seeking to look after. On the back of that, Centrepay has been around for 25-plus years, and there is no harm in looking at whether it is actually operating in the way in which it was originally intended to operate. I do not think that anyone in this chamber—on either side or on the cross benches—would say that to review something like this on a regular basis is not a good idea. We find with many pieces of legislation that the original intent is often a very good one but, unfortunately, sometimes in the process of it evolving there are unintended consequences. We are quite happy to look at that. As Senator Reynolds, Senator Lindgren and even those on the other side have acknowledged in their contributions, the actions of this government in seeking to make some changes to Centrepay—to tighten up some areas where things might not have been working quite as well as they might have been and to streamline it so that it provides a
bette service to the people for which it was designed—are good. We certainly have got an acknowledgement of that.

Centrepay has been particularly well received by the wider community, given how many people have chosen to use it. But some interesting findings came out of a 2012 income management review that was undertaken by Luke Buckmaster, Carol Ey and Michael Klaphor. Included in the findings that came out of the review of the income management scheme as it was operating in Australia was a review of Centrepay. One of the things that was very interesting in the review was that there did not appear to be, to that date, any other programs in developed countries that operate in a reasonably similar way. Some countries do have provisions that allow them to do the same sorts of things as the Centrepay arrangements, but generally they are not available for food, which is quite interesting.

The closest that I could come to finding a system anywhere else in the world that was the same as Centrepay was actually in the United States food program, where welfare recipients and other low-income groups receive vouchers or electronic cards along the lines of the BasicsCard which could be used for the purchase of particular products and specific food items. It was very interesting to see that, despite the obvious and apparent success of this particular program in Australia, it was unique to Australia and nowhere else in the world had actually sought to replicate it.

Whilst the underlying sentiment of Senator Cameron's bill is obviously very noble, there are a number of reasons that I, like the rest of my colleagues on this side of the chamber, will not be supporting the Social Security (Administration) Amendment (Consumer Lease Exclusion) Bill 2015. In summary, the reasons that I cannot support the bill include, firstly, that I believe it would unduly influence and interfere with people's ability to get access to what we would consider in our everyday lives as necessary goods. I do not believe that it should be the role of government to tell somebody that, if they cannot afford to buy a refrigerator or a washing machine because they are unable to fork out the full sum of the purchase price on the day that they purchase it, they should be excluded from being able to get access to such a good simply because the government will not allow them to use Centrepay, which is often the only source of credit that they are able to get. We certainly cannot support that, because it is discriminatory to those people who are on Centrelink payments.

Secondly, as I said, the government is already working on a suite of changes to Centrepay—many have already been implemented—to make sure that we end up with an improved system. A number of major changes were announced in May this year, and I think that we need to give the changes that were made in May the opportunity to take effect. Thirdly, I do not think the bill, as introduced, will impact on Centrepay but it will impact on the people who are supported by income management. If you are going to introduce a bill you need to be very careful that it actually delivers the outcome that you are seeking. I think if you really read the detail of the bill, you will realise that it will possibly not deliver the outcome—that is, to get a better outcome for people on Centrelink—that it is purporting to deliver. 

The DEPUTY PRESIDENT: Order! The time allotted for this debate has now expired.
NOTICES

Presentation

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

Senator Williams to move:
That the Private Health Insurance (Registration) Amendment Rules 2015 (No. 1), made under item 7 of the table in section 333-20 of the Private Health Insurance Act 2007, be disallowed.
Fifteen sitting days remain, including today, to resolve the motion or the instrument will be deemed to have been disallowed.

Senator Williams to move:
That the Jervis Bay Territory Emergency Management Ordinance 2015, Ordinance No. 1 of 2015 made under the Jervis Bay Territory Acceptance Act 1915, be disallowed.
Fifteen sitting days remain, including today, to resolve the motion or the instrument will be deemed to have been disallowed.

Senator Siewert to move:
That the Senate—
(a) notes that legislation amending the Western Australian Constitution to recognise Aboriginal people as the first peoples of Western Australia recently passed in the Lower House of the Western Australian State Parliament; and
(b) calls on the Federal Government to keep up the momentum in moving towards substantive Constitutional Recognition for Aboriginal and Torres Strait peoples in Australia’s Federal Constitution.

Senator Fifield to move:
That consideration of the business before the Senate on Wednesday, 9 September 2015, be interrupted at approximately 5 pm, but not so as to interrupt a senator speaking, to enable Senator McKim to make his first speech without any question before the chair.

Senator Urquhart and Senator Brown to move:
That the following matter be referred to the Environment and Communications References Committee for inquiry and report by 30 April 2016:
The environmental, social and economic impacts of large-capacity fishing vessels commonly known as ‘supertrawlers’ operating in Australia’s marine jurisdiction, with particular reference to:
(a) the effect of large fishing vessels on the marine ecosystem, including:
   (i) impacts on fish stocks and the marine food chain, and
   (ii) bycatch and interactions with protected marine species;
(b) current research and scientific knowledge;
(c) social and economic impacts, including effects on other commercial fishing activities and recreational fishing;
(d) the effectiveness of the current regulatory framework and compliance arrangements; and
(e) any other related matters.
Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (11:55): I present the 10th report of 2015 of the Selection of Bills Committee. I seek leave to have the report incorporated in Hansard.

Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE
REPORT NO. 10 of 2015
1. The committee met in private session on Wednesday, 19 August 2015 at 7.16 pm.
2. The committee resolved to recommend That:

   (a) the provisions of the Asian Infrastructure Investment Bank Bill 2015 be referred immediately to the Economics Legislation Committee for inquiry and report by 15 September 2015 (see appendix 1 for a statement of reasons for referral);
   (b) the Motor Vehicle Standards (Cheaper Transport) Bill 2014 be referred immediately to the Environment and Communications Legislation Committee for inquiry and report by 28 October 2015 (see appendix 2 for a statement of reasons for referral);
   (c) contingent upon their introduction in the House of Representatives, the provisions of the Foreign Acquisitions and Takeovers Legislation Amendment Bill 2015, the Foreign Acquisitions and Takeovers Fees Imposition Bill 2015 and the Register of Foreign Ownership of Agricultural Land Bill 2015 be referred immediately to the Economics Legislation Committee for inquiry and report by 12 October 2015 (see appendix 3 for a statement of reasons for referral);
   (d) the provisions of the Social Security Legislation Amendment (Debit Card Trial) Bill 2015 be referred immediately to the Community Affairs Legislation Committee for inquiry and report by 12 October 2015 (see appendices 4, 5 and 6 for a statement of reasons for referral); and
   (e) the Parliamentary Expenses Amendment (Transparency and Accountability) Bill 2015 be referred immediately to the Finance and Public Administration Legislation Committee for inquiry and report by the 1st sitting week February 2016 (see appendix 7 for a statement of reasons for referral).
3. The committee resolved to recommend-That the following bills not be referred to committees:
   - Broadcasting Legislation Amendment (Primary Television Broadcasting Service) Bill 2015
   - Civil Law and Justice (Omnibus Amendments) Bill 2015.

The committee recommends accordingly.
4. The committee considered the following bill but was unable to reach agreement:
   - Environment Protection and Biodiversity Conservation Amendment (Standing) Bill 2015.
5. The committee deferred consideration of the following bills to its next meeting:
   - Aged Care Amendment (Independent Complaints Arrangements) Bill 2015
   - Australian Centre for Social Cohesion Bill 2015
   - Banking Laws Amendment (Unclaimed Money) Bill 2015
   - Competition and Consumer Amendment (Australian Country of Origin Food Labelling) Bill 2015
   - Corporations Amendment (Publish What You Pay) Bill 2014
• Maritime Transport and Offshore Facilities Security Amendment (Inter-State Voyages) Bill 2015
• Marriage Equality Plebiscite Bill 2015
• Social Security and Other Legislation Amendment (Caring for Single Parents) Bill 2014
• Tax and Superannuation Laws Amendment (Better Targeting the Income Tax Transparency Laws) Bill 2015
• Tax and Superannuation Laws Amendment (2015 Measures No. 4) Bill 2015.

David Bushby
Chair
20 August 2015

APPENDIX 1
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Asian Infrastructure Investment Bank Bill 2015
Reasons for referral/principal issues for consideration:
The joining of the Asian Infrastructure Investment Bank is an important issue of national significance and therefore makes the Bill worthy of a short inquiry.
Possible submissions or evidence from:
Foreign policy think tanks.
Committee to which bill is to be referred:
Senate Economics Legislation Committee
Possible hearing date(s):
Possible reporting date:
15 September 2015

(signed)
Senator Anne McEwen

APPENDIX 2
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Motor Vehicle Standards (Cheaper Transport) Bill 2014
Reasons for referral/principal issues for consideration:
• Urgent need to reduce carbon pollution
• Making Australia's transport fleet more efficient
• Long term cost savings.
Possible submissions or evidence from:
• Economists
• The Climate Change Authority
• Climate Works
• Representatives of EU nations regarding EU standards

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

Possible hearing date(s):
  29 September 2015
  8 October 2015

Possible reporting date:
  28 October 2015

Possible reporting date:
  28 October 2015

(signed)
  Senators Larissa Waters and Rachel Siewert

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

Name of bill:
  Foreign Acquisitions and Takeovers Legislations Amendments
  Foreign Acquisitions and Takeovers Fees Impositions
  Register of Foreign Ownership of Agricultural Land

Reasons for referral/principal issues for consideration:
  Major changes to Australia's foreign investment regulatory regime which warrants parliamentary scrutiny.

Possible submissions or evidence from:
  Business organisations
  Effected industries including agriculture and residential real estate

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

Possible hearing date(s):

Possible reporting date:
  12 October 2015

(signed)
  Senator Anne McEwen

APPENDIX 4
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:

Name of bill:
  Social Security Legislation Amendment (Debit Card Trial) Bill 2015
Reasons for referral/principal issues for consideration:
The lack of evidence that income management in any form is an effective policy.

Possible submissions or evidence from:
- NWRN
- ACOSS
- Uniting Care
- National Congress of Australia's First People's
- Department of Social Services

Committee to which bill is to be referred:
Community Affairs

Possible hearing date(s):
- 18th Sept/9th Oct

Possible reporting date:
- 19th Oct

(signed)
Senator Rachel Siewert

APPENDIX 5

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee:

Name of bill:
Social Security Legislation Amendment (Debit Card Trial) Bill 2015

Reasons for referral/principal issues for consideration:
To allow consideration of the proposed trial of the cashless debit card trial for welfare payments.

Possible submissions or evidence from:
- Ceduna District Council
- Wunan Foundation
- Department of Social Services
- Department of Prime Minister and Cabinet
- Ceduna Community Heads Leadership Group
- Ceduna Traders Association
- Professor Marcia Langton
- Wyndham East Kimberley Shire

Committee to which bill is to be referred:
Senate Community Affairs Legislation Committee

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

Possible reporting date:
Monday 12 October 2015
APPENDIX 6
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Social Security Legislation Amendment (Debit Card Trial) Bill 2015
Reasons for referral/principal issues for consideration:
To examine the details and impacts of the Bill.
Possible submissions or evidence from:
- South Australian Government
- Western Australian Government
- Department of Social Services
- District Council of Ceduna Council
- Ceduna Aboriginal Corporation
- ACOS
- National Welfare Rights Network
- Cape York Institute
- Wunan Foundation
- Koonibbaa Community Aboriginal Corporation
- Stop Income Management in Playford
Committee to which bill is to be referred:
Senate Community Affairs Legislation Committee
Possible hearing date(s):
To be determined by the committee
Possible reporting date:
12 October 2015
(signed)
Senator Anne McEwen

APPENDIX 7
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Parliamentary Expenses Amendment (Transparency and Accountability) Bill 2015
Reasons for referral/principal issues for consideration:
In undertaking the inquiry, the Committee should consider:
1) The current system for Parliamentarians' entitlements, and whether it meets public expectations of transparency and accountability;

2) The need for greater oversight of entitlements claims by an independent body outside the Department of Finance and Parliament;

3) The systems currently in use overseas, and particularly in the United Kingdom;

4) The Government's current review of the entitlements system; and

5) Any related matters.

Possible submissions or evidence from:
- Department of Finance
- Remuneration Tribunal
- Commonwealth Ombudsman
- Independent Parliamentary Standards Authority (UK)

Committee to which bill is to be referred:
- Senate Finance and Public Administration Legislation Committee

Possible hearing date(s):
- November 2015

Possible reporting date:
- February 2016

Senator Siewert:

Senator BUSHBY: I move:

That the report be adopted.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:55): I move:

At the end of the motion, add, "and in respect of the Environment Protection and Biodiversity Conservation Amendment (Standing) Bill 2015, the provisions of the bill be referred to the Environment and Communications Legislation Committee for inquiry and report by 12 October 2015".

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

Question agreed to.

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

Question agreed to.

BUSINESS

Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:56): I move:

That—

(a) the following government business orders of the day be considered from 12.45 pm today:

No. 2 Australian Defence Force Superannuation Bill 2015

CHAMBER
Australian Defence Force Cover Bill 2015
Defence Legislation Amendment (Superannuation and ADF Cover) Bill 2015
Passports Legislation Amendment (Integrity) Bill 2015; and
(b) government business be called on after consideration of the bills listed in paragraph (a) and considered till not later than 2 pm today.
Question agreed to.

Rearrangement
Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:56): I move:
That the order of general business for consideration today be as follows:
(a) general business notice of motion no.826 standing in the name of Senator Moore relating to National Science Week; and
(b) orders of the day relating to documents.
Question agreed to.

NOTICES
Withdrawal
Senator MOORE (Queensland) (11:57): On behalf of Senator Carr, I ask that general business notice of motion No. 822 standing in his name be withdrawn.

COMMITTEES
Economics References Committee
Legal and Constitutional Affairs References Committee

Reporting Date
The Clerk: Extension notifications for committees have been lodged as follows:
Economics References Committee—forestry managed investment schemes—extended to 12 November 2015.
Legal and Constitutional Affairs References Committee—circumstances surrounding a letter sent to the Attorney-General—extended to 9 September 2015.

The DEPUTY PRESIDENT (11:58): I remind senators that the question may be put on any proposal at the request of any senator. There being none, we shall proceed.

PETITIONS
Goods and Services Tax
Senator WATERS (Queensland—Co-Deputy Leader of the Australian Greens) (11:58): by leave—I present a nonconforming petition with more than 100,000 signatories calling for the GST on pads and tampons to be removed.

Petition received.
COMMITTEES
Foreign Affairs, Defence and Trade References Committee

Reference

Senator McEWEN (South Australia—Opposition Whip in the Senate) (11:58): At the request of Senator Gallacher, I move:

That the following matter be referred to the Foreign Affairs, Defence and Trade References Committee for inquiry and report by the last sitting day in March 2016:

The capability of Defence's physical science and engineering (PSE) workforce, with particular reference to:

(a) the importance of the PSE workforce to Defence projects;
(b) the current PSE capability within Defence, the Defence Materiel Organisation (DMO) and the Defence Science and Technology Organisation (DSTO);
(c) the potential risks of a skills shortage in the PSE workforce and a decline in Defence's PSE capability;
(d) the ability of Defence to have relevant PSE capabilities to meet future technological needs;
(e) the ability of new technologies discovered by the PSE workforce to be incorporated into Australia's defence capability planning;
(f) the effect of project outsourcing on Defence's PSE capability;
(g) the ability to attract and retain a highly skilled PSE workforce in Defence, DMO and DSTO; and
(h) any other related matters.


The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government believes that the proposed inquiry into the capabilities of Defence's physical science and engineering workforce is poorly timed. The government has only recently released its vision for One Defence, following the First principles review of Defence, and is yet to release the Defence white paper 2015.

A key initiative of One Defence is the development of a strategic workforce plan linked into the government's strategic expectations of the ADF, to be outlined in the white paper. Defence's physical sciences and engineering workforce requirements are therefore yet to be informed by these seminal documents. The government does, however, welcome the opportunity for the Senate to examine the impact of the Rudd-Gillard-Rudd Labor government's unrelenting budget cuts on Defence's physical sciences and engineering workforce.

Question agreed to.

Reference

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (12:00): At the request of Senator Back, I move:

That the following matter be referred to the Foreign Affairs, Defence and Trade References Committee for inquiry and report by 3 December 2015:

Australia's relationship with Mexico, with particular reference to:
(a) Mexico’s continued elevation in the global geo-political and economic order and its implications for Australia;
(b) opportunities for enhanced relations, including the potential for increased bilateral engagement and also through jointly held memberships such as the G20, APEC, OECD and MIKTA;
(c) potential opportunities for enhanced trade and investment ties, in particular those emanating from the proposed Trans Pacific Partnership (TPP);
(d) the scope for increased collaboration in the education sector and the potential for extending scholarship programs to Mexico;
(e) the scope for increased trade and commercial exchange in the resources sectors with particular reference to hard rock mining and the oil and gas sector in the Gulf of Mexico;
(f) the scope for cross investment and joint ventures in Australian and Mexican infrastructure projects; and
(g) any other related matters.

Question agreed to.

Legal and Constitutional Affairs References Committee
Reference

Senator RICE (Victoria) (12:01): I move:
That the following matter be referred to the Legal and Constitutional Affairs References Committee for inquiry and report by 16 September 2015:

The matter of a popular vote, in the form of a plebiscite or referendum, on the matter of marriage in Australia, with particular reference to:

(a) an assessment of the content and implications of a question to be put to electors;
(b) an examination of the resources required to enact such an activity, including the question of the contribution of Commonwealth funding to the ‘yes’ and ‘no’ campaigns;
(c) an assessment of the impact of the timing of such an activity, including the opportunity for it to coincide with a general election;
(d) whether such an activity is an appropriate method to address matters of equality and human rights;
(e) the terms of the Marriage Equality Plebiscite Bill 2015 currently before the Senate; and
(f) any other related matters.

Question agreed to.

MOTIONS
New South Wales Local Government

Senator RHIANNON (New South Wales) (12:02): I move:
That the Senate—
(a) notes that:
   (i) the Federal Government will give over $2.6 billion in grants to local governments in 2015-16, and this amount is frozen until at least 2017-18, cutting $287 million from local councils’ budgets,
   (ii) the New South Wales State Government is proposing to dramatically reduce the number of councils through amalgamations in its ‘Fit for the Future’ process,
   (iii) the New South Wales Office of Local Government has not produced any evidence to support the notion that amalgamations produce lower council rates, and
(iv) local councils are closest to the community and are in the best position to identify and respond to
the needs of the community, and in each jurisdiction where forced amalgamations have been imposed
on communities, residents have faced significant rate increases and diminished local representation; and
(b) calls on the Federal Government to write to the New South Wales State Government demanding it
abandon the 'Fit for the Future' process and support the right of communities to determine the future of
their own local councils through municipal wide referendums.

Senator MOORE (Queensland) (12:02): Mr Deputy President, I seek leave to make a
short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator MOORE: Labor opposes this motion. We were not consulted on the wording.
The wording is factually incorrect. There are elements in the motion we support. There are
parts of the Independent Local Government Review Panel report that New South Wales Labor
supports, and we are surprised that the New South Wales Greens seem to want to abandon it.
New South Wales Labor opposes forced council amalgamations and has had a long and
consistent position with respect to this. Labor is very concerned about the Abbott
government's almost $1 billion cut to financial assistance grants, and we have been clearly on
the record regarding this broken promise to local communities. Labor is the only party that
local government can depend on to stand up for it.

Senior FIFIELD (Victoria—Manager of Government Business in the Senate and
Assistant Minister for Social Services) (12:03): Mr Deputy President, I seek leave to make a
short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government supports sustainable, viable and strong local
government as an important part of the Australian government's regional economic
development agenda. Consideration and implementation of local government reforms,
including amalgamations, is a matter for states and territories. In the past decade all
jurisdictions have initiated reviews of aspects of local government with the intention of
improving organisational and financial effectiveness and efficiency and enhancing service
delivery. Considerations of amalgamations have formed part of those reviews.

In New South Wales a comprehensive review of local government commenced in 2012,
including extensive research into council finances, service delivery, local government
boundaries and local decision-making models. In September 2014 the New South Wales
government announced a $1 billion Fit for the Future reform initiative package—a blueprint
for the future of councils—that includes financial incentives for merging councils and
undertaking reform activities. The government provides $2.3 billion annually in untied
funding for local governments under the financial assistance grants program.

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

The Senate divided. [12:09]

(Deputy President—Senator Marshall)

Ayes .................... 10
Noes .................... 40
Majority ................ 30
Thursday, 20 August 2015

Ayes

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

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

Noes

Back, CJ
Bilyk, CL
Bullock, J.W.
Bushby, DC
Cameron, DN
Canavan, M.J.
Colbeck, R
Collins, JMA
Edwards, S
Fawcett, DJ
Fierravanti-Wells, C
Fifield, MP
Gallacher, AM
Gallagher, KR
Johnston, D
Ketter, CR
Lazarus, GP
Leyonhjelm, DE
Lindgren, JM
Lines, S
Ludwig, JW
Madigan, JJ
McAllister, J
McEwen, A (teller)
McGrath, J
McKenzie, B
McLucas, J
Moore, CM
Muir, R
O’Neill, DM
O’Sullivan, B
Polley, H
Peris, N
Ruston, A
Ryan, SM
Smith, D
Sterle, G
Wang, Z

Question negatived.

Committees

Legal and Constitutional Affairs References Committee

Reference

Senator LAZARUS (Queensland) (12:11): I move:

That the following matter be referred to the Legal and Constitutional Affairs References Committee for inquiry and report by the last sitting day in June 2016:

The establishment of a national registration system for Australian paramedics to improve and ensure patient and community safety, with particular reference to:
(a) the role and contribution made by those in the paramedic profession, including the circumstances in which they are required to operate;
(b) the comparative frameworks that exist to regulate the following professions, including training and qualification requirements and continuing professional development:
   (i) paramedics,
   (ii) doctors, and
   (iii) registered nurses;
(c) the comparative duties of paramedics, doctors and registered nurses;

Chamber
(d) whether a system of accreditation should exist nationally and, if so, whether the Australian Health Practitioners Regulation Agency is an appropriate body to do so;
(e) the viability and appropriateness of a national register to enable national registration for the paramedic profession to support and enable the seamless and unrestricted movement of paramedic officers across the country for employment purposes; and
(f) any other related matters.

Question agreed to.

MOTIONS

Support Association for the Women of Afghanistan

Senator WRIGHT (South Australia) (12:12): I seek leave to amend motion 823 standing in my name.

Leave granted.

Senator WRIGHT: I move the amended motion:

That the Senate:

(a) notes that:

(i) the costs of political unrest fall disproportionately on the rights and wellbeing of women, and
(ii) the Support Association for the Women of Afghanistan (SAWA)—Australia was established in 2004, and that SAWA—Australia (South Australia) was set up in 2010 as its first state branch;
(b) acknowledges the valuable work of these organisations, dedicated to raising funds and awareness for human rights, education, nutrition, health, safety and improving the self-esteem of Afghanistan’s women and children; and
(c) acknowledges and welcomes the ongoing work of Professor Matthias Tomczak in his role as convenor of SAWA—Australia (South Australia) and as a leader in promoting the rights and wellbeing of women in Afghanistan.

Question agreed to.

Netball World Cup

Senator McKENZIE (Victoria) (12:13): I, and also on behalf Senators McAllister, Fierravanti-Wells, Cash and Siewert, move:

That the Senate—

(a) congratulates the Australian Netball Diamonds on their achievement in claiming a record 11th world title;
(b) recognises the wonderful success of Australia in hosting the world's top 16 netball nations over 10 days and 64 matches for the 14th edition of the Netball World Cup, an event estimated to have contributed more than $6 million in visitor expenditure, with an ever larger cumulative impact to the economy from around 4 000 domestic and international visitors, culminating in a final before a new world record crowd of 16 752 spectators; and
(c) notes that:

(i) the Australian Sports Diplomacy Strategy 2015 18 has been developed to take full advantage of partnerships between the Australian Government and sporting organisations in hosting major sporting events, establishing and maximising people to people links, development, cultural, trade, investment, education and tourism opportunities, and
(ii) the Netball World Cup, Sydney 2015, has joined the AFC Asian Cup and the ICC Cricket World Cup as showcases of Australia's excellence in hosting major sporting events on the global stage.

Question agreed to.

Lyme Disease

Senator MOORE (Queensland) (12:13): I move:

That the Senate—

(a) notes the hard work of the Lyme Disease Association of Australia in its ongoing work to raise awareness and funds to provide ongoing advocacy for people living with Lyme disease;
(b) recognises that Lyme disease can be debilitating and have a devastating impact on the lives of people living with it; and
(c) calls on the Government to continue to work with the Lyme Disease Association of Australia to accept Lyme disease as a disease, undertake research, develop a national plan to collect statistics, and develop treatments for people living with Lyme disease.

Question agreed to.

Mining

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (12:14): I move:

That the Senate notes:

(a) the importance of the Galilee Basin and Abbot Point to the future development of northern Australia;
(b) the ongoing support of the Queensland and the Australian governments for the responsible and sustainable development of the Galilee Basin and Abbot Point;
(c) the actions of anti-coal activists which have delayed billions of dollars in investment and thousands of much needed jobs; and
(d) the importance of maintaining the reputation of Queensland and Australia as a mining and resource hub by removing legal loopholes that allow for the hijacking of approval processes for political purposes.

The DEPUTY PRESIDENT: The question is that general business notice of motion No. 824 be agreed to.

The Senate divided. [12:18]

(Deputy President—Senator Marshall)

Ayes .................. 33
Noes .................. 33
Majority ............. 0

AYES

Back, CJ
Bernardi, C

Birmingham, SJ
Brands, GH

Bushby, DC (teller)
Canavan, M.J.

Cash, MC
Colbeck, R

Day, R.J.
Edwards, S

Fawcett, DJ
Ferravanti-Wells, C

Fifield, MP
Heffernan, W

Johnston, D
Leyonhjelm, DE

Lindgren, JM
Madigan, JJ

McGrath, J
McKenzie, B
Question negatived.

Montara Oil Spill

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:21): I ask that general business notice of motion No. 829, relating to the Montara oil spill, be taken as a formal motion.

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

Senator Fifield: Yes.

The DEPUTY PRESIDENT: There is an objection.

Senator SIEWERT: Mr Deputy President, I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator SIEWERT: I am extremely disappointed that this motion has been denied formality. Tomorrow will be six years since the Montara oil spill, and we still do not know whether that spill has had an impact on Indonesian waters, on the seaweed farmers and on the
fishers, particularly of West Timor. I have been up to the island. I have seen with my own eyes the damage that has occurred to seaweed farms. I have also spoken to fishers firsthand on the impacts they have felt in reduced productivity. We do not know whether the Montara oil spill had an impact on these seaweed farmers and fishers.

What the Indonesian fishers and seaweed farmers are asking for is simply, at this stage, an investigation of whether there has been an impact. They are not even saying that there has been; they are saying, 'Please investigate this.' I understand from the experts that it would still be worthwhile carrying out such an investigation. If the oil was there, it would still be there. I am very disappointed that you are not paying attention to this particular important issue.

(Time expired)


The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: A Senate motion is not the appropriate mechanism for dealing with complex foreign policy issues. The Montara oil spill occurred six years ago. The Australian government has shared the results of the operational monitoring reports developed during the incident response and the long-term environmental monitoring undertaken in Australian waters in the years since the spill. Indonesia has sovereignty over the territory in question. As such, environmental monitoring in the territory is an issue for the government of Indonesia.

China-Australia Free Trade Agreement

Senator MADIGAN (Victoria) (12:23): I, and also on behalf of Senator Xenophon, move:

That the Senate—

(a) notes:

(i) the importance of trade with China to the Australian economy,

(ii) that on 17 June 2015, Australia’s Minister for Trade and Investment (Mr Robb) and China’s Minister of Commerce (Mr Gao Hucheng) signed the China-Australia Free Trade Agreement (ChAFTA),

(iii) that Article 10.4 of ChAFTA, in combination with other provisions, removes the requirement for Chinese companies operating in Australia to carry out ‘labour market testing’, ‘economic needs testing’ or ‘other procedures of similar effect’ before nominating foreign workers on temporary 457 work visas,

(iv) that a letter from the Minister for Trade and Investment to Mr Hucheng, dated 17 June 2015, which is stated to form part of ChAFTA, removes requirements for mandatory skills assessments for Chinese nationals entering Australia on certain types of temporary 457 work visas for ten occupations, including automotive electricians, general electricians and motor mechanics,

(v) that Chapter 9 of ChAFTA includes Investor State Dispute Settlement provisions of the type that have been utilised by foreign companies to bring claims against governments for legislative changes made for legitimate public purposes, such as the current claim by Phillip Morris against the Australian Government seeking compensation in relation to tobacco plain packaging legislation, and

(vi) that these aspects of ChAFTA are contrary to the national interest as they will cost Australian jobs, undermine the regulatory framework that ensures the safety of Australian worksites, and constrain the legislative process; and

(b) calls on the Government to renegotiate ChAFTA so as to remove these aspects of the agreement, or, alternatively, to abandon the agreement by not ratifying it.
The question is that general business notice of motion No. 828 be agreed to.

The Senate divided. [12:25]

(The Deputy President—Senator Marshall)

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<td>Ayes ........................14</td>
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AYES

Hanson-Young, SC
Ludlam, S
McKim, NJ
Rhiannon, L
Siewert, R (teller)
Whish-Wilson, PS
Xenophon, N

NOES

Bernardi, C
Bullock, J.W.
Cameron, DN
Carr, KJ
Collins, JMA
Edwards, S
Fifield, MP
Gallagher, KR
Leyonhjelm, DE
Lines, S
McAllister, J
McGrath, J
McLucas, J
O'Neill, DM
Payne, MA
Polley, H
Ruston, A
Singh, LM
Sterle, G
Wang, Z

Question negatived

**Type 1 Diabetes**

**Senator MUIR** (Victoria) (12:28): I move:
That the Senate—
(a) notes that:
(i) Type 1 Diabetes Mellitus is an autoimmune (not lifestyle) condition which affects over 120,000 Australians,
(ii) people diagnosed with Type 1 Diabetes require insulin to manage their diabetes for life,
(iii) Type 1 Diabetes is one of the most common chronic diseases affecting children in Australia, and
(iv) Type 1 Diabetes creates a significant financial and emotional burden for its patients, families and the community; and
(b) acknowledges the importance of access to optical medical management for people with Type 1 Diabetes regardless of geographic location or social status.
Question agreed to.

COMMITTEES

Membership

The DEPUTY PRESIDENT (12:29): The President has received a letter requesting changes in the membership of various committees.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:29): I move—
That Senator McKim be appointed as a participating member of all legislation and references committees and the Select Committee on Health.
Question agreed to

BILLS

Gene Technology Amendment Bill 2015
Passports Legislation Amendment (Integrity) Bill 2015

First Reading

Bills received from the House of Representatives.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:30): These bills are being introduced together. After debate on the motion for the second reading has been adjourned, I shall move a motion to have the bills listed separately on the Notice Paper. I move:
That these bills may proceed without formalities, may be taken together and be now read a first time.
Question agreed to.
Bills read a first time.

Second Reading

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:30): I table a revised explanatory memorandum relating to the Passports Legislation Amendment (Integrity) Bill 2015 and 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—

GENE TECHNOLOGY AMENDMENT BILL 2015

The Gene Technology Amendment Bill 2015 being introduced today improves the Australian Government's component of the national gene technology regulatory scheme. This scheme protects the health and safety of people and the environment from risks posed by genetically modified organisms.
The Bill will make amendments to the Gene Technology Act 2000 to improve the effectiveness and efficiency of the gene technology regulatory scheme. The amendments will not make any significant changes to the framework or policy settings of the Act. In line with the Government's deregulation agenda, the amendments will decrease regulatory burden for regulated organisations and help ensure that regulatory burden remains commensurate with risk into the future.

This Bill is part of the response to an independent review of the Gene Technology Act 2000 conducted for the Legislative and Governance Forum on Gene Technology. The review recommended a number of small changes to improve the operation of the scheme. The Bill contains minor and technical changes which have been agreed by all jurisdictions to:

- improve efficiency of reporting and public notifications;
- provide greater flexibility for licence-holders through licence variations; and
- improve efficiency, effectiveness and clarity of the Act.

The review also concluded that the gene technology regulatory system is working well and the Office of the Gene Technology Regulator is operating in an effective and efficient manner and providing a rigorous, highly transparent regulatory system.

I commend the bill to the Senate.

PASSPORTS LEGISLATION AMENDMENT (INTEGRITY) BILL 2015

I am pleased to introduce the Passports Legislation Amendment (Integrity) Bill 2015 to the Australian Parliament.

The bill amends the Australian Passports Act 2005, the Foreign Passports (Law Enforcement and Security) Act 2005 and makes minor consequential amendments to a number of other acts. It also repeals the Australian Passports (Transitionals and Consequentials) Act 2005.

The bill is the result of a review of Australia's passports legislation ten years after it was enacted.

The bill seeks to refine and clarify the legislation and to strengthen the Government's ability to respond to unlawful activity in relation to Australian travel documents.

The Government is committed to maintaining the integrity and security of Australian travel documents in the interests of all Australians.

The Australian passport is the most valuable identity document used in Australia and is recognised as one of the most secure and trustworthy travel documents in the world.

The integrity of the Australian passport protects ordinary Australians from identity theft – which is a growing problem in Australia and internationally and also continues to support our national security framework – a priority for this Government.

The integrity of the Australian passport ensures that Australian travellers are accepted at borders across the world and gives other countries the confidence to allow Australians visa-free access to facilitate their travel.

The principal amendments to the passports act being introduced by this bill are:

1. The bill will provide that a travel document may be issued to a person on the Minister's own initiative, to facilitate a lawful requirement to travel;

2. The bill will align the definition of 'parental responsibility' more closely to that in the family law act;

3. The bill will provide that the Minister may refuse to process an application for an Australian travel document if the Minister suspects, on reasonable grounds, that false or misleading statements,
information or documents have been given in relation to a travel document or an application for a travel document;

(4) The bill will modify the existing offence framework and add a new offence to strengthen the Government's ability to respond to the fraudulent use of Australian travel documents.

**Issue travel documents without consent for a lawful requirement to travel**

The first of these key changes is to provide that a travel document may be issued to a person, on the Minister's own initiative, to facilitate a lawful requirement for a person to travel.

This is limited to the following circumstances:

- to remove or deport a person who is the subject of a lawful removal or deportation order, to or from Australia;
- to extradite a person who is the subject of a lawful extradition request, to or from Australia;
- to effect an international prison transfer.

A person should not be able to delay or obstruct a lawful expulsion to or from Australia by refusing consent to the issue of a travel document.

There are already existing avenues for people to seek review of the substantive decision to extradite or remove them.

Australia is a Contracting State to the International Civil Aviation Organization's Convention on International Civil Aviation. The Convention stipulates that a Contracting State shall issue a travel document to one of its citizens to facilitate their return to the Contracting State within 30 days of a request by another State to do so.

Currently, we do not have a clear legal basis on which to issue documents in order to comply with the international standards set by this Convention. Indeed, on occasion we have had to refuse requests from other Contracting States to issue a travel document to an Australian citizen, because the person in question did not consent. The proposed amendments to the passports act will allow us to comply with the ICAO standards where Contracting States request we issue travel documents to our citizens in the future.

**Amending the definition of parental responsibility**

The second key change relates to the definition of parental responsibility for the purposes of determining who is required to consent to a child having a travel document.

Child passport applications are one of the most complex aspects of passport operations.

Due to the changing dynamic of family composition in Australia over the last 10 years, we have seen a noticeable increase in the number and complexity of child passport applications without full parental consent.

For a small number of applicants, the current requirements can cause unnecessary distress, delays and confusion.

The bill will ensure the reference to parental responsibility in the passports act is consistent with the concept in the family law act and remove any confusion as to who is required to consent to a child having a travel document.

The bill provides that the following persons are required to consent to a child having a passport:

- parents (who have not had their parental responsibility removed by a court);
- persons who, under a court order, have parental responsibility or with whom the child is to live;
- persons with guardianship, custody or parental responsibility for the child under an Australian law.

Those persons who have a court order to 'spend time with' or enable 'access to' a child but who do not have parental responsibility, will no longer be required to consent to a child having a passport.
It is inappropriate that the passport act, as it currently stands, accords a person more parental responsibility for a child than is permitted by the court.

It means that a parent who has been granted sole parental responsibility under a court order is no longer required to seek the consent of other persons who have ‘access to’ the child.

It is important to note that these amendments do not remove the legal requirement for a person travelling overseas with a child to seek consent to the child’s travel from all persons who have court-awarded ‘access to’ or ‘spend time with’ orders for the child.

It remains an offence under the family law act to take a child overseas without consent from all persons in whose favour a court order is made in relation to a child.

This information is clearly included in information booklets distributed to all passport holders, in the passport itself and on the passports website.

The bill will also clarify the Department of Foreign Affairs and Trade’s role in issuing travel documents by making consent relate to a child having a passport, rather than consent for a child to travel internationally.

The Department issues travel documents. This is a point-in-time decision. Once issued, it has no control over where or when a child travels overseas. And, independent of any travel, a passport is an important identity document.

As such it is more appropriate that consent relates to the child having a passport.

The bill will also address an anomaly in the current legislation to ensure that the child consent provisions cover children born outside of marriage in Western Australia.

This is because Western Australia has not referred its powers relating to ex-nuptial children to the Commonwealth.

These amendments will clarify the process for applying for a child passport where court orders are in place. They will protect and strengthen the rights of persons with parental responsibility to make decisions about their child.

Refuse to process a fraudulent travel document application

The third key amendment in the bill is to provide that a passport application may not be processed if there are reasonable grounds to suspect fraud. This would be a reviewable decision.

It is an offence under the passports act to provide false or misleading information, statements or documents in relation to an application for an Australian travel document.

This provision may be used instead of, or in addition to, a criminal prosecution for these offences.

Fraudulent travel document applications threaten the security and integrity of the Australian passport system.

It is essential that the Government send a clear message that any kind of fraud in relation to Australian travel documents will not be tolerated.

Fraud in a travel document application ranges from a person forging the signature of a guarantor for convenience to identity theft.

It is important to note that this provision does not prevent a person from being issued a travel document. But they must submit a fresh application with the correct information and supporting documents and meet all other eligibility requirements.

Revise existing offences and add offence for fraudulent use of travel documents

The fourth and final key amendment in the bill is to revise a number of existing offences and add an offence to target the making and providing of false Australian travel documents.
These amendments will strengthen the Government's ability to respond to the increasing threat of fraud.

Travel documents are a key enabler of serious crime.

Strong passports legislation helps protect Australia from the use of false identity and citizenship documents and related criminal activity, including people smuggling, terrorism and drug smuggling.

This bill amends three offences relating to the provision of false or misleading information, statements or documents in relation to an application for an Australian travel document. The amendments provide that these offences also apply to the travel document itself and not just the application.

These amendments are designed to address, in part, cases where a person maliciously reports a passport as lost or stolen so that it will be cancelled to intentionally disrupt the travel of another person.

This amendment will also target persons who seek to fraudulently collect someone else's travel document using false identity documents.

The bill amends the existing offence for selling an Australian travel document—to provide that it is also an offence to sell a false Australian travel document.

The bill also amends the existing offence for damaging or destroying an Australian travel document so that it is also an offence to manipulate, tamper or interfere with a travel document. To avoid any doubt, the amendments specify that this offence applies to the chip embedded in a travel document.

These amendments are intended to capture those who intentionally alter genuine Australian travel documents for fraudulent or criminal purposes as well as those who create counterfeit Australian travel documents.

The bill adds one new offence for making or providing false Australian travel documents with the intention that they will be used or accepted as genuine.

This offence mirrors an offence for making or providing a false foreign travel document in the Foreign passports act.

The maximum penalty for this offence is imprisonment for 10 years or 1,000 penalty units, or both. These penalties are consistent with other offences in the passports act and foreign passports act and related offences in other Commonwealth acts.

They reflect the gravity of offences that threaten the integrity of Australia's premier identity document.

In summary, the amendments to the offence provisions in the passports act are necessary to deter and respond to the increasing fraudulent use of travel documents, and the wider implications of such activity in enabling serious crime and identity theft.

Refusing unacceptable names and signatures

One further amendment to protect the integrity of the Australian passports system is a provision to enable a name or signature that would appear on an Australian travel document to be refused if it is unacceptable, inappropriate or offensive.

It is not appropriate that on Australia's most important identity document a person may use a name or signature that is, for example:

- offensive or obscene; or
- could mislead others into believing the bearer holds a title or an award.

While these situations rarely occur, it is important that a clear legal basis exists to refuse such names or signatures to protect the integrity of Australian travel documents.
Clarify and simplify the legislation

In addition to these key amendments, the bill refines the current provisions by:

• removing the need to refer to the Passports Determination to work out which provisions in the act apply to which travel documents;
• combining related subsections to avoid duplication; and
• clarifying existing provisions consistent with current practice.

Conclusion

In conclusion, this bill seeks to refine and clarify the existing passports legislation that has stood us in good stead for the last ten years.

It seeks to protect the Australian community by preventing and deterring the fraudulent use of Australian travel documents and related crimes.

The Australian passport is unquestionably the most important identity document in Australia. It is held in high regard around the world. It is critical that the Government ensures that this does not change.

This bill helps us to do just that.

I commend the bill to the Senate and present the accompanying explanatory memorandum.

Debate adjourned.

Ordered that the resumption of the debate be made an order of the day for a later hour.

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

Veterans' Affairs Legislation Amendment (2015 Budget Measures) Bill 2015

First Reading

Bill received from the House of Representatives.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:31): I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:32): I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

I am pleased to present legislation that will give effect to a number of Veterans' Affairs 2015 Budget measures.

Since coming to office, the Government has honoured its commitment to recognise the unique nature of military service. We are focussed on early intervention to ensure veterans, and their families, get the help and assistance they need when they need it. The Budget, which invests more than $12 billion in services for veterans and their families, has a strong focus on early intervention. Our investment in the
expansion of case coordination for those with complex needs, as well as the measures in this Bill to assist those undertaking vocational rehabilitation, are designed to give our veterans the best opportunity in their post-service lives.

The first measure in the Veterans' Affairs Legislation Amendment (2015 Budget Measures) Bill will benefit veterans through enhancements to the Veterans' Vocational Rehabilitation Scheme under the Veterans' Entitlements Act. The Scheme is voluntary and is designed to assist veterans to find or continue in suitable employment. The Scheme also provides incentives for participants in relation to the work thresholds for Special or Intermediate rate disability pension and the treatment of income from paid work on invalidity service pension.

The enhancements to the Scheme will expand the range of services to include medical management and psychosocial services. They will also result in certain Special and Intermediate rate disability pensioners having a smoother step down in disability pension whilst in the Scheme and will encourage veterans to remain or continue in the workforce.

The second measure in the Veterans' Affairs Legislation Amendment (2015 Budget Measures) Bill will simplify and streamline the appeal process under the Military Rehabilitation and Compensation Act by changing to a single appeal path. Currently, a claimant may seek a first tier right of review through either, but not both, the Military Rehabilitation and Compensation Commission or the Veterans' Review Board. They then have a second tier right of review to the Administrative Appeals Tribunal. Following the changes in this Bill, the first tier right of review will be to the Veterans' Review Board. The second tier right of review to the Administrative Appeals Tribunal is not changing. The change to a single appeal path will avoid the complexities that claimants currently face relating to different time limits for the submission of appeals, different times taken to determine the review and the choice they make impacting on entitlement to legal aid and the awarding of costs for appeals that progress to the Administrative Appeals Tribunal.

I want to acknowledge the very strong support for these changes from the veteran and ex-service community.

Finally, the Bill will amend the Defence Act to enable the repatriation of the remains of eight service dependants buried in Terendak Military Cemetery in Malaysia, if requested to do so by the families of the deceased. On 25 May 2015, 50 years after the arrival of the first troops of the 1st Battalion, Royal Australian Regiment in South Vietnam, the Prime Minister offered to repatriate the remains of 25 Vietnam veterans from Terendak Military Cemetery in Malaysia and Kranji War Cemetery in Singapore, to the families of the deceased. This offer was also extended to the families of three other servicemen and eight service dependants also buried in the Terendak Military Cemetery in Malaysia. Until 21 January 1966, the bodies of Australians who died in war were buried in War Cemeteries close to where they fell. From that date, remains were (with the consent of families) repatriated to Australia. The decision was not retrospective. Of the 521 Australians who died in the Vietnam War, 25 remain buried overseas. The families of those 25 Vietnam veterans now have the opportunity to bring their loved one home. Because of the limited access for families of the deceased at Terendak Military Cemetery in Malaysia due to the cemetery being on a large high-security military base, the offer of repatriation has also been extended to the families of all Australians interred in the Terendak Military Cemetery. This includes the families of the eight service dependants who died whilst accompanying their father or husband on service in Malaysia. The amendments in this Bill will enable the war graves Regulation made under the Defence Act to authorise the repatriation of these service dependants if requested to do so by their families. The Government acknowledges the Malaysian Government's offer to provide any assistance toward repatriation. The Government also thanks the Malaysian Government for their care for and maintenance of these graves over many years.

Debate adjourned.
Gene Technology Amendment Bill 2015
Second Reading

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

Senator McLUCAS (Queensland) (12:32): I rise to speak on behalf of the opposition on this bill. The Gene Technology Amendment Bill 2015 makes some technical changes to the Gene Technology Act 2000. The act is the Commonwealth legislation that states and territories have committed to maintaining corresponding legislation so that we have a system of regulation of genetically modified organisms in this country. The Legislative and Governance Forum on Gene Technology, or the forum, which has ministerial representations from the nine Australian jurisdictions, ordered an independent review in 2011 of the Gene Technology Act. The review made 16 recommendations, 14 of which have been accepted by the forum.

This bill implements a number of recommendations as agreed to by the forum. They include discontinuing quarterly reporting to the minister, clarifying the dealings that may be authorised by inadvertent dealings licences and updating advertising requirements for public consultations. They also remove duplicate information about genetically modified products authorised by other agencies from the Record of GMO and GM Product Dealings maintained by the Gene Technology Regulator. This will have the effect of no longer tracking, I understand, the GM products that are approved by the Therapeutic Goods Administration, the Australian Pests and Veterinary Medicines Authority, Food Standards Australia and New Zealand and NICNAS, which is the chemical regulator in our country. The information will need to be sought directly from the approving agency.

The bill also changes licence variation requirements to give greater flexibility to licence holders. It updates considerations required before dealings may be scheduled as notifiable low-risk dealings. It requires emergency dealings determinations to be entered onto the GMO Record as soon as practicable, but removes the requirement that information on GM products be entered as soon as practicable, and it clarifies ambiguous wording. The bill reduces the restrictions on licence variations. The regulator is restricted in how licences can be varied. This is so variations cannot be used to extend the coverage of licences unreasonably. The changes proposed in this legislation will amend the current restrictions on the regulator, which currently may only consider an extension to a licence if the risk assessment and risk management plan for the original licence would still be valid for the new extended licence. In other words, a licence may only be extended if the original risk management plan remains valid.

The new system will also permit the use of risk assessment and risk management plans which had been prepared and used for the permit of a licence rather than the one that is being amended. This will have the effect of an applicant not needing to seek a new licence. The regulator, however, must consider whether the two licences involve similar GMOs or other similar dealings. The modification to the licence variations would give the OGTR, the office, the authority to initiate licence variations. This is a deficiency in the current legislation, as the Office of the Gene Technology Regulator does not currently have authority to amend a
licence if it does become aware of any new risks to health, safety or the environment that are not covered by the management plan.

There are also changes to the list of factors the regulator must consider before the dealings can be declared a notifiable low-risk dealing by the Governor-General. This includes removing the requirement that the GMO be biologically contained so that it is not able to survive or reproduce without human intervention. A more effective and efficient way of dealing with this is adopted by the bill and involves looking at the risk profile of dealings on a case-by-case basis, rather than biological containment. This is more reflective of modern scientific understanding and practice than when the provision was first implemented.

When first raised in the House of Representatives, Labor had not formed a view on the elements of the bill due to the technical nature of the issues covered. We therefore sought the views of scientists, industry, the government and the regulator. We were given briefings by the department and the shadow minister’s office wants to put on record their thanks to Minister Nash. We have been pleased to hear from stakeholders and the bill includes some incremental and positive changes.

The bill was referred to a Senate inquiry and that report was brought down this week. I want to thank the five submitters who made submissions to the committee—CSIRO, the Office of Gene Technology Regulator, the Australian Academy of Science, CropLife Australia and Food Standards Australia and New Zealand. The Academy of Science said that the amendments are ‘conservative and justified’ and we agree with that assessment. I can indicate to the chamber that Labor will be supporting this bill.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:38): I rise today to speak briefly on the Gene Technology Amendment Bill. The Australian Greens have long been concerned about the role that genetically engineered organisms play in our modern agricultural system. Despite decades of research and commercialisation, doubt remains over aspects of the safety of genetically modified foods and the advertised benefits of GM crops are largely yet to be seen globally. We are also concerned about the environmental impacts that genetically modified organisms can have on the environment. Crop yields, although much touted around the world, are not dealing with global hunger and poverty and we have seen an escalation in the use of pesticides on our food, which proponents of GMO claim will reduce the use of chemicals. Certainly, the main organisations profiting from GMOs are large GMO companies.

While the Australian Greens do not oppose the amendments proposed in this bill, which are technical in nature with an emphasis on improving the clarity of the scheme, a large number of concerns about the assessment of GMOs in Australia remain including that the bulk of the information relied on for assessment is provided by the companies and industry themselves and we do not do independent analysis and testing.

The following principles have not yet been fully enshrined in legislation including an assessment of GM crops. That assessment must include careful consideration of health and environmental risks. Consumers have the right to know what is in the food they are eating—in other words, foods containing genetically modified organisms and processes should have them listed on the label so that people can make a choice. There is no doubt that globally there is a strong consumer move for GM-free, clean, green produce. It is the opinion of the Australia Greens that Australia still has a long way to go in terms of its safety assessment as it
relates to GMO in agriculture or genetically engineered products or materials in products. That goes back to the fact that we are reliant largely on the information the industry itself develops.

A number of concerns have been raised in earlier inquiries, but particularly concerning are those that highlight the need to better address both GMO labelling and GMO contamination. I have spoken a lot about that in this chamber. The onus is on those who are contaminated and not on those who caused the contamination.

I recently moved a successful motion in the Senate calling on the government to investigate the creation of an insurance scheme for those growers whose crops are contaminated by GMOs. I also previously introduced a private members bill that sought to properly label GMOs. Despite these initiatives, successive governments have failed to fully grasp the challenges that GMOs present to both our environment and our health and also communities' understanding of GMOs and their desire to have clean, green produce—and to have a choice about what they are eating.

These larger issues remain part of the ongoing debate around GMOs and need to be taken into consideration during further legislative reform around GM technology. The Greens will not be opposing these particular amendments to the legislation.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (12:42): I am very pleased today to have opportunity to sum up debate on the Gene Technology Amendment Bill 2015. As we have discussed, this bill amends the Gene Technology Act 2000 to improve the effectiveness and efficiency of the National Regulatory Scheme for Genetically Modified Organisms. The amendments do not significantly change the framework or policy settings of the act. These amendments were recommended by an independent review of the regulatory scheme, which concluded that the gene technology regulatory system is working well and that a number of changes would improve the operation of the scheme. The amendments decrease regulatory burden for regulated organisations and help ensure that regulatory burden remains commensurate with risk in the future.

Australia's gene technology regulatory scheme is recognised throughout the world for its rigorous, science-based risk assessments and open and transparent approach. The scheme also provides an efficient and effective system for the application of gene technology. These amendments maintain the scheme to ensure these high standards will continue in future.

I thank senators for their contributions to debate on this bill and I thank the Senate Community Affairs Legislation Committee for their consideration of this legislation. I would also like to thank the Office of the Gene Technology Regulator and the Department of Health for their work on preparing this legislation.

Question agreed to.

Bill read a second time.

Third Reading

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (12:43): I move:

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

**Australian Defence Force Superannuation Bill 2015**

**Australian Defence Force Cover Bill 2015**

**Defence Legislation Amendment (Superannuation and ADF Cover) Bill 2015**

*Second Reading*

Debate resumed on the motion:

That these bills be now read a second time.

**Senator CAMERON** (New South Wales) (12:44): I rise to express Labor's strong support for these Australian Defence Force bills. These bills will ensure a fair, appropriate and viable superannuation scheme for our Defence forces. It is incumbent upon all of us to be constantly on the lookout to ensure that the employment conditions of the Australian Defence Force are in line with the changing requirements and life paths of its members. This includes finding ways to encourage and maintain participation of women in our Defence Force; it means recognising that members of the Australian Defence Force may want to move in and out of the ADF as well as across the different job streams within the ADF and facilitating that; and it means allowing for permanent part-time work to reflect different needs at different stages of life.

These three bills before us introduce important and necessary reforms for the modernisation of the ADF workforce. The proposed superannuation scheme, known as ADF Super, brings about important changes. It will ensure the long-term viability of the superannuation scheme for our Defence forces while also ensuring they are appropriately provided for in retirement. Under the new scheme for the first time ADF members will be able to transfer their super scheme to new employment when they leave the ADF. The new scheme will make it possible for ADF members to move in and out of service without incurring costs and encountering a lack of flexibility with respect to their superannuation. This means, for example, that employer contributions can be carried across to new employment, which is not possible under the old scheme. The new scheme will bring ADF superannuation into line with the rest of the government sector by replacing the existing defined benefit scheme with its attendant long-term liabilities and ensuring that the ADF superannuation scheme is viable over the long term.

Senators would be aware that Labor opposed the two-tier system the government originally proposed. As with all defence and national security matters, Labor believes strongly in a bipartisan approach. Labor welcomes the changes to the original proposals made by the government. In particular I would like to express Labor's appreciation to the Assistant Minister for Defence for his cooperative approach on this matter.

Labor strongly supports the proposed employer contribution rate of 16.4 per cent, which is higher than the general public sector rate. This higher rate reflects the unique nature of military service, including the unique possibility of being involved in combat operations, the hazardous training and exercising that ADF members must engage in as part of their core duties, the long and irregular working hours, that statutory retiring ages are well below
community norms, the requirements for high standards of physical fitness, the frequent relocation of personnel and their families as well as long periods of separation from family.

Crucially, these changes will provide encouragement of and support for women's participation in the Australian Defence Force. The changes will also accommodate those ADF members who might wish to engage in other work but then return to the ADF. It is for these reasons that Labor strongly supports this package of bills.

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education and Training) (12:48): I thank senators for their contribution on this important series of bills that support the establishment of a new accumulation superannuation scheme and associated death and invalidity benefits for members of the Australian Defence Force. I commend the bills to the Senate.

Question agreed to.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Back) (12:49): As no amendments to the bills have been circulated, I shall call the minister to move the third reading unless any senator requires that the bills be considered in Committee of the Whole.

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education and Training) (12:49): I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

Passports Legislation Amendment (Integrity) Bill 2015

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator CAMERON (New South Wales) (12:49): I rise to speak on behalf of the opposition on the Passports Legislation Amendment (Integrity) Bill 2015. I am pleased to indicate that Labor will be supporting this legislation. In a world where international travel continues to increase, this bill recognises the fact that the security and efficiency of our passport regime depends on continually reviewing and keeping our legislation up to date with both our international obligations and our domestic laws. This legislation does both of these things. It also closes a loophole by creating the offence of falsely reporting a document as stolen or fraudulent.

Historically passports were about having the protection of a king or other ruler extended to the carrier—I am glad we are past that. They were not initially documents for identifying citizenship but documents for safe conduct—permission for foreigners to travel within a country, sometimes only to specific places. It was not until the mid-19th century that they took on the nature of a document identifying an individual and declaring their citizenship and it was not until after World War I that they became generally required for international travel.
Once they were generally required for international travel it then became important for nations to standardise passports. The first agreement on standardising passports was reached by the League of Nations in the 1920s, but progress was slow and irregular until passport standardisation finally came about in 1980—as late as 1980—under the auspices of the International Civil Aviation Organization. An international standard is so critical for passports because they are by their very nature a document issued by one government for the purpose of being presented to another.

In the last three years 24 passports were alleged to have been used by people attempting to impersonate the identity of a genuine passport holder. In circumstances that we are currently witnessing throughout the world, particularly in respect of Daesh in the Middle East and individuals seeking to travel to the Middle East and participate in some of the activities of Daesh, we have seen cases of not only Australians but also other nationals attempting to use either counterfeited or fraudulent documents or indeed attempting to impersonate others in order to leave the country for the purpose of travelling to the Middle East to be involved in fighting or at least to be involved in the activities of Daesh.

These reforms are aimed at ensuring that that cannot occur. That is why they have the wholehearted support of the opposition. The integrity of our passports is crucial for individual Australians who rely on them for safe travel and as an important means of verifying their identity. In these days of heightened security concerns and increasingly sophisticated international criminal syndicates, Australia's passport security is paramount.

Australia's passport regime is, however, on the whole, robust and respected around the world. On the 2014 Henley and Partners Visa Restrictions Index Australia ranked seventh, with our citizens being able to travel without a visa to 168 other countries. Australian governments must take very seriously the responsibility to make sure that our passports are as secure as international standards require and as modern technology can ensure. When in government, Labor introduced the N series passport, the additional fraud countermeasures of the ghost image and retroreflective floating image, as well as images of Australia printed throughout the document, making every visa page unique. This resulted in a passport which was very difficult to falsify through page substitution or through tampering.

The bill came about as a result of a review of Australian passports legislation, and it amends the Australian Passports Act 2005, the Foreign Passports (Law Enforcement and Security Act) 2005 and makes some minor consequential amendments to a number of other acts. It also repeals the Australian Passports (Transitionals and Consequentials) Act 2005.

We are all aware of the fact that, in recent times, people have been attempting to tamper with passports, and have been attempting, through some very sophisticated measures, to tamper with and, indeed, counterfeit passports. There have been quite highly sophisticated and well documented cases of this occurring. Even highly sophisticated documentation and safeguards will not stop brazen fraudsters from attempting to tamper with these documents. On 18 May of this year the Herald Sun reported that, in the past three financial years, 65 Australian passports had been suspected of being forged or tampered with and 114,000 passports had been reported as lost or stolen.

On occasion a person reports a passport lost or stolen so that it will be cancelled in order to intentionally disrupt the travel of another person. There are people who attempt to manipulate the travel document and passport system in this country so as to disrupt the travel plans of
another person. Unfortunately this is most often the case of separated parents where one parent is attempting to travel overseas, in particular to take a child of the relationship overseas, and the other parent seeks to disrupt those legitimate travel plans. That is something that will be dealt with by these reforms. It is a sad fact of the system and a sad fact of circumstances when parents try to manipulate the system for their own personal gain. Under this legislation and under this amendment, which came about as a result of a review of the operation of passports and travel documents, this was one of the issues that was raised in that review. Under this amendment, making a false or misleading statement in respect of a travel document or a passport will be an offence if the statement is made on or about an Australian travel document or an application for an Australian travel document.

This bill does a number of other things. One of them is that it aligns the definition of parental responsibility more closely with that of the Family Law Act to provide more certainty surrounding the issue of who is required to consent to a child's passport or travel document. This goes to the issue of parents attempting to manipulate the system by attempting to stop or tamper with the efforts of others to travel overseas with children. It came about as a result of a review and is attempting to deal with those cases of people with 'spend time with' orders or 'access to' orders attempting to disrupt the travel plans of those who may seek to leave the country with a child.

As a result of these reforms and this bill, the following persons are required to consent to a child having a passport: firstly, parents who have not had their parental responsibility removed by a court; persons who, under a court order, have parental responsibility or with whom the child is to live; and persons with guardianship, custody or parental responsibility for the child under an Australian law. Persons or individuals who have a court order to spend time with or enable access to a child, but who do not have parental responsibility, will no longer be required to consent to a child having a passport. Again, this came about as a result of the review and is attempting to deal with those cases of people with 'spend time with' orders or 'access to' orders attempting to disrupt the travel plans of those who may seek to leave the country with a child.

It is also important to note that these amendments do not remove the requirement contained in the Family Law Act for a person taking a child overseas to seek the consent in writing of all persons in whose favour a court order is made in relation to the child or all other parties to proceedings for the making of a parenting order in relation to the child. That aspect of the operation of the law in respect of consent by parents regarding the travel of children overseas will remain the same.

The bill bolsters Australia's strong passport security protocols and it also ensures that the minister retains power to issue travel related documents and specifies the circumstances in which a document can be issued. The explanatory memorandum goes through those circumstances in which the minister may issue a travel document. The power to issue the travel document is still retained by the minister, but the bill expands the circumstances in which that travel document can be issued. Those circumstances are the lawful extradition of a person to or from Australia; the lawful deportation or removal of a person to or from Australia; and the lawful prisoner transfer of a person to or from Australia.

This reform is meant to deal with circumstances in which a person may be under an extradition order with a country with which Australia has an extradition treaty. The person may be subject to a deportation order because of a criminal conviction or the like but that person refuses to sign for, or make an application for, a travel document. Currently, the power
for the minister to issue that travel document to ensure that the transfer occurs is somewhat limited. This amendment will deal with that, granting the minister, in those circumstances, the power to issue the travel related documents. Importantly, all the powers of the minister are subject to merits review, principally by the Administrative Appeals Tribunal. An important element of an administrative review, or executive decision, with respect to the cancellation of a passport or travel document or the issuing of a travel document in circumstances to facilitate an extradition or transfer, will be that it is reviewable by the courts.

In conclusion, these reforms come about as a review of the operation of the Australian Passports Act. The opposition believes the reforms strengthen the integrity and the operation of the issuing of passports and travel documents. They do not affect the operation of the family law provisions in respect of parental consent, but they do bolster the circumstances in which the minister can cancel a review, a travel document and order, or issue travel documents for the deportation or extradition of Australians to or from Australia.

On that basis, we believe that the reforms strengthen our security protocols and ensure that our system of operation for passports and travel documents are strengthened. I commend the bill to the Senate.

**Senator LEYONHJELM** (New South Wales) (13:01): What is in a name? Well, according to the foreign minister, quite a bit. If she or her underlings find your name unacceptable, inappropriate or offensive, you might have to change it if you want a passport. This power to refuse a name in a passport application is included in the *Passports Legislation Amendment (Integrity) Bill 2015* and, because of this inclusion, I oppose the bill.

Australians have a right to freedom of movement, to leave and re-enter the country as they please. In the absence of criminal considerations, like outstanding bail conditions and arrest warrants, Australians have a right to a passport, but the government clearly do not agree. The government think that a passport is their document. So, if ministers or public servants do not like your name, they can withhold a passport from you and violate your freedom of movement. What would they think if Minister Greg Hunt had a previously unknown sister, Kerry Hunt?

The government believes that the restriction on our names is reasonable and necessary because passports are documents which are presented to officials in other countries. This is the most sycophantic instance of cultural cringe I can remember. It is not the role of our government to make sure we present a nice name to customs officials at foreign airports. Equally, it not our government's role to make sure that, when we go through customs at foreign airports, we have nicely brushed hair, neat clothes and a nice smelling deodorant. Our government is not our mother. The idea of restricting the individual to bolster the pride and status of the nation has a name in political theory. It is called fascism. This provision amounts to an officious preoccupation with trivia. It indicates a failure to recognise that offence is taken, not given. It is overkill, given that state law already bans the adoption of names that are considered obscene, offensive or otherwise contrary to the public interest.

The name-banning provision is not the only egregious provision in this bill. For instance, the bill allows the minister to issue a travel related document to facilitate a person's departure from Australia, even when an Australian court has declared that the person should not travel internationally and should not be issued a passport in light of an arrest warrant, law court
order or bail condition. This either represents sloppy drafting or executive contempt for the judiciary.

This is a poorly thought through bill. It has received minimal scrutiny, and it is about to be waved into law in this empty chamber. This bill, and this process, should be condemned.

**Senator RYAN** (Victoria—Parliamentary Secretary to the Minister for Education and Training) (13:05): I thank Senator Cameron for a very enlightening history lesson at the beginning of his speech about the history of passports. I think we can all, monarchist or republican alike, be glad that the king no longer controls where we might travel in our own nation. If only that were true of many other nations in the world.

Senator Leyonhjelm gave me notice that he was going to speak this afternoon. I appreciate his contribution in this section of the Senate order of business. I am not in a position to address directly the concerns he raised but, if he wishes, I will be able to get back to him.

The bill has the support indicated on behalf of the opposition. I have always thought that, when it comes to the issue of difficult names or tricky names, we do have laws about that at the state level, Senator Leyonhjelm, both on names and on other things like car and motorcycle numberplates. I think they have their place, personally. I have always thought that the poor person who works in the department of motor vehicles or VicRoads, who has to sit there and try and decipher the latest meaning of six digits and letters and hope it is not offence, has a very difficult job. I will say that there is obviously the principle of having restrictions on that at state and Commonwealth level. I appreciate your disagreement is long established, as is the principle of ministerial discretion involved in the issuing of passports.

I thank senators for their contribution, and I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

**Senator RYAN** (Victoria—Parliamentary Secretary to the Minister for Education and Training) (13:06): There being no amendments, I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015**

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

**Senator CANAVAN** (Queensland) (13:07): It is a good opportunity now to continue my remarks, which I started last night, on the Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015. This bill is part of the government's broader agenda to strengthen our border security. That was a key component of the policies that the government took to the last election, and it has been a great success since then. It has been such a great success that the Labor Party have now adopted the policies of the coalition.
They have finally seen the light. They took many years to see the light, but they finally have seen that we need to have strong borders to save lives and create a secure nation for the people who live here.

This bill is only a small change which will help provide greater power and more options for the employees who put their own safety at risk in our detention centres. Our detention centres are now, of course, peopled with fewer people, thanks to the government's border protection policies. There are fewer people arriving here irregularly. There are fewer people now in detention centres. There are still some, though, particularly given the overhang that was left to the government by the previous government a couple of years ago now. The make-up of people in our detention centres is changing because there are fewer people coming from overseas, and it is right and proper that we should seek to make sure that the powers that are available to our offices in those detention facilities are up to date.

The government is committed to providing a safe and secure immigration detention network. The demography of our facilities, as I said, has changed. There is an increasing proportion of people of high risk in detention facilities. They include people who have had their visa cancelled as a result of failing character tests, often due to convictions for drug or other serious criminal offences. There are people who are a high security risk, such as members of gangs. There are some who are subject to adverse security assessments, and some have become unlawful noncitizens as a result of breaching visa conditions. It is an unfortunate consequence that there are some people, of course, in any population, be they in our local population or in detention facilities, who are not necessarily of a mind to do the right thing all the time.

I followed last night a contribution by Senator Lines, from the Labor Party. Even she herself admitted that there would be a percentage of people in detention facilities who are a high risk. I think she put the number at around 120. I do not have precise figures, but Senator Lines was arguing that 120 is not many and that we should not need these extra powers to deal with only 120 people. Actually, I believe that, even if there were one, two, five or 10 people who pose a high risk to the Australians who have to run these facilities, we should make sure that we give them the appropriate powers to make sure that they can maintain their own health and safety in having to deal with these high-risk detainees. Such detainees do, of course, create behavioural challenges, particularly those who are wont to commit crimes or have committed crimes in the past. They can potentially jeopardise the safety, security and peace of our immigration detention facilities and the safety of all persons within those facilities.

In fact, public order disturbances have arisen at a number of immigration detention facilities in recent years. The changes that the government is proposing here follow a review that was conducted of two of those incidents, one at Christmas Island and the other at the Villawood Immigration Detention Centre, both in 2011. The review was prepared on behalf of the then Minister for Immigration and Citizenship, Chris Bowen, and presented to him in 2011. That report made a number of recommendations, one of which was to more clearly articulate the responsibility between the department of immigration, the detention services providers, such as Serco and private contractors who run these facilities, and any attending police services. Often, when a disturbance does occur, police have to be called in. Those police are often under the jurisdiction of a different government, a state or territory.
government. There is obviously a need to coordinate all aspects of an emergency response in those situations.

These changes respond to that recommendation by clarifying that the authorised officers in Commonwealth detention facilities, who are often employed by private contractors, have the ability to use reasonable force to maintain safety, to protect their own health and to protect the health of the inmates themselves. There is increasingly a need to provide this higher security, and the Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015 is necessary to provide these officers with the resources needed to manage the safety, security and peace of our facilities.

The bill amends the Migration Act 1958 to allow an authorised officer to:

... use such reasonable force against any person or thing, as the authorised officer reasonably believes is necessary, to:

(a) protect the life, health or safety of any person (including the authorised officer) in an immigration detention facility; or

(b) maintain the good order, peace or security of an immigration detention facility.

Without limiting the general power to use reasonable force, the bill in particular provides:

... an authorised officer may use such reasonable force as the authorised officer reasonably believes is necessary—

and the bill lists a number of things that the authorised officer can do in that instance, including:

... protect a person ... from harm or a threat of harm ...

... protect a detainee ... from self-harm or a threat of self-harm ...

... prevent the escape of a detainee ...

... prevent a person from damaging, destroying or interfering with property in an immigration detention facility ...

... move a detainee within an immigration detention facility; or

... prevent action in an immigration detention facility by any person that:

(i) endangers the life, health or safety of any person ... or

(ii) disturbs the good order, peace or security of the facility.

The bill uses the legal concept of 'reasonable force' to limit the actions that can be taken by an authorised officer. There are particular provisions in this bill which limit that power to ones that are reasonable. That is outlined as being that the authorised officer must make sure that, in using reasonable force, only enough force is used to protect the life, safety or health of other persons. Reasonable force itself, as I explained briefly last night, is not a new concept that government is inserting into this bill. It is a concept that is known in our common law, and indeed authorised officers today would have the general right to use reasonable force to protect their own safety and the safety of others; however, there is not a definitive definition in our common law of what that means. And that means that there is quite a bit of uncertainty for authorised officers in what they can and cannot do to protect themselves and others.

All this bill does is simply provide a codified and definitive outline of what reasonable force can reasonably be expected to be for authorised officers. I believe it is only fair and proper that we provide our officers, who are putting themselves on duty for us, with that
certainty—with an environment that lets them do their job with sufficient understanding of what they can do, without the uncertainty of being subject to legal claims subsequent to an event that may cause them difficulty in managing a particular incident.

This bill reflects the rights and privileges that are provided to other offices in state and territory environments. Obviously police forces have such rights and privileges, but even more reflective of this bill is that often wardens and other officers of state or territory prison facilities would have similar rights and privileges under state and territory acts. And often, in modern times, those officers are also employed by private contractors in a state or territory environment. This bill simply reflects those state and territory provisions into a Commonwealth legal environment and into detention facilities that the Commonwealth government is responsible for. It is a change that will help provide for greater security and order in our detention facilities, and hopefully it contains provisions that will not need to be used very much. They certainly will not need to be used much if we continue to be able to protect our borders to make sure that people are not arriving here in an illegal or irregular fashion. This government will certainly maintain its vigilance in keeping people out of this country, and I hope any future government follows the lead of this government in maintaining that security and continuing to provide a strong border protection framework for Australia.

Senator McGrath (Queensland) (13:17): I rise to speak on the Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015. Protecting our borders and stopping the despicable people-smuggling trade was a key pledge of the coalition government in order to keep Australia safe and secure. We on this side of the chamber are very proud to support strong border security measures. As I said earlier this week, the highest priority of any government is security of the country, and the bill adds to these measures. But before going into the details it is worth highlighting the contrast between the coalition on this side and Labor and the Greens on the other side.

Let us remember—and we should never forget—that it was Labor and the Greens, under the Rudd-Gillard-Rudd government, that weakened Australia's borders. Under four immigration ministers and two prime ministers Labor had 11 failed immigration policies, which resulted in almost 850 boats over six years in government, more than 50,000 people arriving illegally by boat, more than 1,100 people dying at sea and almost 2,000 children in detention at its peak. The Labor-Green government had an $11.6 billion budget blow-out on their failed immigration policies, and this required over $2 billion more for the coalition to urgently fix Labor's mess in relation to their failed policies on securing Australia's borders. Under Operation Sovereign Borders and with the exceptional work of Minister Morrison and Minister Dutton, only one boat has arrived in 2014 and 2015 to date.

Of course, following Labor's recent national conference the Leader of the Opposition is trying to convince the Australian people that he is a convert to, a true believer in, strong border protection policies and turning back the boats. I do not know how the Australian people can actually believe Labor, because the former Prime Minister, Kevin Rudd, said the same thing in 2007 and then presided over a catastrophic public policy and national security failure. Other senior colleagues of the Leader of the Opposition—the deputy leader, the leader of Labor in the Senate and Anthony Albanese—have all voted against boat turn-backs.

The only way to ensure the security of Australia's borders is with the coalition and Operation Sovereign Borders. Operation Sovereign Borders has been very successful in
reducing the population in immigration detention. There was about 95 per cent of the total immigration detention population in 2013, and this has been reduced to 53 per cent in June 2015. The number of people in detention has reduced from over 12,000 in July 2013 to around 2,000 in June 2015. But this success has resulted in a change in the character of detainees in immigration detention facilities. Onshore immigration detention facilities do not only hold people waiting for processing. Rather, the onshore immigration detention networks hold an increasing number of detainees who present behavioural challenges, including people subject to adverse security assessments, people who have or are alleged to have committed serious criminal offences and others deemed to be of a high security risk, such as members of outlaw motorcycle gangs. As such, the Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015 amends the Migration Act 1958 to continue the government's commitment to strong border protection and the establishment of a safe and effective system of immigration detention.

The government has a responsibility to detainees and other people in our immigration detention facilities to ensure that they are free from harm. The government is also responsible for ensuring that these facilities themselves are in good order and are peaceful and secure. In amending the Migration Act the government is providing those working in our detention facilities with the tools they need to protect the life, health and safety of any person and to maintain the good order, peace and security of an immigration facility.

The amendments reflect the recommendations from an independent review of incidents at the Christmas Island and Villawood immigration detention centres in 2011. The review recommended the department more clearly articulate the responsibility for public order management between the department, the detention service provider and any attending police services.

The bill will provide for an authorised officer to use such reasonable force against any person or thing as the authorised officer reasonably believes is necessary to protect the life, health or safety of any person, including the authorised officer, in an immigration detention facility; or maintain the good order, peace or security of an immigration detention facility.

Without these amendments, which clarify the use of force and the responsibility for the management of public order in immigration detention facilities, the department's ability to uphold its responsibility to detainees and other persons in immigration detention facilities to ensure that they are free from harm will be limited.

The use of reasonable force is not a new concept to the Migration Act 1958. Various provisions in the Migration Act authorise the use of reasonable force in specific circumstances. For example, it may be necessary in certain circumstances to use reasonable force to carry out identification tests. There are currently, however, no provisions in the Migration Act 1958 that authorise the use of reasonable force as proposed in this amendment.

Currently, employees working in detention facilities rely on common law powers for the use of force which are available to ordinary citizens. In effect, this means that a court will determine whether a private citizen—in this case, an employee of the immigration detention services provider—lawfully used force by looking at what was objectively reasonable in the circumstances. This does not provide a clear basis for the use of force and impacts on the safety of those working in detention facilities and detainees. This bill clarifies the use of reasonable force and provides a clear legislative framework for employees to operate in.
These amendments are of particular importance in light of the changing profile of the detention population, including rising numbers of detainees with criminal convictions. Onshore immigration detention facilities do not only hold people awaiting processing; rather the onshore immigration detention network holds an increasing number of detainees who present behavioural challenges, including people subject to adverse security assessments; people who have or are alleged to have committed serious criminal offences; and others deemed to be of a high security risk, such as members of outlaw motorcycle gangs.

The bill in particular provides that an authorised officer may use such reasonable force as the authorised officer reasonably believes is necessary to protect a person, including the authorised officer in an immigration detention facility, from harm or a threat of harm; protect a detainee in an immigration detention facility from self-harm or a threat of self-harm; prevent the escape of a detainee from an immigration detention facility; prevent a person from damaging, destroying or interfering with property in an immigration detention facility; move a detainee within an immigration detention facility; or prevent action in an immigration detention facility by any person that endangers the life, health or safety of any person, including the authorised officer, in the immigration detention facility, or disturbs the good order, peace or security of the facility.

The proposed amendments will provide authorised officers with the clear authority to respond to detainees exhibiting behavioural conduct issues within immigration detention facilities. All authorised officers will be required to undergo appropriate training and maintain qualifications. Similar legislation already exists in the United Kingdom and New Zealand.

One of the concerns that has been raised is: what is being done to address the potential for abuse of these powers? The proposed amendments will insert provisions that specifically limit the exercise of the power to use reasonable force. The amendments also provide for a statutory complaints mechanism that will allow a person to direct a complaint to the Secretary of the Department of Immigration and Border Protection about the exercise of reasonable force.

Robust policies and procedures and comprehensive training will be essential components of the governance of the power to use reasonable force. The policies, procedures, guidelines and reporting requirements guiding the use of force in immigration detention facilities will be reviewed in consultation with the Australian Federal Police. When using reasonable force as a matter of policy, an officer must take all reasonable precautions appropriate to the circumstances of a vulnerable detainee. The bill allows for complaints that are clearly of a serious nature to be referred to the Ombudsman or the relevant police service for independent investigation.

The proposed amendments will allow sufficient time to ensure that the appropriate training and governance arrangements are in place. Governance arrangements around the management of serious incidents are being reviewed and strengthened in consultation with the Australian Federal Police.

There will be a strong interaction between the proposed amendments and the Australian Border Force Act 2015. The Australian Border Force Act 2015 and this bill are compatible with little overlap. The consequential bill to the Australian Border Force Act would amend the definition of 'authorised officer' to mean an officer authorised by the minister, secretary or Australian Border Force Commissioner.
The training and qualification requirements specified for authorised officers under this bill can be managed in conjunction with the Australian Border Force Commissioner's powers to determine what is required for particular Australian Border Force roles.

I think it is very important at this point in time to look at the views of the Senate Legal and Constitutional Affairs Legislation Committee, chaired by my Queensland colleague Senator Ian Macdonald, who tabled the report on this bill on 5 June 2015. The committee recommended that the bill be passed, subject to clarifications relating to: the operation of provisions when detainees are in transit between facilities and other places; the use of force being proportionate and an absolute last resort, following negotiation and de-escalation techniques; and parliamentary oversight of prescribed training and qualification requirements of detention centre personnel. The committee's report says at paragraph 3.1:

The Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015 has been drafted in response to real and pressing issues facing service providers in Australia's immigration detention facilities. The need for persons working in detention centres to have greater clarity about their powers to manage disturbances and maintain good order and safety has been noted since at least 2011. The more recent change in the demographic profile of the detainee population, with increasing risk of disturbances and violent incidents, makes the case for this legislation now a matter of some urgency.

It goes on to say, 'The committee is grateful for the large number of submissions that it received to the inquiry, many of them thoughtful and detailed. It has considered the various concerns raised, most of which are discussed in another chapter of the report.' Paragraph 3.3 of the report states:

The committee notes the government's mandate to deliver border protection policy settings that reflect the best interests of the Australian people, and that the good order and operational efficiency of detention facilities is manifestly essential to this goal. As the department reiterated during the inquiry, '[w]hat we are trying to achieve is the maintenance of standards of safety and security within detention centres that people are entitled to and enjoy within the broader community'.

The committee went on to say that it:

does not regard it as sufficient to leave service provider staff in detention facilities to manage disturbances and violence without any protection beyond the limited defensive powers provided under the common law. The bill establishes a clear authority, drawing upon comparative legislation and tailored to the particular circumstances of immigration detention, for service providers in detention facilities to exercise the powers necessary to protect themselves and others, and to maintain an environment of security and safety for all who reside and work there.

The committee went on to say that it believes that this legislation is necessary and appropriate, and should proceed.

In conclusion, the Australian government is committed to providing safe and secure immigration detention facilities. The demography of immigration detention facilities has changed. Immigration detention facilities now include increasing numbers of high-risk detainees including persons who have had their visas cancelled as a result of failing the character test, often due to convictions for drug and other serious criminal offences; persons who are a high security risk, such as members of outlaw motorcycle gangs; persons who are subject to adverse security assessments; and those persons who have become unlawful noncitizens as a result of breaching certain visa conditions. The presence of high-risk detainees with behavioural challenges, such as members of outlaw motorcycle gangs,
jeopardise the safety, security and peace of our immigration detention facilities and the safety of all persons within those facilities. In fact, public order disturbances have arisen in a number of immigration detention facilities in recent years. This means that there is a need to provide higher security and more intensive management of these detainees. The Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill is necessary to provide authorised officers with the resources to continue to manage the safety, security and peace of our immigration detention facilities.

This bill amends the Migration Act to allow an authorised person to use such reasonable force against any person or thing as the authorised officer reasonably believes is necessary to, specifically, protect the life, health or safety of any person, including the authorised officer, in an immigration detention facility, or maintain the good order, peace or security of an immigration detention facility. Without limiting the general power to use reasonable force, the bill provides that an authorised officer may use such reasonable force as the authorised officer reasonably believes is necessary to: protect a person, including that authorised officer, in an immigration detention facility from harm or threat of harm; protect a detainee in an immigration detention facility from self-harm or a threat of self-harm; prevent the escape of a detainee from an immigration detention facility; prevent a person from damaging, destroying or interfering with property in an immigration detention facility; move a detainee within an immigration detention facility; or prevent action in an immigration detention facility by any person that does endanger the life, health or safety of persons in that facility or disturbs the good order, peace or security of the facility.

The bill limits the use of reasonable force to incidents that occur in relation to an immigration detention facility. The legislation strikes an appropriate balance between maintaining the good order of a facility and maintaining the safety of the people within it and the need to ensure that the use of force is reasonable, proportionate and appropriate. The coalition is maintaining strong border security measures and ensuring that all people in detention centres are safe from harm. The coalition will continue the proven and effective use of immigration detention as a tool to manage compliance with Australia's migration law and the removal of those who have no right to remain in Australia. The main objective of any government is the security of the people of the country, and this is what the coalition government is attempting to do. (Time expired)

Senator DI NATALE (Victoria—Leader of the Australian Greens) (13:37): I rise to speak against the Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015. This bill, essentially, gives unchecked power to detention centre officers to use force against asylum seekers, including children, in any circumstance that they feel is necessary. It is a bill that creates a legal framework for the use of force in immigration detention centres by authorised officers who are designated immigration detention centre service provider employees without any safeguards. Effectively, it means that private security officers can use force against people, including kids, that is, according to Australian Lawyers for Human Rights, greater than the force allowed in analogous state and territory prison legislation. Just reflect on that for a moment.

Here we have a group of people in immigration detention whose crime is that they were born in a country where they were tortured, persecuted and they made the decision to leave those circumstances. That is their crime: to be born in a place where they are unsafe, where
some of them are raped, tortured, persecuted on the basis of their race or religion. Yet, here we are granting security guards more power than what we offer those people working in prisons right across the country. Even worse is that this is only subject to what is a subjective test regarding whether use of force was lawful—in other words, it is up to someone's opinion as to whether they think the action was justified. There is almost total immunity from legal action. The only right of appeal is through the High Court and there is no right to independent review of the use of force—no independent review.

It is at the minister's discretion to determine the training and qualification requirements. I understand that the minister has indicated that certificate II is an appropriate level of training for these detention centre officers. We would not allow someone to work as a nightclub bouncer in Queensland under those qualifications, yet we think it is okay to give them the capacity to use force that they determine is appropriate, according to the circumstances in which they feel that that force is necessary—when they are looking after children, pregnant women and older people. We would not allow people to work in those circumstances if they were bouncers in a nightclub in Queensland.

It enables the use of force to 'protect a person's life, health or safety, or maintain the good order, peace and security of the facility'. What does that mean? What is reasonable force? Reasonable force is okay in casual conversation, but what does it mean when we enshrine it in law? What is good order? What is the legal definition of 'good order'?

As Amnesty International highlight in their submission, it could mean the exercise of force against people who are raising their voices—maintaining good order—simply on the grounds that they are creating a disturbance within the facility. That is what this bill does. We are enshrining that ambiguity in law and allowing detention centre guards with minimal training, skills and experience to determine what they think the appropriate use of force should be. It is hard not to believe that this is just another part of the government's push to endlessly punish and intimidate asylum seekers. If the government were serious about addressing good order, maintaining peace within our detention centre facilities, it would do something about the causes of what is going on within those facilities.

What about the living conditions in which people are housed; the hellhole that are many of these detention camps; the arbitrary, indefinite and lengthy detention to which people are subjected? Depriving people of all hope through indefinite and arbitrary detention is a recipe for disturbance. What about giving people access to medical care, to appropriate education for their kids? If we want to address the issue of good order, if we want to ensure that our detention centre facilities are somewhere where we do not see the disturbances that this government is keen to highlight, how about we do something about those basic human living conditions? Instead of doing that, this government does what it always does, it takes the easy option. It tries to stoke fear and division within the community. It seeks to sanction a culture of excessive force within our detention centre network. And it gives and grants even more power to people who have already demonstrated that they are unable to behave responsibly with the power that they have, and it grants them more punitive power over a group of vulnerable people.

Let's look at what has happened within the existing framework, within the powers that detention centre guards already have. Let's look at the recent evidence of abuse in our detention centres. This is particularly alarming having this discussion now when you consider
the numerous incidents of abuse and excessive force already on the record. Let's reflect on the murder of Iranian asylum seeker Reza Barati and the 70 other people who were injured during the 2014 protests on Manus Island. We have got two men charged for that, one free on bail, and another group of men who have not been found.

We have got the 7:30 Report footage from inside the Nauru detention centre on July 2013 where guards openly talk about shooting asylum seekers. We have got people expressing on the record a view that asylum seekers should be shot, and we are giving those people more power to determine what use of force is appropriate. What about the claims by Wilson Security guards that asylum seekers at the Nauru detention centre were water boarded? I will say that again—we have people in our care who have been water boarded by government-contracted employees. We heard allegations around another form of torture called zipping. This is a process where you use cable ties to secure an asylum seeker to a metal bed with metal bars at the base. The bed is thrown into the air and injury is caused to the asylum seeker as the bed strikes the floor.

Outlined in the Moss report in great detail we have got evidence of physical and sexual abuse by guards against women and children. Fairfax Media obtained evidence that there were 33 cases of alleged sexual assault involving children in Australian detention centres and on Christmas Island between January 2013 and March 2014. That does not include Nauru or Manus Island. Just think about that—33 cases of alleged sexual assault involving children at the same time that a royal commission is underway in this country looking into the issue of child sexual abuse. We have got the sexual abuse of women and children on Nauru, including underage asylum seekers being forced to perform sexual acts in front of guards. We had the spectre of women being told that they needed to strip naked in front of guards if they wanted to have a shower for more than two minutes. We have got one woman who was told that she would be raped if she was resettled at Nauru.

We have got video footage of force used against children during a transfer from one compound to another on Christmas Island. We have got investigations into the use of excessive force by guards at the Maribyrnong detention centre—with many of the officers themselves reporting repeated assaults on asylum seekers. Let us just think about that. There is already a culture of abuse, of torture and of assault within these detention camps. What is the response from this government? 'Let's grant those same people more power. Let's let them use their discretion to decide when they think it's appropriate to respond to what they describe as a disturbance and to ensure that good order is maintained.' The litany of abuse that is currently going on in our detention centres needs to be stopped, and the way to stop it is not by giving those same people more power to continue with their abuse.

It is a response that is necessary once you understand what is going on currently within our detention centre network. It is a policy from this government that can only be maintained if we maintain the culture of secrecy around our detention centre network. That secrecy is necessary for this policy to survive, because there are many good Australians who would be horrified if they saw with their own eyes what is happening right now. The response from government has to be, 'Shut it down and keep this out of the gaze of the Australian community, because once they identify with these people as human beings whose only crime is to be born in a country where they are persecuted, they would not tolerate it.' Once you understand that if the Australian people were to identify with those children, with those
families, they would not tolerate it, the response has to be, 'Shut it down and make sure the Australian community do not know what is going on in our detention centre network.'

Of course, the government continues this culture of secrecy. It refuses to be accountable. What began with the immigration minister refusing to answer reporters' questions about asylum seekers, under the guise of it being an operational matter, has now become a full-scale media blackout. This is the sort of response we would expect from a corrupt dictatorship. It is not the sort of response that we should expect from an Australian parliament. We have journalists who cannot access detention centres. We have got a department that is under no obligation to provide reasons for refusing access to detention centres. Again, it is all necessary because this policy only survives because people do not know what is happening.

We have got people working in detention centres who are forbidden under the threat of jail time from revealing information to anyone about anything they come across while doing their jobs. We have criminalised whistleblowers, but not just whistleblowers—doctors and teachers who have an ethical duty to report physical and mental harm that is occurring as a result of detention. Again, let us just reflect on that. We are saying to somebody, a medical professional—somebody who has dedicated their life to providing care for others—that where you witness torture, where you witness abuse and where you witness sexual assault you must stay silent. Our parliament is asking our healthcare workers, our teachers, our nurses and our social workers to stay silent in the face of evil. That is what this parliament will do if it supports this legislation.

Then of course in order to continue to maintain the cloak of secrecy what do we have? We have a coordinated surveillance effort which targets a member of the Australian parliament—organised spying over several days by a team of government-employed contractors—being spied upon not just while driving and while visiting detention centre networks but also inside her hotel room. Normally a scandal like this would see heads roll. Normally, where a member of the Australian parliament is spied upon for doing nothing other than her job, it would be cause for a minister to resign their position—but not on this; not in this area of refugee policy. Why is that? It is because we have a government intent on pursuing these barbaric policies and we have an opposition too cowardly to stand up to them. That is why this is allowed to continue.

This is a bill that continues that culture of abuse and assault on innocent and vulnerable people. This bill purports to provide for the safety of those in immigration detention, but the biggest risk to detainees is not order within a detention facility; it is this government itself and the companies, employed by this government, that are supposed to have a duty of care. That is the biggest threat to people within our detention centre network. This bill is another step on the path that we have embarked on to jettison our international obligations under human rights acts and shows further contempt for the principles of the refugee convention. People are coming here to seek our protection and assistance, and our response is to condone torture, abuse and sexual assault.

This is a bill that further enables conditions that put the safety and lives of asylum seekers at risk. It is a bill that does not deserve the support of this parliament, and I condemn it in the strongest possible terms.

Senator McKenzie (Victoria) (13:54): I rise today to speak on the Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015.
The government is committed to ensuring that Australia has a strong and humane border protection policy. Under the coalition, the number of boat arrivals in this country has decreased drastically. This has saved the lives of asylum seekers who would have otherwise travelled in leaky vessels and put themselves at risk.

The Department of Immigration and Border Protection has a duty to ensure that Australia's immigration detention centres are safe and secure. This is a part of our legal obligations under domestic and international law. The Migration Amendment (Maintaining the Good Order of Immigration Detention Facilities) Bill 2015 ensures that personnel who are working in detention facilities have the capacity to provide a safe and secure environment for detainees, for asylum seekers and for the staff who work within those facilities. The bill will provide an authorising officer the power to use reasonable force against any person or thing in order to protect the health—Senator Di Natale— and safety of any person in an immigration detention facility. The bill will also provide an authorising officer the power to use such reasonable force against any person or thing in order to maintain the good order, peace and security of an immigration facility. Such powers are necessary in order to ensure that our detention facilities do not become ghettos of violent crime, where the most vulnerable—for example, women and children—are targeted.

Currently detention centre employees do not have the powers necessary for them to prevent acts of violent crime and civil disturbance in our immigration detention centres. Detention centre employees have had to rely on common law powers for the use of force—powers which are no greater than those provided to ordinary private citizens. This has resulted in uncertainty and fails to provide a clear basis for when reasonable force can be applied. This has had a negative impact on the safety of vulnerable detainees—in particular, women and children. The Moss review, which was conducted in October last year, found that at least three females—one of whom was a minor—had been sexually assaulted whilst in detention. Such crimes can be prevented in the future if detention centre staff are given clear guidelines regarding the instances when they can use reasonable force in order to protect detainees.

The current laws regarding the use of force are insufficient in dealing with widespread instances of civil disturbance in our detention centres. This was made abundantly clear in Villawood Detention Centre riots when detainees commenced rioting and set fire to detention centre facilities, causing up to $9 million worth of damage to infrastructure. Fire-fighter and emergency services personnel who assisted at the scene were pelted with roof tiles and stones. The risk that this posed to the safety of the detention centre staff, emergency services personnel and detainees is unacceptable and not consistent with the government's aim to provide a safe and secure environment for detention centre detainees and, indeed, the staff who work within the facilities. Such an event could have been prevented had the detention centre staff been given a clear set of guidelines, backed by legislation, regarding the use of reasonable force to prevent harm to themselves and other detainees.

Greens Senator Hanson-Young has frequently made comments regarding incidents of self-harm by detainees whilst in detention. She claims that the solution to the problem is to further strip detention centre staff of their ability to intervene by using reasonable force to prevent harm to detainees to whom they have a duty of care. This is a short-sighted and illogical approach to protecting detainees. Just as teachers and nurses have a duty of care to intervene to prevent harm to their patients and their students, detention centre staff also have this duty.
of care. In order for them to carry out this duty of care, they need to have a clear set of guidelines, regardless of incidents, in which they can use force to prevent harm to detainees and themselves.

The current laws are insufficient to provide a solid basis for when force should be used. Only guidelines set out by legislation will be sufficient to ensure that detention centre staff are able to protect themselves, their co-workers and others. It would be reckless for the Senate not to grant such common-sense measures for detention staff, especially if it is necessary to protect the health and safety of detainees and ensure the safety and security of our detention centres.

Many senators have come into the chamber over recent days to discuss this bill. The amendments have come about as a result of two independent reviews conducted into specific incidents—

Debate interrupted.

**QUESTIONS WITHOUT NOTICE**

*Australian Constitution*

**Senator WONG** (South Australia—Leader of the Opposition in the Senate) (14:00): My question is to the Minister Representing the Prime Minister, Senator Abetz. I refer to the Prime Minister's attendance at this weekend's WA Liberal state conference, which will consider the following motion:

That the Liberal Party of Western Australia oppose any move to recognise a single race to the exclusion of all others in the body or preamble of the Commonwealth Constitution.

Does the Prime Minister maintain his commitment to end what he describes as 'the echoing silence', the omission of Indigenous people from the Constitution?

**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:01): The position of the Prime Minister is very clear in relation to this matter. What is also very clear is that, within the Liberal Party structure, an organisational body can put forward proposals, it will be debated potentially and a determination made. But, unlike the Labor Party, policy from the organisation is not binding on parliamentary members, because the Liberal Party acknowledge that our first and foremost duty is to the electors and the people of Australia as a whole, unlike the Australian Labor Party who know better but are bound by the Labor Party rules. If they do not abide by the rules they are automatically expelled. I could have got up with a stunt and asked the Leader of the Opposition in this place whether Mr Shorten supports the motion that came up at the national conference of the Labor Party to condemn a former federal president of the ACTU and a former minister—

**Senator Moore**: Mr President, I rise on a point of order on direct relevance to the question. The minister had responded to the question at the beginning of his answer, but now he is going into areas that have no relevance to this question.

**The PRESIDENT**: It has been traditional, as you know, Senator Moore, that if a minister answers a question, a minister can enhance his or her answer. That has been the tradition in this place for a long time.
Senator ABETZ: The things that the Liberal Party may or may not discuss at its conference—of course, what the Australian Labor Party do not want to discuss at their conference—is the condemnation of a former ACTU president and federal minister, Mr Martin Ferguson. The government is strongly committed to pursuing recognition of Aboriginal and Torres Strait Islander peoples in the Constitution. The Prime Minister has made that clear. His personal commitment to the Indigenous community in this country is shown very clearly by the way, each year, he goes to an Indigenous community to work there as a volunteer on a regular basis, which he did well before he became leader. (Time expired)

Honourable senators interjecting—

The PRESIDENT: Order! On both sides. We will not proceed until there is silence.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:03): Mr President, I ask a supplementary question. Does the Prime Minister agree or disagree with his Liberal colleague, Bill Hassell, who says that constitutional recognition will foster:… a kind of reverse apartheid, one in which aborigines see themselves as not part of the nation …

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:04): The Prime Minister's view is very clear in relation to this matter. What a waste of question time it is for the Leader of the Opposition to get up and ask a question like that! I can ask, rhetorically, of course: does the Leader of the Opposition agree with Bob Carr on the importance of the China-Australia Free Trade Agreement? Does Mr Shorten agree with another former Labor leader on the need of the Australian Building and Construction Commission? Does the Labor leader agree with a former Labor Attorney-General, Robert McClelland, on the need for a royal commission and judicial inquiry into the activities of the Australian Workers Union? These are all things on the public record. The good news is that we in the Liberal Party do entertain a diversity of views; they will be given expression to. But at the end of the day it is the government that determine the policy for the government, not the organisation.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:05): Mr President, I ask a further supplementary question. Will the Prime Minister finally show some leadership and repudiate these views which undermine that bipartisan commitment to include recognition of the First Australians in our Constitution?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:06): I think the undermining of bipartisanship was displayed just a few moments ago by the Leader of the Opposition's question in this place. In typical Senator Wong style, not even half-way through an answer, you get the sledging and the constant interjection. Why? Because Senator Wong wants unity. Senator Wong wants tolerance. She wants bipartisanship. How does she show bipartisanship? How does she show tolerance? How does she show good behaviour? By interjecting and sledging and interrupting.

The PRESIDENT: Minister, the senator has the right to interrupt on a point of order. Do you have a point of order, Senator Wong?

Senator Wong: Mr President, I rise on a point of order on relevance. I am pleased the minister wants to show me as much attention as he does, but I did ask him whether the Prime
Minister would repudiate the views which include a notion that recognition would foster a reverse apartheid. That was the question. Will he repudiate or not?

The PRESIDENT: Thank you, Senator Wong. You also did ask: will the Prime Minister show leadership? I draw the minister's attention to the question. You have 18 seconds in which to answer.

Senator ABETZ: Having stung the Leader of the Opposition in this place, she now repudiates that she in fact called for bipartisanship in her question. She conveniently airbrushed that out of her point of order, which unfortunately shows the highly political nature with which she approaches this very sensitive topic. (Time expired)

Employment

Senator McGrATH (Queensland) (14:07): My question is to the Leader of the Government in the Senate and Minister for Employment, Senator Abetz. Can the minister inform the Senate how the government's changes to the Environment Protection and Biodiversity Conservation Act will stop radical green activists gaming the system and improve job prospects for young Australians?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:08): The best thing any government can do is to help young people obtain jobs by creating a sound economy. The worst thing a government can do is to stand idly by when there are forces at work that deliberately sabotage job creation. The EPBC Act did not envisage radical environmentalists cynically gaming the system to engage in vigilantly legal actions and to stop important job-creating projects. I have in front of me the document Stopping the Australian coal export boom—Funding proposal for the Australian anti-coal movement. It is very informative, having been sponsored by GetUp! and the Australia Institute, among others. Under the executive summary it says:

Our strategy is to ‘disrupt and delay’ key projects—
It is not to protect the environment; it is just sheer sabotage. Moving through the document, it says, ‘What is the strategy? To disrupt and delay key infrastructure and increase costs.’ Then the number one proposal is litigation and what would they do? By disrupting and delaying key projects:
We will lodge legal challenges to the approval of all of the major new … ports—
and mega-mines, all of them. They will not consider them case by case; they will just oppose all of them. The most concerning thing about this cynical and manipulative document is that program management, the funding of it is to come from the United States of America and Australia. So we are going to get US funding to destroy jobs for young Australians. We will not stand idly by to see our young Australians put out of jobs with US money. (Time expired)

Senator McGrATH (Queensland) (14:10): Mr President, I ask a supplementary question. Can the minister advise the Senate why the government's changes to environmental laws need to be implemented as a matter of priority?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:10): Coming from the state of Queensland, Senator McGrath would be aware of the youth unemployment rate in Cairns is 22 per cent, Townsville 19 per cent, Rockhampton 14 per cent, outback
Queensland 15 per cent. We need jobs in these regional areas and that is why we as a government will not stand idly by when legislation is cynically used to destroy job opportunities for young Australians. Business conditions are tough enough in rural and regional Australia without these cynical campaigns being funded from overseas, coming into Australia to deny our fellow Australians and young Australians the job opportunities that they need.

We want to see these infrastructures come on line. We want to see the creation of jobs. In most recent times we have seen a project worth $16,000 million, 10,000 separate jobs being denied our Australian people. (Time expired)

Senator McGrath (Queensland) (14:12): Mr President, I ask a further supplementary question. Can the minister outline to the Senate any major threats to employment in regional Australia?

Senator Abetz (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:12): As the Attorney-General highlighted yesterday, one of the biggest threats to employment in regional Australia is capricious, half-baked and radical environmental activism. Radical environmentalists are using the act to pursue aggressive litigation designed to disrupt and sabotage important job-creating projects, all outline in this blueprint. No-one is denying that this is taking place, least of all the environmentalists when they say:

We will lodge legal challenges to the approval of all of the major new coal ports, as well as ... mega-mines ... for strategic campaign purposes.

Not to protect the environment; just for their strategic campaign purposes:
By disrupting and delaying ... we are likely to make ... them unviable.

We as a country cannot stand idly by and allow that to continue and we as a government will not.

Abbott Government

Senator Sterle (Western Australia) (14:13): My question is to the Minister representing the Prime Minister, Senator Abetz. I refer to the minister's denial yesterday that he described his cabinet colleagues as 'gutless'. Given that the footage has run nationally showing the minister saying, 'I think it's gutless that his colleagues leak from cabinet,' will he now correct the record?

Senator Conroy: Eric, your friend's calling. Have you taken him off speed dial yet?

The President: Senator Conroy, that is disorderly.

Senator Abetz (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:13): Mr President, what I said and what I try to say on a clear and regular basis is that I made comment on the basis of principle, not on the basis of personality. My comment was that those people who provide unattributed comment—and that is the exact quote—

Senator Conroy interjecting—

Senator Abetz: I did not say, as you have falsely asserted, 'cabinet colleagues that make'; I said 'those that make unattributed comments', and that is a statement of principle by which I stand. And guess what, Mr President? The ABC—surprise, surprise—misquotes me.
What a shock! That has never happened to me before! I would say to the honourable senator that it is no surprise that the ABC has clipped and snipped and tried to juxtapose two things in a manner that is not representative. What I said was that those who provide unattributed comments have certain character flaws, and that is what I stand by.

Senator STERLE (Western Australia) (14:15): Mr President, I ask a supplementary question. I refer to the minister's interjection yesterday in which he claimed that no-one in this chamber is responsible for the cabinet to leaks. So which of his cabinet colleagues in the House of Representatives is he pointing the finger at?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:15): None.

Senator STERLE (Western Australia) (14:16): Mr President, I ask a further supplementary question. I remind the minister of his statement: 'Things are going exceptionally well.' Given that this parliamentary fortnight has seen a divided party room, the cabinet at war with itself, another captain's pick undone, and the leaking of both the cabinet agenda and the party room talking points, does he stand by his assertion that things are going exceptionally well?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:16): Since the election of the coalition government, in 2013, things have gone exceptionally well for 336,000 of our fellow Australians who are now in employment and would not have been, courtesy of an ongoing Labor government. That is an exceptionally good outcome for 336,000 Australians. What is more, Mr President, we have the outcome of three free trade agreements, which, when they come to their full fruition, will see about 178,000 new jobs created in Australia. For those 178,000 Australians, that will be good news, and it is good news. Our Northern Australia policy, our agriculture policy—all designed to create jobs. That is good news for our fellow Australians, but I accept that more needs to be done. (Time expired)

Mining

Senator WATERS (Queensland—Co-Deputy Leader of the Australian Greens) (14:17): My question is the Attorney-General, Senator Brandis. This morning the government introduced its bill to stop Australians holding the Minister for the Environment to account when he has broken environmental laws. Are you introducing this bill to stop any challenge to the minister's approval of the Shenhua coalmine in the Liverpool Plains, and to stop any challenge to the minister's upcoming decision on Great Barrier Reef dredging and dumping to expand the Abbot Point coal port?

Government senators interjecting—

The PRESIDENT: One moment, Senator Brandis. I do not know whether you heard the entire question. I missed a portion of it. What was the preface to your question, Senator Waters? I got the tail end of it, but what was the preface to your question?

Senator Waters: Thanks, Mr President. I too could hear Senator O'Sullivan very loudly. My question was: are you introducing this bill to stop any challenge to the minister's approval of the Shenhua coalmine, or to the Abbot Point coal port expansion.
The PRESIDENT: Thank you, I have the rest of the question now. If the Attorney-General is satisfied, I am.

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:18): No, Senator Waters, we are not—that is absolutely not the reason we are introducing the bill. What we are introducing the bill to do is to stop people who want to prosecute a political cause, rather than a legitimate legal cause, from using the courts as a political vehicle. We know that that is what they intend to do because they have told us. Greenpeace, Wotif—other environmental, radical, activist groups have published a document about destroying Australian infrastructure. This is what they have said. Let me read the strategy to you:

Our strategy is to 'disrupt and delay' key projects and infrastructure …

They set out the six elements of the strategy, the first of which is to challenge key infrastructure developments through litigation. They elaborate on the point. I am reading from their document, their declaration of war against the Australian economy:

1. Mount legal challenges to the approval of several key ports, mines and rail lines.
2. Run legal challenges that delay, limit or stop all of the major infrastructure projects …

That is the declaration of intent. That is the declaration of war against the Australian economy, and we intend to stop it. Senator Waters, you should hang your head in shame, as a Senator representing Queensland. I wonder when was the last you visited Central Queensland? If you had done so, you would have found the despair and the sense of hopelessness among people in Rockhampton, in Mackay, in Gladstone, in Emerald and places like that, as a result of the stopping of the Carmichael mine project, which over the life of the project would have brought 10,000 jobs to that region. And you are happy about that! Shame on you!

Senator WATERS (Queensland—Co-Deputy Leader of the Australian Greens) (14:20): Mr President, I ask a supplementary question. On that very point, are you aware that Adani has admitted in court that it grossly exaggerated its own projected jobs figures, saying that its project would not, in fact, create 10,000 jobs but seven times less that. When will your government stop repeating the lies of Adani, and given that there is still no finance for this project, and the Queensland Treasury has described it as 'unbankable', when will you get a real plan for Queensland jobs like the renewable energy jobs of the future?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:21): Our plan for Queensland jobs, just as is our plan for jobs across Australia, is to grow the economy. You have just heard the Minister for Employment speaking about the 336,000 new jobs that have been created in the last two years under the Abbott government. We want to see that happen in Queensland as well, and that is why the Carmichael mine project is so important to Queensland—in particular to Central Queensland. This is what Mr Keith De Lacy, Mr Goss's Treasurer, said in this morning's Courier-Mail:

... green activism had increased the costs of developing a mine by up to 10 times … "I agree with everything the Federal Government is doing …"
That is Mr De Lacy, the Treasurer in a successful state Labor government, the government of Mr Wayne Goss. He agrees with everything we are doing, and so should you, Senator Waters. But you are more concerned with ideological crusades than workers' jobs. *(Time expired)*

**Senator WATERS** (Queensland—Co-Deputy Leader of the Australian Greens) (14:22): Mr President, I ask a further supplementary question. Minister Hunt this morning backed away from language about 'vigilante litigation' and in fact refused to use this phrase. Is this because your government has realised that calling Australians who love our environment 'vigilantes' is not such a good idea? Do you agree with Minister Hunt or do you agree with the Prime Minister, who thinks that farmers, traditional owners, mums and dads, and conservation and community groups who want our environmental laws upheld are vigilantes?

**Senator BRANDIS** (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:23): Senator Waters, every man and woman on the coalition bench loves the environment. I accept, by the way, Senator Waters, that you love the environment, and I even accept that the Australian Labor Party loves the environment. It is a question of how you treat people. It is a question of how you deliver. The EPBC Act, the most comprehensive set of environmental laws that the Australian parliament has ever passed, is of course the work of the Howard government. But there is a provision of the EPBC Act—section 487—which has been taken advantage of, not by the good solid citizens to whom you refer but by the sort of people who have the hide to put out a document like this, 'Stopping the Australian coal export boom', and declare their intention to use the courts as a political tool rather than for the legitimate resolution of disputes between citizens. They are the vigilantes, and we are going to put a stop to it.

**National Disability Insurance Scheme**

**Senator MOORE** (Queensland) (14:24): My question is to the Assistant Minister for Social Services, Senator Fifield. I refer to the minister's interview on Sky News yesterday, where he refused three times to confirm that the NDIS will be delivered in full and on time—that is, by 1 July 2019. Will he now guarantee that the NDIS will be delivered in full and on time?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:24): Thank you, Senator Moore, for your question. This government has an absolute ironclad commitment to the NDIS. This government has an absolute ironclad guarantee to deliver the NDIS in full. And colleagues need look no further than the budget papers to see that the funding profile to deliver the NDIS is laid out over the forward estimates.

Colleagues will also be aware that the NDIS currently has seven trial sites. Colleagues will also be aware that to give effect to the full NDIS requires the negotiation of six bilateral agreements with states. The Australian Capital Territory already has a bilateral agreement in place for the trial site. It is a whole-of-jurisdiction trial, so this jurisdiction is already on transition to the full scheme. Western Australia, colleagues will know, is following a different path in relation to trial: there is an NDIS run trial site and there is a Western Australian government run trial site. There will be a comparative evaluation of those two trial sites, which will help inform the Western Australian government's decision as to how they join the NDIS.
So there are six very important, very detailed, very complex bilateral agreements which I am in the process of negotiating with those jurisdictions. Each negotiation, as you would expect in bilateral agreements, will follow its own path. As I indicated to Senator Siewert a couple of days ago in this place, because she raised New South Wales specifically, that particular bilateral negotiation is going extremely well, and I hope to have some good news for colleagues in the very near future. \(\text{(Time expired)}\)

Senator MOORE (Queensland) (14:27): Mr President, I ask a supplementary question. Thank you, Minister, for the explanation of the process. It is useful, but I want to make sure that that ironclad guarantee you mentioned does actually relate to the timing and that that promise of 1 July 2019 in last year's budget will in fact be kept.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:27): I think we have to be clear about what is happening here, and that is that the ALP is suggesting that this government is looking for ways to either slow down negotiations or slow down the rollout of the NDIS. The government is not looking for ways to slow down either. What we are intent on doing is making sure we deliver the best NDIS possible. Quite frankly, I am not focused on commentary in relation to the NDIS and this government. What I am focused on is delivery.

Senator MOORE (Queensland) (14:28): Mr President, I ask a further supplementary question. I refer to the reports that the ERC last week failed to resolve the funding for the NDIS in New South Wales, with the meeting described as 'unbelievably fractious' and 'very divided'. Is the NDIS rollout about to be the latest victim of the government's chaos and division?

Honourable senators interjecting—

The PRESIDENT: Order on my left! Senator Moore, could you repeat that question. I did not hear the completion of that.

Senator MOORE: The first bit was about the ERC. Mr President, did you hear—

The PRESIDENT: Yes, the final part of your question.

Senator MOORE: The last bit was: is the NDIS rollout about to be the latest victim of the government's chaos and division?

The PRESIDENT: Thank you.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:28): I reject the premise upon which the question is based, and I also reject the conclusion that Senator Moore reaches. Let me point out in relation to New South Wales, since that has been the jurisdiction most often quoted of late, that only a matter of a couple of months ago I signed an agreement with the New South Wales Minister Ajaka to roll out the NDIS beyond the existing Hunter trial site in Western Sydney. That will be the first location where the NDIS rolls out beyond the existing trial sites for 2,000 young people with disabilities in Western Sydney. And that will commence very shortly. That is great news. I do not think anyone who has witnessed me in this portfolio, or the government over the last two years in this portfolio, would genuinely question our commitment to deliver the NDIS in full.
Trade with China

Senator MADIGAN (Victoria) (14:29): My question is to Senator Payne, the Minister representing the Minister for Trade and Investment. Minister, within 12 months of taking office the Abbott government concluded free trade agreements with South Korea, Japan and China. While celebrated as a win by the government, to many the speed was alarming, suggesting a new trade minister keen to get runs on the board may have given concessions beyond what was in the national interest. It seems these concerns were justified. In the case of the China free trade agreement, we will permit Chinese companies investing just $22 million into Australian based projects to bring in their own workers without having first to advertise for local workers. Minister, given the threat this poses to Australian jobs, will the government reconsider negotiating this aspect of the agreement?

Senator PAYNE (New South Wales—Minister for Human Services) (14:29): I thank Senator Madigan for the question and the advice to my office that he was intending to ask a question. The government is very proud of its record on trade, and since taking office in 2013 we have secured three crucial trade agreements which cover almost half of our exports. In particular the landmark free trade agreement with China will open up massive opportunities for Australian resource, agriculture, manufacturing and service industries and will create thousands upon thousands of jobs into the future.

It is unfortunate, Senator Madigan, that the most militant union in Australia are continuing their effort to derail the agreement by repeating what are utterly false claims. It is simply a disingenuous campaign by the union, and I do think it is unfortunate if you have been dragged into the orbit of that campaign by their misinformation. With all due respect, the claims that they make and that you have repeated this afternoon are not correct. The Department of Immigration and Border Protection guidelines, as I said yesterday, make it crystal clear that employees must demonstrate a labour market need and prove that Australians have bee provided first opportunity at the jobs. In other words, jobs for Australians come first. Temporary visa arrangements under ChAFTA are consistent with Australia's existing immigration and employment frameworks, and the suggestion by the unions that the government would enter into any agreement that deprives Australians of the first opportunity for jobs is, frankly, ludicrous.

The ChAFTA is a job-creating agreement that provides unprecedented access to the world's second biggest market. I am advised that the office of the Minister for Trade and Investment has offered to provide Senator Madigan with a briefing on the agreement, and that offer, of course, still stands for Senator Madigan.

Senator MADIGAN (Victoria) (14:32): Mr President, I ask a supplementary question. The agreement with China also removes requirements for mandatory skills testing for 457 workers in a range of occupations, including electricians and mechanics. The explosion in Tianjin last week is the most recent example of a public health catastrophe brought about by regulatory failure in China. Why on earth has the government agreed to allow Chinese electricians and other tradies unfamiliar with Australian safety standards onto Australian work sites?

Senator PAYNE (New South Wales—Minister for Human Services) (14:33): Again, the assertions that the ETU and its fellow travellers are perpetuating in their dishonest campaign are completely false. The ChAFTA does not change the required skill levels for Chinese visa
applicants to work in nominated occupations in Australia. It is not going to risk Australian jobs or community safety. What the ChAFTA does is bring China into line with the skills assessment pathway that we have required for most other countries for those occupations. Chinese visa applicants will still need to provide evidence that they have the requisite skills, qualifications and work experience as part of the visa application process. Chinese visa applicants will also need to obtain any federal, state or territory licences or registrations and be engaged in accordance with Australian workplace law, including awards and workplace health and safety. (Time expired)

Senator MADIGAN (Victoria) (14:34): Mr President, I ask a further supplementary question. The latest joke doing the rounds is: if you're short of a quid, put a blank cheque in front of Mr Robb, and he'll sign anything! This might be amusing if it were not for the devastating betrayal of Australian workers involved. Minister, what is being done to ensure that in future negotiations Minister Robb and his team show a bit more backbone in standing up for the rights of Australian workers?

Senator PAYNE (New South Wales—Minister for Human Services) (14:34): Let me say very clearly that I have the utmost admiration and respect for Trade Minister Robb and the extraordinary work he is doing on behalf of this government. The whole process of the development of the ChAFTA was a process of actively seeking stakeholder views and considering those throughout the negotiations. Those stakeholder consultations actually began in 2004 with a call for public submissions. The department held consultations and discussions with over 700 stakeholders and, following each negotiating round, DFAT contacted stakeholders to update them and seek further views ahead of the next round. The consultations that occurred in Australia and among Australian businesses in China were positive, with the feedback supportive of an FTA with China.

Mr Robb has secured an outstanding agreement that will position Australia for jobs growth in the decades ahead. I have mentioned before the endless list of endorsements and testimonies from Australian businesses and industries, and they are testament to that. (Time expired)

**Trade with China**

Senator BACK (Western Australia) (14:36): My question is to the Assistant Minister for Immigration and Border Protection, Senator Cash. I ask: can the minister inform the Senate of any false and misleading claims about labour market access under the China-Australia Free Trade Agreement? Minister, where does the truth lie with this issue?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:36): I thank Senator Back for his question. Yes, I can advise the chamber of false claims. Australians are currently witnessing what is an unprecedented attack by the union movement and those opposite in relation to the biggest opportunity to boost jobs and growth that this country has ever seen.

Those opposite say they are the party for the worker. Give us on this side a break. You are denying the workers in this country the opportunity for tens and tens and tens of thousands of jobs. I ask Senator Wong: as the shadow minister for trade, will Senator Wong show some leadership and repudiate the falsities being peddled by her former union, the CFMEU, in relation to the free trade agreement? Let's look at some of the myths versus the reality. The
first myth: Chinese companies will have unrestricted access to Chinese workers for major projects, threatening Australian jobs. That is false—absolutely false. The ChAFTA will not allow unrestricted access to our workplace or labour market by Chinese workers. In fact, if those on the other side had actually bothered to read the memorandum of understanding they would have seen at clause 8, under 'Issue of Visas under IFAs', the words 'labour market testing', and the requirements that need to be followed are actually set out in the MOU. Under the IFA, Australian workers will continue to be given first priority. The second myth that is being peddled is that ChAFTA will allow Chinese electricians to work in Australia without any skills assessment. Please, again, give us a break—absolutely false. The reality is— (Time expired)

Senator BACK (Western Australia) (14:38): Mr President, I ask a supplementary question. Can the minister advise the Senate of some of the tangible benefits that are already flowing to Australia as a result of the signing of the China-Australia Free Trade Agreement?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:38): This is an historic trade agreement. It is all about jobs and growth. Since even just the signing of the free trade agreement the ChAFTA benefits flowing to Australians have been huge. For example, since the signing of the ChAFTA the cattle health protocol agreement has been reached, under which Australia is the first country to export feeder and slaughter cattle into China. Imagine the opportunities for those in the agricultural sector now—up to one million head of cattle that we can now send to China. We also heard this week about a business, a producer in Australia, working directly with Chinese merchants on a direct producer-consumer model. They are only doing this in anticipation of the fact that the ChAFTA will come into force in January. These are the tangible benefits that we are now seeing because of the signing of this historic free trade agreement. (Time expired)

Senator BACK (Western Australia) (14:39): Mr President, I thank the minister for her answer and I ask a further supplementary question. Can the minister inform the Senate of any threats posed to the China-Australia Free Trade Agreement as a result of the current dishonest campaign?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:40): I can, and I have to say, so many Australians who have given their absolute endorsement to the Chinese free trade agreement—because they understand that their children, if they have families, will have thousands and thousands of opportunities for jobs that will be created—are absolutely gobsmacked by the attitude taken by those on the other side under Bill Shorten, which is, quite frankly, to go into partnership with the thugs in the CFMEU to oppose the free trade agreement.

The PRESIDENT: Pause the clock.

Senator Cameron: Mr President, a point of order: the minister is misleading the Senate. Chapter 6 of the MOU says there will be no requirement for labour market—

The PRESIDENT: There is no point of order. And apart from there being no point of order, that is really taking advantage of a situation where you should not be doing so. So, please desist.
Senator CASH: Even Bob Carr, who used to sit in this chamber but was actually from the Labor Party, has come out himself and said: 'Sign the China free trade agreement.' Even he understands, as a former foreign minister, what this means for Australians. Yet what do we have? Those on the other side—Bill Shorten, being the little puppet that is pulled by the union puppet masters—being told, 'Distance yourself from the free trade agreement.' Ironically, when President Xi was here, what did Mr Shorten do? He tried to claim credit for it. (Time expired)

Australian Competition and Consumer Commission

Senator WHISH-WILSON (Tasmania) (14:41): My question is to the Minister representing the Minister for Small Business, Senator Cormann. Minister, the recently completed Harper review into competition policy found that Australian laws are deficient and do not adequately distinguish between fair competition and unfair competition within the marketplace. The Harper review recommended that the government amend section 46 of the Competition and Consumer Act 2010 to introduce an effects test in relation to the misuse of market power that would better empower the Australian Competition and Consumer Commission to prevent anticompetitive behaviour, especially against such allegations made against the supermarket duopoly. Can the minister update the Senate on when his cabinet will bring this legislation to parliament so that we can pass this into law?

Senator CORMANN (Western Australia—Minister for Finance) (14:42): The government is committed to implementing our long-term plan for stronger growth and more jobs. As part of that plan we are pursuing one of the most ambitious reform agendas for our competition laws for a very long time. We have initiated the Harper review, which did a very good job and which will deliver benefits for the economy, for business and for consumers across Australia. This is a very important piece of work. This is a piece of work that we are very carefully considering to ensure that we make all the right decisions in the national interest. You would not expect me to give you here today the exact timetable of something that has not been finalised. When the government is in a position to make announcements about our way forward in response to the recommendations of the Harper review we will do so.

Senator WHISH-WILSON (Tasmania) (14:43): Mr President, I ask a supplementary question. Minister, I note recent media comments by the Minister for Small Business, Bruce Billson, that there is a strong case for change and that he is drawing up plans for an effects test because it is 'in the national interest' and because anticompetitive conduct is 'detrimental to our economy'. Do the minister and other members of the cabinet agree with these sentiments?

Senator CORMANN (Western Australia—Minister for Finance) (14:44): What the government agrees with is that we should do everything we can to put Australia on a stronger economic foundation for the future, that we should do everything we can to strengthen growth and create more jobs. As part of that, we are committed to comprehensive reform of our competition laws. You are asking a question about a specific aspect of that. That is still subject to very careful consideration by the government to ensure that we make the right decision about the best way forward. As I have indicated in my primary answer, when the government is in a position to make an announcement we will do so.
Senator WHISH-WILSON (Tasmania) (14:44): Mr President, I ask a further supplementary question. Given that stakeholders such as the Council of Small Business of Australia—COSBOA—the Master Grocers Association, Metcash and the National Farmers' Federation all support the introduction of an effects test, and given that the Greens support the introduction of an effective effects test, can the government outline any impediments, political or otherwise, to the introduction of an effects test?

Senator CORMANN (Western Australia—Minister for Finance) (14:45): Let me say right up front that this government is the best friend that small business has ever had. Let me also say that this is the government which delivered small business tax cuts, which the previous government kept talking about and promising but which, of course, were never delivered. This government is working to strengthen growth. This government is working to ensure that significant mining and infrastructure projects can proceed, because we understand the beneficial flow-on impacts for small business from a more strongly growing economy. Small business across Australia understands that the worst friend of small business—

The PRESIDENT: Pause the clock. A point of order, Senator Whish-Wilson?

Senator Whish-Wilson: Mr President, I raise a point of order in relation to relevance. I did specifically ask—and I know that you listen to the questions carefully—what the impediments were, political or otherwise, to the implementation of an effects test.

The PRESIDENT: I will remind the minister of the question. He has 17 seconds in which to answer.

Senator CORMANN: I think if you look closely at the question you will see that the good senator was asserting some level of support by the Greens for small business. Small business across Australia knows that the Greens are the worst enemy of small business, because the Greens are antigrowth, antijobs—(Time expired)

Indigenous Affairs

Senator McLUCAS (Queensland) (14:46): My question is to the Minister for Indigenous Affairs, Senator Scullion. I refer to the minister's comments that Vegemite is a precursor to misery in many remote Indigenous communities, where the minister has alleged that the popular spread is used to brew alcohol. Does he stand by his comment that children were failing to turn up to school because they were too hung-over as a result of consuming the home brew? What evidence does the minister have to support these allegations?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:47): On 20 May this year, in the company of three senators, I attended upon Mornington Island at the invitation of that island. We took evidence from the police force; we took evidence from their justice agency; we took evidence from the health centre. All said that the current issues facing Mornington Island were because of the home brew, which they described as being made from fruit juice, sugar and Vegemite. It may be the case that there was some sort of placebo that they did not need. I would not know. But let me tell you a reflection from the month before. There were 186 charges on 72 persons in a community of 750, the vast majority being home brew. Many were breaches of domestic violence orders so they could again beat those people. It leaves me in absolutely no doubt that this is a serious issue and should not be made a laughing stock of. The fact that I have to continue to deal with this and rebut the silliness in the media is because I do not wish to
further stigmatise communities in this way in the media. I am very disappointed that those on the other side have seen fit to continue to pursue this matter as if it is a laughing stock. All you have to do is to look back in the media—

The President: Pause the clock. Senator Moore, on a point of order?

Government senators interjecting—

The President: Order on my right! Senator Moore has the right to be heard.

Honourable senators interjecting—

The President: Senator Wong!

Senator Moore: Mr President, I raise a point of order. It is on direct relevance of an answer. The question was focused on what evidence the minister has to support these allegations. There was no evidence. I ask you to draw the minister's attention to the question.

Honourable senators interjecting—

The President: Order! I do not need assistance. Senator Moore, there is certainly no point of order. Senator Scullion's opening remarks indicated where he got the direct evidence from, which was a direct part of the question. You have the call, Minister.

Senator Scullion: Can I just read a few news items. Perhaps those on the other side could follow some of this. There were some concerns in November 2009 that a fatal brew would be made. 29 June 2010: yes, a man aged 40 died after drinking an alcoholic drink brewed from Vegemite on an island community in the Gulf of Carpentaria. The evidence goes on and on. I do not have time to get through it here. 2 July: an Anglican minister, Reverend John Adams, calls. He said he was so overwhelmed with the brew that children as young as 11 are risking their lives drinking this potent concoction. (Time expired)

Senator McLucas (Queensland) (14:50): Mr President, I ask a supplementary question. I refer to the minister's call to restrict sales of Vegemite in dry and remote Indigenous communities and the Prime Minister's statement that 'the last thing I want to do is have a Vegemite watch.' Who is correct—the minister or the Prime Minister?

Senator Scullion: The Prime Minister, as the senator has accurately quoted, was quite right. He did not call for a Vegemite watch, and nor did I. I had an unsolicited request from a journalist who tried, time and time again, which has been recorded. She said, 'Will you ban Vegemite?' I said, 'No, don't be stupid.' 'Will you do this, will you do that?' We talked about the precursors to misery; we talked about detergent; we talked about restrictions on petrol. We talked about the great work that had been done by CAYLUS in actually itemising normal processes of life, issues around detergents, paint and other substances used in chroming. You learn the lesson in this game of who to talk to and who not to talk to. I will not be speaking to that journalist again. I have never said that, and there is no evidence to say that I have said any such thing.

Senator O'Sullivan interjecting—

The President: Senator O'Sullivan! Senator McLucas, do you have a supplementary question?

Senator Cameron: Senator O'Sullivan owns half of Mornington Island!

The President: Senator Cameron, you have a colleague on her feet.
Senator McLUCAS (Queensland) (14:52): Mr President, I ask a further supplementary question. If the minister is concerned about alcohol abuse in remote Indigenous communities, why has the minister implemented just one of 23 community alcohol management plans for the Northern Territory since coming to office almost two years ago?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:52): I will just correct the senator. There were 23 community alcohol management plans. Under your legislation, Senator—through you, Mr President—they were reduced to eight, because the others were noncompliant. I have not only dealt with one; I have dealt with all eight. I have rejected seven and I have accepted one. Of the seven applications that I rejected, most were rejected because they actually introduced more alcohol into communities, and I am someone who has been on the record—and I am unlikely to change my stance—saying that I have never seen more alcohol in the community help things.

Early Childhood Education

Senator LINDGREN (Queensland) (14:53): My question is to the Assistant Minister for Education and Training, Senator Birmingham. Can the minister advise the Senate about the findings of the Australian Skills Quality Authority strategic review of training for early childhood education and care and the government's response to those findings?

Senator BIRMINGHAM (South Australia—Assistant Minister for Education and Training) (14:53): I thank Senator Lindgren for her question. As Senator Lindgren rightly acknowledged, the Australian Skills Quality Authority, ASQA, today released the Training for early childhood education and care in Australia report. It is a report that is of great concern. It did find, pleasingly, that 90 per cent of the 77 registered training organisations audited achieved full compliance, but equally it also found that around three-quarters of training organisations, both private and public training organisations, were offering childcare qualifications in significantly less time than that recommended by the Australian Qualifications Framework.

The government's response to this is clear, it is strong and it is immediate: we want to make sure that we give students confidence that they are getting quality training and parents confidence that those working in child care have quality qualifications and skills behind them. So we are working with ASQA to increase its audits on childcare training organisations and instructing ASQA to work with the Australian Children's Education and Care Quality Authority to ensure that they have audits of the highest standard and relevance to childcare education and workplace practices. We will also be asking the new Australian Industry and Skills Committee to urgently consider the adequacy of the workplace learning requirements of the relevant childcare training packages because in the end on-the-job training is often the best training possible.

We want to make sure that ASQA itself is using all of its powers. I will be issuing a directive to ASQA to make sure that they explain how they are using the powers they already have in relation to these short courses and in relation particularly to the recommendations under the Australian Qualifications Framework for short courses to be avoided and regarding the recommended length of diploma qualifications and certificate III qualifications. We have also given ASQA powers to impose penalties and infringement notices, and I will be directing ASQA to explain how those penalties can apply in these sorts of instances.
Senator LINDGREN (Queensland) (14:55): Mr President, I ask a supplementary question. Can the minister advise the Senate what further action the government is taking to lift the quality of training to ensure that it delivers real-life skills for jobs to students and businesses?

Senator BIRMINGHAM (South Australia—Assistant Minister for Education and Training) (14:55): This is about protecting the interests of students just as it is about protecting the interests of parents and children in child care. We want to ensure that childcare providers actually have a say in terms of who the quality training organisations are because many childcare providers have told me already that they informally black-ban certain training organisations, which of course acts to the great disadvantage of students who might go to those training organisations.

We will support the childcare sector to develop a robust, independent preferred provider model. This model will ensure that students can actually see those training organisations who are well regarded by employers in the childcare sector and can make an informed choice to take their training through one of those organisations. These measures, of course, complement the tough new standards the government has introduced in relation to RTOs, new training package development models, our reforms to VET FEE-HELP and our increased funding to ASQA, all of which are helping to strengthen the quality in the sector. (Time expired)

Senator LINDGREN (Queensland) (14:56): Mr President, I ask a further supplementary question. Can the minister inform the Senate why these significant reforms are necessary?

Senator BIRMINGHAM (South Australia—Assistant Minister for Education and Training) (14:57): They are necessary. This report demonstrates the problems in the sector. But sadly many of these problems and many of the other problems I and the government have been addressing over the last couple of years have been evident for some time. Of course, the previous government set up many of these systems but did so quite inadequately. It was Labor that supported training for training’s sake, often to mask their poor record on employment. It was Labor that failed to support the structuring of training in a way that directly meets the needs of employers and business. It was Labor that put in place the regulatory structure that we have had to reform to fix these problems. It was Labor that established the VET FEE-HELP system that has been so greatly rorted to the tune of millions and millions of dollars, which we are addressing. It was Labor that failed to provide ASQA with the powers to provide infringement notices, which we have now put in place. All of these measures are about ensuring we have a stronger, higher quality training sector in future.

Defence Procurement

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:58): My question is to the Minister representing the Minister for Defence, Senator Brandis. I refer to the Prime Minister’s conflicting statements about building Australia’s offshore patrol vessels. In Adelaide the Prime Minister said construction of our future naval fleet would be centred in South Australia. In Melbourne the Prime Minister said the construction would most likely start in South Australia but could move to Melbourne. Last week the Prime Minister said that Western Australia could bid for these vessels, an in the other place today he said that the patrol vessels may be moved from Adelaide in 2020. Which is it, minister? Will you give us a straight answer: where will these ships be built?
Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:58): Senator Conroy, the future frigates will be built in Adelaide. The offshore patrol vessels will be built in Australia, primarily in Adelaide, but other localities in Australia will be at liberty to bid for the offshore patrol vessels. As a result of the competitive evaluation process, later in the year the government is proposing to announce the construction of the future submarine program, but there will be very, very substantial work in Adelaide for the future submarine program. I must say, Senator Conroy, that your chutzpah really is extraordinary. You were a minister in a government that did nothing for Australian naval shipbuilding for six years—nothing. Not a single Australian naval ship was commenced in the six years during which you sat around the cabinet table—not one. Not one single Australian warship was commenced. The Future Submarine program was delayed and put off for over six years. As a result, what has been referred to in the industry as the valley of death, the point between the end of work on pre-existing programs begun by the Howard government and the uptake of work on programs introduced by the Abbott government—

Senator Conroy: A little knowledge is a dangerous thing, George.

The PRESIDENT: Senator Conroy, you have asked your question.

Senator BRANDIS: Senator Conroy, the valley of death occurred on your watch. Do not take that from me; take it from Dennis Richardson, the Secretary of the Department of Defence, who said:

While it is too late to avoid the valley of death, you can take decisions now—that is, in 2015—to minimise its impact and to put the industry on a long-term basis.

The CDF, Air Chief Marshal Binskin, said the same:

A decision on a project or program would have had to have been made back then—

(Time expired)

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (15:01): Mr President, I ask a supplementary question. Given that the government’s first decision in naval shipbuilding upon coming to government was to send the two supply vessels mandated offshore and with work on the offshore patrol vessels not due to start until 2018 and with the industry in crisis due to your early first decision, will your Prime Minister revisit this outrageous decision to exclude Australian companies from tendering for the Navy’s new supply ships?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (15:01): Senator, you refer to the government’s decision to replace HMAS Success. We have to replace HMAS Success with a vessel acquired from overseas because of the urgency of the need, because on your watch no tender was let to an Australian naval shipyard at the time it needed to be so that Success could have been replaced before the end of its operational life by an Australian build.

Senator Conroy: They would be being built now.

The PRESIDENT: You have asked your question, Senator Conroy.
Senator BRANDIS: That is the reason for the urgency of replacing Success now with an overseas acquisition—because you did not place the order, you did not commence the process when it should have been commenced, during the six long years of the Labor government. Senator Conroy, I was in the course of reading from the CDF, Air Chief Marshal Binskin, about the naval shipbuilding program. Air Chief Marshal Binskin said:

A decision on a project or program would have had to have been made back then—back then when you were the government—so that we could make the transition from the current projects to the next.

(Time expired)

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (15:02): Mr President, I ask a further supplementary question. The Senate made clear with its vote yesterday that it agrees with the experts that building our future submarines in Australia would be the cheapest option and ensure that there is enough work to sustain shipyards right across our country. Will you now direct that your sham submarine process only consider proposals for a local Australian build or will the Prime Minister instead keep his secret promise to the Japanese Prime Minister?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (15:03): In the unlikely event that I was not heard before for all the hysterical shouting from Senator Conroy, let me repeat that during the six years of the Labor government, during which time Senator Conroy, Senator Carr and Senator Wong sat around the cabinet table, not a single Australian naval shipbuilding project was commenced—not one for six years. Notwithstanding that the Secretary of the Department of Defence and the Navy were urgently warning the then Labor government of the need to get on with it, to progress naval shipbuilding, they did nothing. You did nothing. We have made the most important announcement in the history of Australian naval shipbuilding with the continuous build and will be announcing the result of the competitive evaluation process of the Future Submarine later this year. (Time expired)

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

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Answers to Questions

Senator McLUCAS (Queensland) (15:04): I move:

That the Senate take note of the answers given by ministers to questions without notice asked by Opposition senators today.

Today was an opportunity for the government to back in constitutional recognition. Senator Wong asked Senator Abetz questions about constitutional recognition today. We have heard and all recall that the Prime Minister has said that he will sweat blood to achieve this goal. Today was an opportunity for Senator Abetz, representing the Prime Minister, to repudiate sections of the Liberal Party who are not coming along with the stated Liberal intention. It is very unfortunate that this motion is to be moved at the Western Australian conference this weekend:

That the Liberal Party of Western Australia oppose any move to recognise a single race to the exclusion of all others in the body or preamble of the Commonwealth Constitution.
Today was an opportunity for the Leader of the Government in the Senate to repudiate that position, to slap it down. This was a chance to ensure that the argument was made that we do support constitutional recognition, that we will work together across the aisles to ensure that constitutional recognition is achieved. Senator Abetz missed that opportunity today. He should have shown the leadership that Senator Wong invited him to show and said that the motion that is coming before the WA branch this weekend is wrong and given the reasons why it is wrong, but he did not take that opportunity.

Mr Abbott, with the support of Mr Shorten, is working towards achieving a referendum in 2017. That will be the 50th anniversary of the 1967 referendum. We have to work together to achieve that goal. Today was an opportunity missed by the Leader of the Government in the Senate.

The opportunity was then offered from Senator Wong to Senator Abetz to repudiate the words of Bill Hassell. Again, that opportunity was missed. Mr Hassell has said that Mr Abbott had seriously misread the mood of the party and was in for a rude shock when he attends the conference in Perth. We need to make sure that he understands that language like that will not encourage the community to come with us on this road to constitutional recognition. Again, Senator Abetz missed that opportunity.

Today a meeting was held between Indigenous leaders and the Prime Minister. Hopefully, that is another step forward towards the goal of constitutional recognition. But to achieve constitutional recognition, we have to take every opportunity to make the argument, to make the case and to bring the community with us. That is why it is disappointing that we have had in this period of time the bizarre spectacle of what has now been called 'Vegemite gate'. I asked Senator Scullion what evidence he had that Vegemite was being used to brew alcohol in Aboriginal communities. Senator Scullion said that he had been to Mornington Island—a place that I have visited many times, Senator O'Sullivan. Potentially you could tell us how many times you have been there as well.

Senator O'Sullivan: I have been there twice.

Senator McLUCAS: Good, tell us about it. He said he spoke to the council and to others about the problems that Mornington Island experiences with illicit use of alcohol. The council had told him that people were using Vegemite to do that. He is quoted in inverted commas on the ABC website as saying:

I have seen first-hand the impact of home brewing which included Vegemite as an ingredient and many community members have told me about the problems it is causing.

So he went and Mornington Island and someone told him it was a problem but did he ask his department? Did he actually ask for any scientific evidence? He did not. Dr Claudia Vickers was asked by the ABC whether this was possible thing to do. She said:

It is not impossible, but it is highly, highly implausible.

She said:

There is nothing alive in the Vegemite that you can use to make beer with.

As you will remember from when we were children, it is yeast extract; it is not live yeast. It is highly implausible that it could occur.
Senator Scullion has a department. I would suggest to him that he starts to use the information that that department can find for him without just making up the story to fill in the time, frankly. *(Time expired)*

**Senator O'SULLIVAN** (Queensland—Nationals Whip in the Senate) (15:10): Today, colleagues, we saw an absolute new low. I am telling you, I looked up and saw the snake's belly while I was listening to that question about Mornington Island.

*Senator McLucas interjecting—*

**Senator O'SULLIVAN:** I have been there, Senator McLucas. I have been there and heard the same evidence. You need to go and check your *Hansard* against his *Hansard*. The minister did not mention the council in his answer and it was the only thing you quoted. He talked to you about the police. He talked to you about the community organisations. We went to a health centre—I had two visits there. Two long days I had on Mornington Island and, I tell you, your question should have been to the minister: what can I do to help the minister in dealing with the very serious alcohol problem on Mornington Island? But you had no interest in that. Your interest would have been reflected in your question. What do you want to do? You want to diminish the efforts that are coming out of that two-day visit where the minister kindly came along with our assistant health minister. These are two serious people who took a very serious interest when I raised with them the problems on Mornington Island.

If you have been to Mornington Island, I accept that. I ask you now, next time you get up to make a contribution, what did you do about what you saw? The problems are still there. What did you do when you were in government? You are a senator based in northern Queensland. This is a very vital part of your constituency. So the next time you get an opportunity, why do you not lay down what you did when you were in government for the poor people of Mornington Island.

The circumstances over there are not Third World; they are fifth world, sixth world on Mornington Island. There were 200 offences before the court over the course of one week. I took a great deal of interest in this. I sat there with a fellow—I cannot think of the fellow's name—who has got a PhD and is doing continuing work there in a community role. We went through the court list and were able to determine that something like 180 of those offences would not have occurred had alcohol not been involved. It is a horrific problem.

You heard the minister say to you that he does not know—

**Senator McLucas:** What are you doing?

**Senator O'SULLIVAN:** You chose to ignore this. This is a very vexed question. You chose to ignore what he said—that the Vegemite may be having a placebo effect or that they may be convinced it has a function that it does not. I am telling you the Vegemite is going in. You should be interested about how we might educate the people on Mornington Island if the Vegemite is not working. These are people who have got seven times the capacity to have concerns about their kidneys. Families are being separated because of these home-brews. They are being separated from their families and are off to Townsville never to come home—some of them do not have the capacity. This is not a Greyhound bus ride, as you ought to know being from North Queensland.

I think that was a new low that question today. Did it have any interest in the people of Mornington Island? No it did not. Did it show any interest in how we might be able to support
this minister and the Assistant Minister for Health after their visit there to do something about this atrocious situation? No it did not. It was just a collage of cheap shots directed at our minister, who works very hard in this place. He is a very genuine, very decent man. I am telling you, this is one area—

Opposition senators interjecting—

The DEPUTY PRESIDENT: There is far too much interjecting happening. I call the Senate to order.

Senator O'SULLIVAN: Let me take a deep breath. Work in Indigenous affairs, can I say to you, needs to be absolutely above politics in this place. Stunts like today, questions like that—

Senator Lines: Stunts like Vegemite.

Senator O'SULLIVAN: Let me finish speaking. I know you do not like what I have got to say. Indigenous affairs in particular, when we are seeing the absolute terrible crisis we have in these communities, ought to be above politics in this place. I ask you and invite you the next time you craft a question for the minister or anyone else in the space of Indigenous affairs, you need to ask yourself: does it meet the test of making a positive contribution to progress in the efforts of the government in this space? Because this was a disgrace.

Senator Lines interjecting—

The DEPUTY PRESIDENT: Order!

Senator O'SULLIVAN: It was a disgrace today and—no, you can holler as much as you want, Senator Lines. I have been there. We are doing things with Mornington Island. I was on the phone with them this morning, not even knowing this question was coming up, continuing—

Senator Lines: What a hero!

Senator O'SULLIVAN: There you go, Senator Lines—through you, Mr Deputy President—that is your contribution: referring to someone as a hero. You have zero interest, and you should not be here as a result.

Senator MOORE (Queensland) (15:15): We get so excited to have a chance to contribute. In terms of the question we asked today to the minister about the NDIS, it is interesting to find out that at no time do we have any commitment about the timing of the NDIS rollout. There is no question about commitment, and there is no question about the process involved in actually negotiating the NDIS. In his response the minister gave very useful information about the way the process needs to happen, which is that we have to have the federal government working with every state and territory to negotiate an outcome and bilateral agreements. All the same, this is exactly how the NDIS is structured to operate. When we were in government, with the support of the opposition in launching the NDIS, we knew what the structure was going to be. It was going to be a series of bilateral agreements so that, by 2019, we could come to a national plan across our nation which effectively looked at the needs of people with disabilities. There is no question about that.

We have had quarterly reports since the introduction of the NDIS, which talk about how the NDIS is progressing, the number of people receiving packages, the average cost of the packages and the timing of the introduction. It is all there in those quarterly reports and, of
course, the minister comes in, as he ought, and tells us what is happening as we receive a quarterly report. With the first couple, the minister took great pride in saying that there could be some problems here and that they were going to fix them, and there has been the introduction of efforts. Yesterday, in response to a question from Senator Siewert, the minister talked about the policy changes that had been implemented. That is all fine. He said that this is what has to happen and that the program was going to evolve and we would work it through. The minister again today said that there was absolute commitment to the NDIS. We acknowledge that, we celebrate it and we share it. There is absolute cross-party support for the NDIS. The questions were in full and on time.

Yesterday and last night in the media and again today, the minister has responded with absolute commitment to 'in full', but there is no explanation and no commitment to 'on time' and no acknowledgement if there is a problem with the timing or that there could be a problem with the timing. It is really important that the minister and the government understand that this is a commitment that has been made in the budget papers and in public statements by the Prime Minister and others in the timing of the NDIS rollout. At no stage has there been any acknowledgement that there could be a problem with it, just evasion. It could be nothing but a deliberate evasion because the question was followed up a number of times in this place and also in media coverage. Instead of actually answering the question, the minister has consistently ignored that part of the question and moved on to talk about how committed the government is to having the NDIS.

Believe me, it is people in the community who are watching what is happening with the NDIS. There was so much hope and so much pride in people with disabilities across this country or in people who were working with people with disabilities when the government— their government—made the statement that everyone in this parliament was committed to the NDIS. There was genuine hope that this was finally going to be an effective response to needs that had been identified over many years. Consistently, people are asking what is happening. People are going to fora all over the country. In every state and territory there are people who gather together regularly to review what is happening with the NDIS and to plan what is going to happen in their jurisdiction. They have an effective and extraordinarily responsive network where they share knowledge, they share ideas, they share hope and indeed, at times, they share frustrations because, as the minister said today, this is a difficult and complex program. But it is no more difficult and complex now than it was when the NDIS was officially put into place. It is no more difficult and complex in terms of what will happen than when the promises were made that there would be a certain date of completion. In the budget papers only this year there was a reaffirmation of a timely implementation of this program. We will continue to ask, the community will continue to ask and probably the media will continue to ask because they know they have an audience for this question: when will the commitment to the timeliness of this program occur, and when will we work together on it?

(Time expired)

Senator EDWARDS (South Australia) (15:20): I rise to take note of answers to questions. I cannot believe the quality of questions that came from the other side of the chamber today. Firstly, let me address the China-Australia Free Trade Agreement. This is already delivering over $100 billion in annual revenue—
The DEPUTY PRESIDENT: Senator Edwards, the motion before the chair is answers to all questions asked by the opposition. I believe that the question you are referring to was asked by the Australian Greens. Unless I am wrong, that was my recollection.

Senator Abetz: They are the opposition, are they not!

The DEPUTY PRESIDENT: Do not be cheeky, Senator Abetz.

Senator EDWARDS: There is plenty in the opposition questions that I can work with if you would prefer me to—

The DEPUTY PRESIDENT: Senator Edwards, if you would take your seat. Senator Whish-Wilson.

Senator Whish-Wilson: Mr Deputy President, a point of clarification: it was actually a Dorothy Dixer from their side that was asked on that issue.

Senator EDWARDS: I can move on to shipbuilding, which was asked by Senator Conroy. I can also talk about their shrill note of indignation. I can talk about Senator Moore's contribution with regard to the NDIS, and we can talk about the vacuous nature in which they come to this chamber.

With the NDIS, they sat sneering when we won the election because they had no idea how they were going to implement the NDIS with their budget hurtling into massive deficit, annual deficits, and a record budget blow-out like this country had never seen. They had no idea how they were going to deliver it. They thought they had laid landmines for Minister Fifield for time immemorial. Unfortunately, over on this side we have some idea of how, in an industry or a health community, we deliver things on time and on budget. Even though when you ask your question you have no clue on the other side, Minister Fifield went along and constructed how he will deliver it on time and on budget.

Now I refer to the question from Senator Conroy. He was out there this morning on Adelaide radio with Leon Byner, selling his mistruths about what happened. It is absolutely empty, because he is dealing with a Defence Teaming Centre report, which is funded by the state Labor Party. Defence Teaming gets its funding from the South Australian Labor government. It also gets snatch-and-grab funding that is also provided by the South Australian Labor government. So why wouldn't it be in his interest for the representatives and the Defence Teaming Centre to come out and talk about what is not going to happen? It is not backed up by any facts. There is a nice glossy brochure with some nice visuals, I admit. It looks good.

The $39 billion project has been delivered to South Australia, and the Prime Minister has been down there talking to South Australians about this wonderful Defence project. Just remember that this is the first time ever in our nation's history that we have had a continuous shipbuilding program. This is, for the first time, a program that will deliver a renewal of the entire naval fleet. And yet they in Labor in South Australia seek to diminish this, and media outlets, for whatever reason, do not check the veracity of the claims of these people, who are a partisan organisation. Not for one moment do I believe that their motivation is to give people of South Australia the assurance that they deserve about a commitment.

The Prime Minister has been down there, as we know, in South Australia—my home state and your home state, Senator McEwen—reinforcing his commitment to the shipbuilders. And what do we have? We have this cynicism about what you can and cannot do. Get behind the
workers down there at Osborne. Give them a chance. Give them a chance to prove themselves. Those people deserve every little bit. But all the time you are backgrounding and undermining every part of the process.

This competitive evaluation process which will roll out will be like the one that is going on with the submarines now. Its credibility is increasing day by day. The government should be very proud of it, and the people of South Australia should be very confident that the Prime Minister will back in this competitive evaluation process to a successful conclusion.

Senator LINES (Western Australia) (15:26): I too rise to take note of answers to questions from us, particularly to Senator Abetz on the disgraceful comments made by Mr Hassell from the WA Liberal Party. Again Senator Abetz just failed to answer our questions on whether the Prime Minister would repudiate the views of Mr Hassell and indeed the motion that is going to be put to the state Liberal Party, which says that we should not recognise Aboriginal and Torres Strait Islander people in our Constitution.

Let me just take a few moments to spell out, to people watching and listening, the disgraceful comments, the racist comments, that have been made by Mr Hassell. He said:

I don't think the Australian people will support it however they dish it up … and however much of our money they spend trying to jam it down our throats …

He did not stop there. He went on to say:

This is a moving feast—every time you deal with one issue such as Aboriginal land rights through the Mabo decision, they're onto the next …

How insulting. 'They're onto the next.' Who does he mean there—Aboriginal and Torres Strait Islander people? He then goes on to say:

… with a new demand, a new claim.

In here today, the Abbott government absolutely failed to put the Prime Minister's repudiation of those statements and those attitudes on the record. Significant numbers of senators in this place will attend that conference on the weekend. Let us see how they vote on that issue, because I can tell you that Mr Hassell is the number cruncher in WA, and their preselections rely very heavily on Mr Hassell and others.

But why should we be surprised about what Mr Hassell says? What is happening in Western Australia under the Barnett government to Aboriginal and Torres Strait Islander people is a national disgrace, despite Senator Scullion coming into this place and bragging about his truancy efforts in the Kimberley in Western Australia and how much they are getting kids back to school. Yesterday the state Attorney General released the report of attendance at Western Australian schools. Every public school in Western Australia was measured against a similar report in 2009. Both of those reports span the period of the Barnett government. Do you know what it says? Not one single improvement—not one single improvement! In fact, there are five schools in the Kimberley where there are truancy officers where 50 per cent of Aboriginal kids, who make up almost 100 per cent of those schools, are at severe risk. So, despite Minister Scullion trying to tell us that somehow his truancy program is working, it is not. And who is saying that? The Liberal Attorney General in Western Australia is saying that the WA Department of Education has no idea, no strategy and no programs addressing truancy. And they are public reports, both of them spanning the
period of the Barnett government. It is because racism against Aboriginal and Torres Strait Islander people pervades the Barnett government, led by Mr Hassell.

But let us not stop there. Aboriginal incarceration rates are something I have spoken about over and over again in this place. Aboriginal people are six times more likely to commit suicide than non-Aboriginal people in—where do you think that might be? Again, in the Kimberley, on the watch of the likes of Mr Hassell, the Liberal Party and the Liberal government in Western Australia. Not only is that an appalling statistic and an absolute tragedy for every family involved in a suicide; it is the highest rate of suicide in the world. And what do Mr Hassell, the Liberal Party and the Barnett Liberal government do about that? They do nothing—because that rate is going up and not down.

But let us not stop there. Let us look at juvenile incarceration of Aboriginal and Torres Strait Islander kids in WA. On any night you choose, one in every 77 Aboriginal boys in WA will be in detention. What kind of statistic is that, when those kids make up just six per cent of our population in Western Australia? Again, where is Mr Hassell's resolution on that? Where is the WA Liberal Party on that? Where is the Barnett government on that? They are nowhere. They allow these racist statements and comments to be the topic of discussion at their conference on Saturday, which the Prime Minister will attend and on which in here today Senator Abetz absolutely failed to back the Prime Minister.

Question agreed to.

Australian Competition and Consumer Commission

Senator WHISH-WILSON (Tasmania) (15:31): I move:

That the Senate take note of the answer given by the Minister for Finance (Senator Cormann) to a question without notice asked by Senator Whish-Wilson today relating to competition policy.

Over the last three years I have asked dozens of questions of Senator Cormann, and I have to say I have never seen him tap dance like he did today. These were fairly straightforward questions on a really important issue. Before I get into that, I have to say I was also deeply offended by his accusation that the Liberal Party was the best friend of small business, because I actually think it is the Greens. We have led on small business issues in this parliament in the last three years. We have been out there calling for a small business tax cut, which we recently have seen. We worked with the Labor Party in the last government to get instant asset write-offs and loss carry-back provisions for small business. And of course we have been pushing to get reform to competition policy.

The Harper review has been released, and the government has been sitting on it. We are awaiting its response with bated breath, but we are not the only ones. We had a firm, clear policy going into the last election to support an amendment to section 46 of the Competition and Consumer Act 2010 and the introduction of an effects test. And I am not the only one; Senator Xenophon has been pushing for this for a number of years, and I understand that Minister Billson is a big fan of an effects test, and he has been out there talking to the media on this. My questions were fairly simple: could the minister update the Senate on where we are at and when they are going to bring legislation to the parliament? Fair enough—he cannot disclose exactly when that is going to be. But he did not even give an indication of whether it was going to be soon or how long the process would take. It was after the next two questions
that I really felt that the minister was doing his best Fred Astaire. I asked what the impediments were to bringing in an effects test, and the minister provided no response at all.

Apart from the lack of political will on his side and the likelihood that the cabinet is split on this issue, the big impediment is that this effects test is designed to challenge a misuse of market power. It is designed to challenge the market concentration, for example, of the big supermarkets. We have all heard for years from a number of stakeholders about issues that small businesses have had, from farmers in the supply chain all the way through to contractors for distribution, and of course the effect on other retailers, especially when big supermarkets move into their area. So on one hand we have a minister standing here today saying that he is the best friend of small business, but on the other hand they are the best friend of big business too, and here we have a significant conflict of interest.

These policies are designed to help small business. We will not actually know how effective they are until they are used. Personally I do not think this effects test recommended by the Harper review goes far enough, and I am not the only one in that respect, but it is better than what we have got now. It is a good step forward. But it is obviously too much of a chasm to leap for a government that is falsely claiming to be the best friend of small business. If they were they would know that they have a unique opportunity now, unique in nearly 15 years of campaigning, for an effects test in competition policy. Because, as we have been constructive on some other issues in this parliament, if the legislation comes to the Senate and passes the House and it is a good, effective piece of legislation, the Greens will pass it. We could have in this country a new competition law, a policy for an effects test that at least gives the ACCC a much more powerful tool in the toolbox than it has now. It certainly would have an impact on small businesses across this country, at least in terms of confidence and an insurance policy.

I talked little bit about some of the stakeholders, and we have probably all seen them. They have been in the building this week. We need to be honest about these impediments. We need to have a discussion about it. I can see the political impediments being a cabinet that is split on this issue, because some have been effectively lobbied by big business. Others, like Minister Billson, are standing up for small business, but we need to have a discussion around the national interest and whether the competition policies we have now are detrimental to our economy. The Harper review, the government's own review, clearly said that it is time to bring the legislation up, and the Greens will help this government pass it for small business.

Question agreed to.

COMMITTEES
Legal and Constitutional Affairs References Committee
Membership

The DEPUTY PRESIDENT (15:36): The President has received a letter requesting changes in the membership of a committee.

Senator BIRMINGHAM (South Australia—Assistant Minister for Education and Training) (15:36): by leave—I move:

That senators be discharged from and appointed to the Legal and Constitutional Affairs References Committee as follows:

Appointed—
Substitute member:
Senator Moore to replace Senator Collins
Senator Gallagher to replace Senator Moore for the committee’s inquiry into Commonwealth payments relating to asylum seeker boat turn backs
Participating member: Senator Collins.
Question agreed to.

Joint Standing Committee on National Capital and External Territories
Membership

Message received from the House of Representatives notifying the Senate of the appointment of Mrs BK Bishop to the Joint Standing Committee on the National Capital and External Territories in place of Mrs Griggs.

BUDGET
Consideration by Estimates Committees

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (15:37):
On behalf of the respective chairs, I present additional information received by committees relating to the estimates:
Additional estimates 2014-15—Finance and Public Administration Legislation Committee—
Additional information received between 14 May and 18 August 2015—Prime Minister and Cabinet portfolio.
Budget estimates 2015-16—
Education and Employment Legislation Committee—Additional information received between 26 June and 19 August 2015—
   Education and Training portfolio.
   Employment portfolio.
Finance and Public Administration Legislation Committee—Additional information received between 23 June and 18 August 2015—
   Finance portfolio.
   Indigenous issues across portfolios.
   Parliamentary departments.
   Prime Minister and Cabinet portfolio.

COMMITTEES
Publications Joint Committee
Report

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (15:38):
On behalf of the Chair of the Publications Committee, I present the 16th report of the Publications Committee.
Ordered that the report be adopted.
DELEGATION REPORTS

Parliamentary Delegation to Singapore and Canada

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (15:38): On behalf of the Chair of the Economics Legislation Standing Committee, I present the report of the Australian parliamentary delegation to Singapore and Canada, which took place from 7 December to 18 December 2014. I move:

That the Senate take note of the report.

I seek leave to incorporate a tabling statement in Hansard.

Leave granted.

The statement read as follows—

The trip took place in December 2015 and consisted of two legs, the first to Singapore and then onto Canada.

The Delegation was led by myself and Senator Dastyari with three other members taking part including Senator Carr, Senator Canavan and Senator Ketter.

Firstly, I’d like to thank Dr Sean Turner who organised the delegation and ensured a full program of meetings and engagements and the delegation certainly proved to be informative and highly productive.

The key focuses of the delegation included the finance sector and capital market regulation, tax reform and pension policies, science and innovation, the energy markets, digital currency, affordable housing and more broadly, emerging challenges and opportunities in the Asia-Pacific region.

Such diverse areas of importance, which are all directly related to Australia’s own challenges.

In Singapore the Committee met with the senior leadership of seven government agencies, representatives of the Australian banks and key Australian businesses based in Singapore. The Committee also met senior representatives of the Singapore Business Federation, the Australian Chamber of Commerce and Austrade.

In Canada the committee held a range of discussions with provincial and federal authorities and agencies, think tanks, private sector interest groups, and chambers of commerce. We also met with members of Canada’s Senate Committee on Banking, Trade and Commerce and toured the Canadian War Museum.

The aim of this visit was to provide an opportunity for a parliamentary committee to explore issues relevant to its work in two countries and enhance the parliament’s contacts.

In its letter of nomination the committee highlighted the similar characteristics in the Australian, Singaporean and Canadian economies. These similarities included relatively low systemic credit risk, importance to each economy of industries which compete on a global scale and strong growth potential of each respective economy.

The success of the visit would not have been possible were it not for the professionalism and dedication of staff in Australia’s diplomatic missions in Singapore and Canada, the staff in the International and Community Relations Office and the Senate Economics Secretariat.

The Committee found all of its meetings and engagements highlight informative, we gained a stronger understanding of the economic challenges and opportunities.

Just as significant the Committee believes such meetings are critically important in helping build and maintain Australia’s strong, productive relationships with both Singapore and Canada.

Question agreed to.
On behalf of the Chair of the Finance and Public Administration References Committee, I present the final report of the committee's inquiry into domestic violence in Australia together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator GALLAGHER: I move:

That the Senate take note of the report.

This inquiry was referred to the committee on 26 June last year. The committee received 165 public submissions as well as confidential submissions and held seven public hearings to take evidence from witnesses.

In Australia, between 2008 and 2010 the statistics show that nearly one woman every week was killed by their current or former partner. In 2015, the statistics to date show that this number is increasing with two Australian women killed by domestic violence each week.

The Australian Bureau of Statistics, in its most recent Personal Safety Survey, found that almost one in five Australian women have experienced violence at the hands of a partner since the age of 15. Women from some communities experience higher rates of violence than the national average. Aboriginal and Torres Strait Islander women face far greater risks of being affected by violence. Women with a disability and women from some culturally and linguistically diverse communities are also particularly vulnerable to domestic and family violence. It is these unacceptable rates of domestic and family violence which makes this one of the most important sal issues facing Australia today.

Domestic and family violence comes at a great personal cost to victims and their families. The committee heard time and time again over the course of this inquiry that domestic and family violence has severe and persistent effects on the physical and mental health of victims in the short term as well as their long-term wellbeing and the health of their families.

A study by VicHealth found that domestic and family violence is responsible for more preventable ill health in Victorian women under the age of 45 than any other of the well-known risk factors, including high blood pressure, obesity and smoking.

Domestic and family violence impacts on children—nationally, one in four children are exposed to family violence. Victoria Police data shows that, in a third of family incidents reported to police, children have been present. But children do not need to be physically present to suffer the negative consequences of violence—living in an environment where violence is the norm is extremely damaging. Victims of domestic and family violence also suffer financially, particularly in terms of maintaining employment and having access to suitable accommodation.

The number and severity of incidents of domestic and family violence also have broader economic costs for the community. A KPMG study commissioned by the Commonwealth found in 2009 that the annual cost of domestic violence is around $13.6 billion every year, and that this will rise to $15.6 billion by 2022, if steps are not taken.

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Senator GALLAGHER (Australian Capital Territory) (15:39):
It is clear that the Commonwealth government should do all it can to address the terrible effects of domestic and family violence. However, this report recognises that there is no single solution that will stop domestic and family violence overnight. Rather, it is a complex problem that requires a long-term, strategic approach by all levels of government and the Australian community more generally.

The government's strategic policy in this area is the National Plan to Reduce Violence Against Women and their Children. While many witnesses and submitters spoke favourably about the national plan, they considered it could be improved.

The committee agrees that the national and long-term approach adopted by this plan has great potential to reduce domestic and family violence. It also offers an ideal opportunity for the Commonwealth to take a leadership role, especially considering how much of the frontline services are delivered by the states and territories. Because of this, the committee has recommended that the Commonwealth government strengthen its leadership role in tackling domestic and family violence. It should look to improve its consultation with the domestic violence sector, particularly to inform the development of future phases of the national plan.

The committee also recommends that the Commonwealth government table, through the Prime Minister, an annual report to parliament on what progress has been made in the effort to tackle domestic and family violence so that progress and next steps are made clear to the sector and the wider Australian community. This recommendation is also to ensure that efforts to address domestic violence remain on the national agenda for the long term.

A clear theme of evidence was that better data about domestic and family violence is needed. What is particularly concerning is that, as this committee heard repeatedly, domestic and family violence may be underreported and many more victims may not be coming forward to get the help they need.

Therefore the report recommends a number of improvements be made to the collection of data by the government, including looking to refine the Personal Safety Survey to understand the effects of domestic violence in particular communities. This report also sees an opportunity for the Commonwealth to facilitate data collection through the National Data Collection and Reporting Framework.

The committee also considers that Australia's National Research Organisation for Women's Safety, ANROWS, is central to using any data collected by Australian governments about domestic and family violence. It is important that ANROWS receives funding until at least 2022, to match the time frame of the national plan and to inform its ongoing development.

The committee also considered how the Commonwealth could work through COAG to coordinate and support a national approach to domestic violence. The committee believe that the Commonwealth should investigate ways to encourage appropriate leave being provided to victims of domestic violence so that they can start to get their lives back on track.

Investment in primary prevention initiatives is a key strategy over the long term to build awareness and to bring about attitudinal and behavioural change. General public awareness campaigns are important for primary prevention as are more targeted campaigns to address the needs of particular groups such as new migrants and Indigenous communities. The National Primary Prevention Framework by Our Watch will be a welcome step to improve national coordination and dissemination of information in this important area.
Working with young people is another important area to embed long-term societal change and to establish healthy relationships. The committee strongly supports the respectful relationships programs and the incorporation of respectful relationships into the national curriculum.

The committee welcomes the work being undertaken by COAG to make perpetrators more accountable and has recommended that this work consider the particular needs of Aboriginal and Torres Strait Islander and LGBTI perpetrators as well as those in regional areas.

There is excellent work being done in jurisdictions and the committee has recommended the establishment of a subcommittee of first ministers to enable jurisdictions to share the results of trials and to coordinate best policy practice and service responses to domestic violence over time.

The legal system is another area that victims of domestic and family violence have to navigate and the committee heard it is not easy for them. The committee welcome the announcement that a national family bench book will be developed but believe that targeted training and evaluation of family consultants who write family reports would also help, as well as specific training for judicial officers.

Throughout the inquiry the availability of housing was raised as a critical issue affecting victims of domestic and family violence, whether they chose to leave the family home or remain at home. A recommendation in this area is for the Commonwealth government, through COAG, to facilitate the evaluation of existing legal measures and support programs that facilitate the removal of perpetrators from the family home.

Affordable housing can play a central role in helping victims of domestic violence to get their lives back on track over the longer term. The committee has recommended that the Commonwealth government take a leadership role in the provision of affordable housing solutions to meet the long-term needs of those made homeless by domestic violence.

The committee also acknowledges the need for victims to receive longer-term support—wraparound services including financial and trauma counselling, and specialised services to address the needs of particular communities. Given the long-term effort required to address domestic and family violence, the committee sees value in governments funding relevant services using a multiyear approach to reduce the level of uncertainty and to allow adequate future planning in the sector.

I wish to thank all the individuals and organisations that gave their time to make submissions and to speak to the committee at the public hearings. The stories and experiences that you have shared demonstrated to the committee the seriousness and magnitude of the challenge we face in reducing domestic and family violence in Australia. Through your involvement, we have become more familiar with the incredible work being done on the front line of the sector, as well as the skill, dedication and commitment of its workers.

I pay tribute to the Australian of the Year, Rosie Batty, who has been such a powerful and extraordinary advocate for victims of domestic violence and for the people working to assist them, and who generously assisted the committee with its work.

In closing, I would like to acknowledge and commend the work of my colleagues who participated in this inquiry. I would like to note especially the work done by my predecessor as chair, Senator the Hon Kate Lundy, who retired from the Senate in March this year.
I would also like to note the hard work done by all committee members over the course of this inquiry. I particularly express my appreciation to my colleagues for their efforts to reach agreement on the recommendations, and I acknowledge the broad support across the parliament to work together.

I hope that this report, when read in conjunction with other reports, provides some assistance in current policy discussions and debates over how best to respond to one of our country's greatest challenges. I commend the report to the Senate.

Senator BERNARDI (South Australia) (15:49): Before I address the substance of the report, I would like to offer a few personal reflections on the inquiry, which I was very pleased to be a part of. The conclusion I came to is that domestic violence affects all Australians in some way, shape or form—as victims, perpetrators, friends or family members or simply because we are all part of a land where domestic violence appears to be a blight on so many in our community.

It is quite harrowing for someone like myself to listen to the evidence that we listened to. It would soften even the hardest heart. It is really quite alarming to think that these things are going on in our communities, often under our very noses and often unnoticed or hidden away. So it was a very confronting inquiry for me. It was very illuminative and informative, and I am very grateful to have been involved in it.

I want to comment briefly on my colleagues who participated in the inquiry. Firstly, Senator Gallagher worked very, very hard to make this a bipartisan report in the main. I will come to why it is not entirely bipartisan shortly. I think there is a profound difference between the tone of the interim report and the tone of the final report. This issue should be above partisan politics. I make no bones about that. It is something that both sides of politics want to work hard to fix, to atone for previous wrongs and to make the future much, much brighter. In that respect, I think we have come to a pretty good conclusion in this report. So I thank Senator Gallagher for working hard in that respect.

I also would like to pay credit to Senator Moore. It was so clear to me that Senator Moore had a very deep, longstanding and passionate interest in this area. A lot of us can say that about a lot of areas but this was something that really shone through with Senator Moore. I just want to say 'thank you' to her for the work that she put in during the inquiry, and I thank her for standing strong in the face of what I thought was a great calumny. That is all I will say in that respect.

The report is broadly bipartisan. There are a couple of departures, and I do regret we could not reach agreement there. But I perfectly understand that this is the way of politics. There are only two little things. The first is in recommendation 1 in our additional comments. The committee recommendation was perhaps a more prescriptive recommendation, whereas the government senators thought that there is some flexibility within working arrangements and that employers and employees can consider specific leave rather than having the Commonwealth mandate that. The second one was effectively one of administration. The government's position was that the information is already available in various positions and the committee wanted it to be consolidated into another one. They are, in the scheme of things, minor and I am sorry that I had to put in the additional comments; nonetheless, they are there.
I recommend this report. It is a very positive step. The contribution from all senators and witnesses was terrific. The witnesses were very courageous and brave to come and tell their personal stories. I echo the sentiments regarding the powerful evidence given by Mrs Rosie Batty. She has turned perhaps one of the most horrific experiences any parent could experience into something that is overwhelmingly positive for the country. It is quite extraordinary and speaks of her courage. I thank senators for their contributions and I thoroughly recommend this report to the Senate.

Senator WATERS (Queensland—Co-Deputy Leader of the Australian Greens) (15:54): I too rise with great pride to speak to this very important report on violence against women. I am thrilled that more than 12 months on from the establishment of this inquiry, which I am really pleased that we did together as a chamber, that we have now produced a report and an interim report with some very weighty and substantial recommendations. I am pleased that the Senate was able to come to a tripartisan agreement on the report. Whilst the recommendations are not as strong as the Greens would like, and we have made some suggestions for additional recommendations, I look forward to the implementation of these recommendations, given that we have had the government, the opposition and the crossbench, in the form of the Greens, sign onto them.

I want to start by thanking the witnesses who gave their time and shared of themselves to this inquiry with great courage and bravery. I echo the remarks of Senator Bernardi, and this is the first time I have done that, in thanking the witnesses for sharing their deeply personal stories, which were, I agree, harrowing and eye-opening for us in the Senate. To learn just how prevalent this scourge is was truly shocking. To see the issue finally coming out of the shadows and receiving the attention that it so desperately needs both in the media and in this place has been really heartening. That is how we start to fix this problem. It is not by ignoring it or pretending it is private business for behind closed doors; it is by revealing the true extent of these horrific crimes that are being committed, mostly against women and their children—sadly, against one in three women.

This is how we start to deal with this issue, by bringing it out of the shadows. I want to take the step of dedicating the Australian Greens additional comments to Rosie Batty, one of the strongest witnesses we heard from and, clearly, one of the strongest women who has faced horrific circumstances and managed throughout to be a strong and powerful advocate for women facing this terrible scourge. I want to personally thank Rosie, and I know others have as well, for her courage in continuing, in the face of true horror, to be a powerful advocate, to try to fix domestic violence and family violence.

We know that this is a national emergency and should be treated as one. This is a crucial moment. Never before have we had such national attention focused on domestic violence. We have to seize the momentum. In the interim report, which I felt was very strong and which, sadly, the government members did not sign on to, we focused on the funding cuts that have been made to front-line services, to homelessness programs and to community legal centres. I am very disappointed that, after the 2014 budget that made those cuts, much of those were not reversed in the 2015 budget. Some of them were and I commend the government for listening to the community in that regard. Those remaining funding cuts urgently need to be reversed. I take the opportunity in my additional comments for the Greens to reiterate the desperate need for those cuts to be reversed. There were cuts to the National Partnership Agreement on
Homelessness, to community legal centres, to legal aid and to the family violence prevention legal services, and indeed there is still $44 million from new emergency accommodation that desperately needs to be reversed.

I want to go through the additional recommendations that we made. The first ones are in regard to those funding cuts. We heard from the women who staff the crisis lines who said that they cannot actually answer all the calls that are made. They really feared for the women who have taken the strong step of phoning. If they cannot get through, what does that do to a woman who is seeking help? How far does that set her back? It may have taken an awful amount of courage to even pick up the phone in the first place. We have to make sure all of those phone calls are answered. Likewise, when women arrive at crisis shelters, often with their kids, turning those women away should not be an option in this wealthy nation, in this day and age. We need to provide the funding for those services as a federal government working in partnership with the state government, not passing the buck, saying, 'This isn't our problem; we don't normally fund housing,' but working together to make sure that no woman or child is ever turned away from that crisis accommodation service.

We heard evidence about the gendered nature of this violence and we heard that gender inequality is driving much of the violence that we are now seeing wrought on women and children. Our first recommendation is that the federal government lead a broad and far-reaching program of reform to achieve gender equality in this nation. Yes, we have an awfully long way to go, but we have begun some steps towards equality. We need to close the gender pay gap. We need to boost women's financial independence. We need to address the deficit of women in leadership positions in both government and business. We need to share unpaid caring responsibilities more equally and encourage women into non-traditional industries.

Some of our other specific recommendations went to the funding for respectful relationships programs in schools. This is a commitment that is in the Second National Action Plan to Eliminate Violence Against Women and their Children, but we have not actually seen much follow-through in terms of the money and in terms of including that in the national curriculum. Prevention is, of course, better than cure—that is so obvious as to be trite—and if we do not address the attitudes and the behaviours that are being formed at that very early age then we condemn ourselves to repeat these behaviours. It is a wonderful opportunity to help kids learn about respectful relationships, about the role that they can play and about their own self-worth and self-determination. That is the chance we have to try to fix this problem once and for all. A clear focus on prevention needs to be taken. Instead of that being at the expense of front-line services, we need to grow the pie. We need to fund those front-line services as well, and that is why we have recommended that the federal government conduct a needs assessment of state-staffed crisis lines, which are supplemented by one federal-staffed crisis line, to make sure that all of those calls can be answered.

We have made some extensive recommendations about funding, particularly under the National Partnership Agreement on Homelessness. We know that those crisis centres are underfunded—they run on the smell of an oily rag—and they are not able to help everyone who needs help. And what then after the initial crisis period? We were told in the inquiry that women are being forced to choose between homelessness and violence. That is not okay. No one should have to make that choice. In this wealthy nation we need to be able to provide not just crisis accommodation but, in the post-crisis period, affordable housing so that women and
children can remain safe and not be forced back into violent homes because they have nowhere else to live.

We have talked about the need for dedicated specialist services for women and children, with long-term funding. We have heard some reports of a worrying trend towards specialist women's services being subsumed into more generalist practices that are larger but are not specially focused on the needs of women and children escaping violence. That is a worrying trend and it means women and children will not be able to get the dedicated specialist support that they need. We are urging the federal government to make sure that those specialist services remain funded with secure long-term funding.

We have also talked about the need to increase funding for legal services. The Productivity Commission in fact recommended a boost of $200 million for legal services, and we would love to see that provided by this federal government. There is a funding cliff in 2017 coming for community legal centres, and that urgently needs to be addressed. On law reform, we talked about the need for proper training for magistrates, for judicial officers and even for family law report writers—who I am sure do their best at their work but do not currently receive specialist training to be able to detect and therefore make appropriate recommendations about situations of family and domestic violence. We heard that that has huge implications for the legal aid provision to those women and children, to the effect that if they challenge those family law reports they then lose their entitlement to legal aid, which effectively shuts them out of the justice system. That is not justice by anyone's definition, so we urgently need to ensure that those judicial officers are properly trained.

The implementation of the national domestic violence order scheme is very welcome but it has taken an awfully long time; it has been five years now. It needs to urgently be implemented. We remain of the view that the Commonwealth should act to give 10 days of paid domestic violence leave to all employees over whom it has jurisdiction so that women and children can attend court appearances, can attend appointments and can find accommodation. We got somewhere towards that in the majority report but the Greens—and I believe we have the support of the opposition in this—are firmly of the view that the Commonwealth needs to act to deliver on that. I conclude my remarks by saying that, when two women a year die at the hands of a partner or former partner, something has to be done. The ball has begun but it is up to us to keep it rolling and to fix those funding cuts and stop this scourge once and for all.

Senator MOORE (Queensland) (16:04): I think you can tell from the contributions made by a few of the people who have had the honour to be involved in this committee what an experience we have shared over the last few months. Our chair, Senator Gallagher, has stepped in and been able to report this afternoon on the recommendations and the process which we followed. Like Senator Waters, I am echoing Senator Bernardi, which is one of those special moments—this committee has made some great changes even in that. Senator Bernardi acknowledged the work that Senator Gallagher has done in bringing together a unified report. When you have such an important issue it is always difficult—as you would understand from your own experience, Mr Acting Deputy President—to pull together a range of people and policies in a way that can come up with a strong unity. This is part of the power of this report.
As always in this place I am amazed and humbled by the strength of the people who choose to come and talk with our committees. When we ask them a question, and say that this is something we want to hear about, we are overwhelmed with the response. In this case I urge people who are interested to look at the names of the people who came to our committee and shared with us what they believe is important in our community about the issues around domestic and family violence. Over 165 people and organisations, who have incredible knowledge and commitment over years of service in our community, shared with us what they think has happened, what should happen, their pain and a combination of genuine hope and frustration. There is a real sense of hope at the moment that this is the moment when Australia has acknowledged that there is a genuine issue around family violence in our country. We have always known it has been there, and in fact there have been times when there have been little outbreaks of information or concern. But over the last year or so—and no-one quite knows why—there has been a concentration of commitment in our nation to say, 'We have a problem.' The horror of the problem is clear when we see the statistics—and there are pages of statistics in this report—that talk about the number of women, children and men who are harmed directly, physically and emotionally, and indirectly by this sense of violence in our community. We know we must do something about it. The terms crisis and emergency have been mentioned many times. In this case, one of the things we wanted to do as a committee was acknowledge the work that has been done.

We acknowledge that there has been extraordinary work done over many years on the issues in our community. In fact, this report comes down at the same time as governments at the state level, in the Queensland community and in the Victorian community, have committed to their own work in the areas of domestic violence. The royal commission in Victoria has actually given great hope for many people in terms of evidence that is being gathered as we speak on what is happening in the Victorian community, which can also lead to the knowledge that we are gaining. I see our report as one more part of gathering knowledge about what we should do and one more part of a commitment to what we will do in the future—because this is an active report.

The 25 recommendations in this report plus the other recommendations that have come from individuals, added to the recommendations made by the interim report, all lead into a direct action response. The expectation is that people will read and learn and then act. Consistently in the recommendations we talk about building on the foundations that are already in place. The national plan, which we talked about many times, is the infrastructure for how we as a nation can work together to address the issues of violence against women and children. As Senator Gallagher said, there was acknowledgement that this work has been worth while.

In the recommendations we put forward, based on the evidence that came to our committee, we recommended that there needs to be much more coordination of work and sharing of knowledge and ideas. It still frustrates me very much—and this is a comment that we make consistently in this place around a range of issues—that we as a nation seem not to be able to gather our strength to respond to the challenges we face. There is no clearer evidence of that than with the issues of family violence. To me, there does not seem to be much difference in violence in any community in this country. The impact of violence is the same, though we do not know all the causes. I want to quote from ANROWS, which is our
national research body. One of our recommendations actually talks about the fact that we need to ensure that there is secure funding into the future so that this effective professional research will continue. ANROWS said:

There is no single cause of domestic violence. It is best understood as a result of the interaction of factors at the individual, family, community and societal levels encompassing, for example, attitudes to women and gender roles within relationships, family and peer support for these attitudes, and social and economic gender inequality in the broader societal context. Alcohol and economic stress can be triggers, or contributing factors, which may exacerbate domestic violence but they are not causes.

We need to know what the causes are and we need to know how to respond to those causes.

Senator Gallagher went through the recommendations on data—and I know that we continually talk about getting effective data to learn and the changes that have to happen. The recommendation I really want to focus on is the recommendation that goes to education in our community and in our schools at every level. We need to ensure that strength is provided to our community through effective education that provides knowledge of how to respond and how to exclude and remove violence in our community. Until we do that, we will always have the vulnerability and the power dynamic where people will be harmed and there will be the turn towards violence to respond to an issue. No-one could listen to the evidence that we received in our inquiry without acknowledging that the pain and damage must stop. In fact, that is a genuine commitment. We need to ensure that in our schools, at every level, young people are given the strength to understand that there does not need to be a resort to violence, with all the implementations and all the follow-up that occurs. We need to get modelling in terms of how truly respectful relationships can be entrenched as the norm.

This report must feed into all the discussions and the contributions that will happen into the future around this issue. We have the central structure. The plan already pulls together states, territories, organisations and advisory groups that have a commitment and an understanding. But that knowledge must be effectively shared and translated into action. In our additional comments we proposed that a summit be held in our country to would allow people to come together with the single focus of looking at family violence in our community. This would not be any kind of contest like, 'My response is better than yours and my experience is stronger than yours and you have to listen to my efforts so that you can learn'; this would be an opportunity for people who have the commitment and knowledge to get together and say, 'We can make a difference and we have the opportunity to do that, fully supported by governments at every level in our nation—state, territory and federal providing that support and showing an openness to listen and to learn. What happens sometimes with government is that there is a tendency to tell the community what should happen rather than listen to the community and translate that into action.

I really hope that people take the opportunity to read the report and to have a look at the submissions, because this report, as good as it is, cannot truly reflect the real experiences and knowledge of the over 160 people and organisations who contributed to this inquiry. We have the chance to continue to work together on this, and I know that this will stay on the agenda so that people will be able to talk to it in the future. I think a challenge that governments can take up is to genuinely commit, as our committee did, to a unified response. If the knowledge and the passion of the people who told us of their experience and gave their advice can be translated into action, we would have the strength, the knowledge and the challenge to say...
that our nation cannot be traumatised by the horror of family violence into the future. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Rural and Regional Affairs and Transport References Committee

Government Response to Report

Senator BIRMINGHAM (South Australia—Assistant Minister for Education and Training) (16:14): I present the government’s response to the report of the Rural and Regional Affairs and Transport References Committee on its inquiries into fresh pineapple imports, fresh ginger import risk analysis, and New Zealand potatoes import risk analysis. I seek leave to incorporate the document in Hansard.

Leave granted.

The document read as follows—

Australian Government response to the Senate Rural and Regional Affairs and Transport References Committee report:

Effect on Australian pineapple growers of importing fresh pineapple from Malaysia

Effect on Australian ginger growers of importing fresh ginger from Fiji

Proposed importation of potatoes from New Zealand

August 2015

Recommendation 1

The committee recommends that the Government create a single, independent, statutory authority—separate from the Department of Agriculture—with responsibility for quarantine and biosecurity policy and operations.

Does not agree

Biosecurity is an important part of agricultural and environmental policy, contributing to productivity, trade and sustainable management of natural resources in Australia. Decisions about biosecurity matters associated with imports and the risk analysis that supports them are appropriately managed within the Department of Agriculture (the department).

One of the key commitments of the Government is to reduce the size of government and to ensure that government services are as efficient and well-targeted as possible. The Government is implementing a methodical and ongoing effort to reduce the total number of Australian Government bodies, including statutory authorities. Accordingly, the Government does not consider the establishment of a statutory authority separate to the Department of Agriculture would improve the effectiveness or efficiency of effort applied to the Government’s Biosecurity responsibilities.

The biosecurity functions within the department are not easily separated, for example functions relating to sustainable resource management, agricultural productivity and economic analysis through ABARES are fully integrated with biosecurity activities.

This interconnection of issues allows the department to fully consider the implications and ramifications of any decision made or advice provided. Removing the biosecurity functions from the department would affect the department’s evidence based decision making processes for both biosecurity and non-biosecurity functions. Accountability, transparency and independent decision making can be delivered in a system without creating separate bodies; for example, through clearly delineated roles in legislation and administration.
Recommendation 2

The Committee recommends that the Government ensure that Australia’s import risk analysis process is consultative, scientifically based, politically independent, transparent, consistent, harmonised and subject to appeal on process [sic].

Agreed

Australia has a world-class national biosecurity system that has served the Australian people, industry and environment well and is subject to broad ranging interest and regular scrutiny. The current process of conducting IRAs, as detailed in the Quarantine Regulations 2000, is considered to be consultative, scientifically based, politically independent, transparent, consistent, harmonised and subject to appeal on process.

As part of its election commitments for a Competitive Agriculture Sector, the Government has examined the workload, prioritising requests and considered the IRA process to ensure that robust arrangements are in place to minimise the risk of exotic pests and disease incursions into Australia. The examination focused specifically around the key areas of:

- transparency and engagement during the IRA process
- the use of external scientific and economic expertise, and
- the recognition of regional differences in the IRA process.

As part of the process, the department released a discussion paper and ran an extensive consultation process around Australia from July 2014 to October 2014. Consultation included a written submissions process and group discussions in Perth, Sydney, Melbourne, Adelaide, Brisbane, Hobart and Canberra.

The Government released a report on the examination on 31 July 2015 which summarises stakeholder concerns, issues raised and outcomes of the consultation for the examination of the IRA process. Also released were the related findings and recommended actions which make recommendations to improve parts of the process.

The examination also takes into account any issues raised in current inquiries or recent reviews commissioned by the Government and Senate Committees, as well as ongoing areas of work such as the Agricultural Competiveness White Paper. It will also take into consideration other reports as well as issues and comments from stakeholders, clients and international trading partners on the Australian IRA process.

The Quarantine Regulations 2000 detail the process to be used in conducting an import risk analysis (IRA). An IRA is a scientific analysis of pests and diseases potentially associated with an imported commodity. As a member of the World Trade Organization, Australia conducts IRAs in accordance with the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) and relevant International standards developed under the International Plant Protection Convention (IPPC) and by the World Organisation for Animal Health (OIE). Australia has the right to regulate imports and impose measures 'to the extent necessary to protect human, animal or plant life or health... based on scientific principles and...not maintained without sufficient scientific evidence' (Article 2.2 SPS Agreement).

The development of an IRA report is based on the consideration of relevant scientific and technical information. An IRA will also draw on existing policy to ensure recommendations are consistent for the same/similar pests. Key steps in an IRA include stakeholder consultation, particularly the issuance of a draft IRA report for comment by stakeholders. All stakeholder comments are carefully considered in developing a final IRA report. In the expanded IRA process, the consideration of stakeholder comments is reviewed by the Eminent Scientists Group. The ESG have stated in a letter to the Senate 'There have been very few occasions where we have been able to criticise the science or identify omissions of science in the IRAs we have examined'.
Prior to an IRA being finalised, stakeholders can appeal on the grounds that there was a significant deviation from the IRA process that adversely affected their interests. A final decision to allow an import is made by the Director of Animal and Plant Quarantine (or delegate) when an import permit is issued.

The current process of conducting IRAs is therefore considered to be consultative, scientifically based, politically independent, transparent, consistent, harmonised and subject to appeal on process. However, this does not mean it cannot be improved and these issues were considered as part of the Examination of the import risk analysis process (examination of the IRA process) released by Minister Joyce on 31 July 2015.

The Government introduced the proposed Biosecurity Bill 2014 into Parliament on 27 November 2014 and it was passed by Parliament on 14 May 2015. The processes for conducting biosecurity import risk analyses (BIRAs) under the new Biosecurity Legislation will be in regulations, policy documents and supporting material such as a new IRA Handbook (BIRA Guidelines) and factsheets. More consultation will be undertaken in 2015 which will build on the consultation undertaken as part of the examination of the IRA process.

**Recommendation 3**

The committee recommends that the Department of Agriculture give thorough consideration to the Peace report, as well as the underlying themes of all other recommendations contained in this report, in developing the new biosecurity regulations and guidelines.

Agreed

In addition to the response to **Recommendation 2**, some of the issues discussed in the Peace report have been raised by stakeholders during consultation on the examination of the IRA process released by Minister Joyce on 31 July 2015. These issues were considered as part of that process.

The Peace Report was commissioned by the Senate while conducting the three inquiries (on ginger, pineapple and potatoes for processing) to review Australia's risk assessment method. The Peace Report is dated 30 January 2013 and is available on the Senate website. Mr Peace is a practitioner in risk assessment although he states he is not an expert in biosecurity risk assessment. The department has considered the Peace Report and has sought advice from Australian Centre for Excellence in Risk Analysis (ACERA). ACERA was established to ensure Australia stays at the forefront of world's best practice, as a result of a Coalition election commitment in 2004. Recently, a new competitive funding bid was won by ACERA which is now known as the Centre of Excellence for Biosecurity Risk Analysis (CEBRA). The ACERA advice is critical of the risk methods recommended in the Peace Report and the department provided this advice to the Senate on 24 May 2013.

Subsequent to the Peace report, the department, and Professor Mark Burgman of the CEBRA, met with Mr Peace to discuss the recommendations in his report. Agreement was reached that the department would explore alternative ways to better represent the risk assessment process and ways to improve stakeholder understanding of the process (e.g. risk communication). CEBRA already provides advice to the department on this and related matters.

**Recommendation 4**

The committee recommends that the IRA Handbook should be amended to include full details of techniques available to Department of Agriculture risk analysts and any underlying data or research validating those techniques.

Agreed

This issue has been raised by stakeholders during consultation on the examination of the IRA process and were considered as part of that process.
In addition, this recommendation draws on information discussed in the Peace Report. Subsequent to the Peace report, the department, and Professor Mark Burgman of CEBRA, met with Mr Peace to discuss the recommendations in his report. As agreed with Mr Peace, the department would explore alternative ways to better represent the risk assessment process and ways to improve stakeholder understanding of the process (e.g. risk communication). CEBRA already provides advice to the department on these and related matters. Each risk assessment published for stakeholder comment contains the risk assessment method at section 2 of each report. Defining particular risk assessment techniques in the IRA Handbook may limit the scope of new techniques that could be employed (such as those recommended by CEBRA) in the conduct of risk assessments by the department. Australia's risk assessment method, including the risk estimation matrix, is widely used in biosecurity risk assessment activity. The risk estimation matrix has been used by the department since 2001 and was endorsed at the Primary Industry Ministerial Council on 2 May 2002. It has been adapted and used by Plant Health Australia and affiliated industries in assessing risk within their Industry Biosecurity Plans (including the potato, ginger and pineapple industries). It has also been used by Australian State Government Departments in assessing the risk of pests potentially associated with the movement of commodities from domestic sources (e.g. Tasmania's risk assessment for fruit flies completed on 31 March 2012).

Recommendation 5
The committee recommends that the IRA Handbook should include an IRA effectiveness checklist similar to that recommended by Mr Peace.

Agreed
The form and content of a revised IRA Handbook were considered as part of the examination of the IRA process released by Minister Joyce on 31 July 2015. This recommendation of an IRA checklist draws on information discussed in the Peace Report. The department will review whether an IRA checklist would improve the process and stakeholder understanding of an IRA. The department notes that the key steps in an IRA are already diagrammatically listed in the current Import Risk Analysis Handbook 2011 (see Annex 1 of the handbook). Of these steps, the publication of a draft report provides opportunity for stakeholders to comment on all aspects of the report. Any deficiencies, differences in interpretation, new evidence can be submitted by stakeholders to the department as a result of the draft report. A final report is only issued after consideration of matters raised by stakeholders. Once an IRA is complete and a final report is issued, the department continues to review information relevant to an import pathway and can make further changes to import conditions as supported by suitable technical and scientific information.

Recommendation 6
The committee recommends that stakeholders' risk perceptions should be incorporated into risk criteria used to analyse the consequences of a given import risk.

Does not agree
Australia's risk assessment method is conducted in accordance with the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) and, for plant IRAs, additionally relevant International standards developed under the International Plant Protection Convention (IPPC). Australia's world-class biosecurity and risk analysis system is based on strong and defensible science. The inclusion of 'stakeholders' risk perceptions' in a risk assessment would not be consistent with the SPS Agreement where measures must be based on scientific principles.

This recommendation of risk perceptions draws on information discussed in the Peace Report. Subsequent to the Peace report, the department, and Professor Mark Burgman of the CEBRA, met with Mr Peace to discuss the recommendations in his report. As agreed with Mr Peace, the department would
explore alternative ways to better represent the risk assessment process and ways to improve stakeholder understanding of the process (e.g. risk communication).

**Recommendation 7**

The committee recommends that the Department of Agriculture consider ways to improve the way it communicates risk (and the risk assessment process) to stakeholders.

**Agreed**

As outlined in response to Recommendation 2. In addition, this recommendation to consider ways to improve stakeholder consultation draws on information discussed in the Peace Report. Subsequent to the Peace Report, and as agreed with Mr Peace, the department would explore alternative ways to better represent the risk assessment process and ways to improve stakeholder understanding of the process. The department consults regularly with stakeholders through meetings, correspondence and their submissions on risk assessment draft reports. This issue were considered as part of the examination of the IRA process released by Minister Joyce on 31 July 2015.

**Recommendation 8**

The committee recommends that the Department of Agriculture reconsiders the operation of geographic impacts in the IRA process, and give consideration to developing consequence scales based on, for example, national GDP, percentage of national crop at risk, or viable planting area at risk.

**Noted**

The recognition of regional differences, including the status of a pest within Australia, is a key issue raised and discussed in the examination of the IRA process. The new biosecurity legislation will specifically include the consideration of regional differences within a Biosecurity Import Risk Analysis by outlining that the level of biosecurity risk associated with goods may vary according to the place in Australian territory at which the goods are to enter or be unloaded. The conditions applied may also vary accordingly. The new biosecurity legislation was introduced to Parliament in on 27 November 2014 and was passed on 14 May 2015.

This recommendation to consider the issue of geographic impacts on the scale of consequences was discussed in the Peace report. Subsequent to the Peace Report, and as agreed with Mr Peace, the department would explore alternative ways to better represent the risk assessment process and ways to improve stakeholder understanding of the process. Improving stakeholder understanding of import risk analyses was an issue raised during the examination of the IRA process released by Minister Joyce on 31 July 2015 and was considered as part of that process.

**Recommendation 9**

The committee recommends that before commencing the importation of fresh pineapples from Malaysia, the Department of Agriculture should establish to a much greater degree of certainty the degree of post-harvest latency of pineapple fruit collapse and heart rot.

**Noted**

The Government notes that import conditions can be reviewed at any time in light of new scientific information and the Department of Agriculture will continue to review any new information relevant to this risk assessment.

The Senate report raises concerns presented by stakeholders that latent infection of pineapple fruit collapse and heart rot is not well understood and new studies have been conducted since those referenced in the IRA. As discussed in the pest risk assessment (PRA) heart rot is associated with the leaves of the pineapple plant. As the scope of the import risk analysis (IRA) is for decrowned pineapple with the crowns and the basal leaves removed, heart rot is not considered to be on the pathway.
The department conducted a detailed assessment of the entry potential of *Erwinia chrysanthemi* (pineapple strain, *Dickeya* sp.) (fruit collapse). Section 4.3.2 of the final IRA report included a literature review by Lim (1986) citing research conducted in 1937. Those results were confirmed in a study by leading experts in the field (Lim and Lowings 1979) and this work was also cited in the IRA.

Lim and Lowings (1978) studied the expression of *Erwinia chrysanthemi* and reported that latency is associated with the physiological status of the developing fruit. Latency breaks during ripening when polyphenoloxidase activity decreases and sugar levels increase to a level conducive for bacterial growth. This allows symptoms to express starting well before harvest. Lim and Lowings (1979) looked at disease incidence in fields and found that the percentage of fruit collapse is highest 2–3 weeks before harvest.

Work conducted in Malaysia on *Erwinia chrysanthemi*, where disease incidence was up to forty percent, was undertaken in pineapple fields prior to targeted measures had been developed to manage this pathogen. Under these conditions, a maximum of two percent latent infection could occur at harvest. After harvest, latently infected fruit will continue to express. Based on this information the PRA has taken the stringent approach and assumed that up to two percent infection could occur at export. However, in well managed fields grown under standard commercial production practices, which implement a number of disease management procedures for this pathogen, it is likely that disease incidence in the field and latently infected fruit would be considerably less.

Before any imports of fresh pineapples from Malaysia can occur, the department must first agree upon a work plan with the Malaysian Department of Agriculture, detailing how Malaysia will ensure compliance with Australia's strict import conditions. The department will not issue any import permits until the work plan has been considered and compliance with Australia's import conditions is audited.

**Recommendation 10**

The committee recommends that the Department of Agriculture review its assessment of the probability of importation and the probability of distribution of the *Dickeya* sp. pathogen. If a risk above Australia's ALOP were to emerge from the review, then the committee expects stronger risk management measures would be required.

**Noted**

If such risk management measures were not sufficient to reduce the risk to Australia's ALOP, then imports of Malaysian pineapples to Australia should not be permitted.

**Agree in-principle**

A final import risk analysis (IRA) report completes a risk assessment process that considered relevant information available at that time. As is normal practice, the department continues to monitor new information, including from stakeholders, which may affect the biosecurity risk associated with an imported commodity. Since the publication of the final IRA for fresh decrowned pineapple fruit from Malaysia no new information has been published that would support a change to current import conditions for this commodity pathway.

Import conditions can be reviewed at any time in light of new scientific information.

As discussed in the response to Recommendation 9, the figure of latent infection of export fruit is likely to be less than two per cent. The final report has taken a stringent approach and assumed that up to two percent infection could occur at export. The final report also took into consideration the commercial quality procedures implemented at the packing house and the small volume of trade (Malaysia has indicated a potential capacity to export 200 tonnes of fresh decrowned pineapple fruit a year). Based on all this information the department considers that the rating of 'Low' for the probability of importation in the final report is appropriate.

The department considered the distribution of the pineapples from Malaysia in section 4.3.2 of the final report. As stated above, the import volume will be small (about 200 tonnes per year). Section 4.3.2 of
the final report provided detailed information to support the conclusion that only a small proportion of this small volume of imported pineapples could be distributed to areas in the vicinity of pineapple production areas or where host may occur.

The value of pineapples for fresh consumption is at least five times the value of pineapples for processing (the figures included on page 46 in the Senate report support this). This along with the low import volume, the department considers it unlikely that it would be financially viable for Malaysian pineapples produced for fresh fruit market would be imported for processing (at facilities that would be near pineapple production areas). Also, when assigning the 'Low' rating for the probability of distribution, the final report already took into consideration that some imported pineapples may be used in processing facilities.

The final report recognised that some of the vectors for this bacterium are present in Australia and discussed the possibility for each of these vectors in transferring the bacterium to pineapples (the only susceptible host) in section 4.3.2. The information detailed in section 4.3.2 lead to the conclusion that suitable vectors would need to be present in close proximity to the freshly infested fruit waste and a susceptible host (pineapple plant).

The department considers that the likelihood estimate for distribution of 'Low' in the final report is appropriate.

Recommendation 11

The committee recommends that the Department of Agriculture review its assessment of the consequences of the establishment of the pineapple heart rot and fruit collapse pathogen *Erwinia chrysanthemi* (pineapple strain, *Dickeya* sp.) in Australia. If a risk above Australia's ALOP were to emerge from the review, then the committee expects stronger risk management measures would be required.

Noted

If such risk management measures were not sufficient to reduce the risk to Australia's ALOP then imports of Malaysian pineapples to Australia should not be permitted.

Agree in-principle

A final import risk analysis (IRA) report completes a risk assessment process that considered relevant information available at that time. As is normal practice, the department continues to monitor new information, including from stakeholders, which may affect the biosecurity risk associated with an imported commodity. Since the publication of the final IRA for fresh decrowned pineapple fruit from Malaysia no new information has been published that would support a change to current import conditions for this commodity pathway.

Import conditions can be reviewed at any time in light of new scientific information.

Recommendation 12

The committee recommends that the full reasons and relevant supporting documentation of the Import Market Access Advisory Group should be made publicly available within 30 days of a decision being taken.

Agreed

The precise arrangements around prioritising market access requests are being considered.

In the context of the committee's report, the Government understands Recommendation 12 relates in part to the committee's views about the Government funding through the Department of Foreign Affairs and Trade (previously funded through AusAID) for the Pacific Horticultural & Agricultural Market Access Program (PHAMA). Under the World Trade Organization *Agreement of the Application of Sanitary and Phytosanitary Measures* (SPS Agreement), Australia has agreed to provide technical assistance to developing countries (Article 9 of the SPS Agreement).
One way the Government does this is through funding a position in the department through the PHAMA project to work with Pacific Island countries in developing phytosanitary systems. This investment benefits Australia through the improved management of biosecurity pests. For example, glassy wing sharp shooter (GWSS) is an insect that vectors (spreads) a serious plant pathogen, Pierce's disease. GWSS has become established in some Pacific Islands and, with Australia's assistance, improved biosecurity awareness and measures are helping limit the spread of this insect to other Pacific Islands and thereby reduce the likelihood of it spreading to Australia.

**Recommendation 13**

The committee recommends that the Department of Agriculture review its assessment of the likelihood of entry, establishment and spread of yam scale. If a risk above Australia's ALOP were to emerge from the review, then the committee expects stronger risk management measures would be required.

**Notes**

If such risk management measures were not sufficient to reduce the risk to Australia's ALOP, then imports of Fijian ginger to Australia should not be permitted.

**Agree in-principle**

Import conditions can be reviewed at any time in light of new scientific information.

A final import risk analysis (IRA) report completes a risk assessment process that considered relevant information available at that time. As is normal practice, the department continues to monitor new information, including from stakeholders, which may affect the biosecurity risk associated with an imported commodity.

The entry, establishment and spread of yam scale (*Aspidiella hartii*) were all assessed as 'High' in the final IRA report, which are the highest ratings possible. Therefore, any reassessment can only either come to the same estimates as previously determined, which would not alter the outcome, or a lower risk estimate where no measure would be required.

The department has already taken a very stringent approach in assessing yam scale. Other comparable armoured scale pests typically are assessed below Australia's ALOP and do not require mandatory risk management measures.

**Recommendation 14**

The committee recommends that the Department of Agriculture review its assessment of the likelihood of entry, establishment and spread of the Fijian burrowing nematode variant. If a risk above Australia's ALOP were to emerge from the review, then the committee expects stronger risk management measures would be required.

**Notes**

If such risk management measures were not sufficient to reduce the risk to Australia's ALOP, then imports of Fijian ginger to Australia should not be permitted.

**Agree in-principle**

Import conditions can be reviewed at any time in light of new scientific information. The *Final Import Risk Analysis Report for fresh ginger for consumption from Fiji* noted in the summary that; the quarantine status and measures for this pest (*Radopholus similis*) will be reviewed after one year, or in the event that new information becomes available. The department announced on 17 November 2014 the *Commencement of a review of import conditions for fresh ginger from Fiji* (a review) (Biosecurity Advice 2014-14) that includes consideration of the quarantine status of *Radopholus similis*. A draft report of the review was released for public consultation on 22 June 2015 (Biosecurity Advice 2015-05).
A final import risk analysis (IRA) report completes a risk assessment process that considered relevant information available at that time. As is normal practice, the department continues to monitor new information, including from stakeholders, which may affect the biosecurity risk associated with an imported commodity.

The department has taken a very stringent approach to considering the ‘Fiji variant’ of *Radopholus similis* as a provisional quarantine pest.

**Recommendation 15**

The committee recommends that the Department of Agriculture review its assessment of the consequences of the establishment of the Fijian burrowing nematode variant in Australia. If a risk above Australia’s ALOP were to emerge from the review, then the committee expects stronger risk management measures would be required.

**Noted**

If such risk management measures were not sufficient to reduce the risk to Australia’s ALOP, then imports of Fijian ginger to Australia should not be permitted.

**Agree in-principle**

Import conditions can be reviewed at any time in light of new scientific information. The *Final Import Risk Analysis Report for fresh ginger for consumption from Fiji* noted in the summary that; the quarantine status and measures for this pest [*Radopholus similis*] will be reviewed after one year, or in the event that new information becomes available. The department announced on 17 November 2014 the Commencement of a review of import conditions for fresh ginger from Fiji (Biosecurity Advice 2014-14) that includes consideration of the quarantine status and measures for *Radopholus similis*. A draft report of the review was released for public consultation on 22 June 2015 (Biosecurity Advice 2015-05).

A final import risk analysis (IRA) report completes a risk assessment process that considered relevant information available at that time. As is normal practice, the department continues to monitor new information, including from stakeholders, which may affect the biosecurity risk associated with an imported commodity.

The committee report cites a number of statements from ginger industry representatives. For example, the statement that *Radopholus similis* ‘would be as devastating to the ginger industry as Foot and Mouth disease would be to the cattle industry’ (paragraph 5.68). However, Fiji produces a substantial ginger crop with higher yields than in Australia, even though *Radopholus similis* was reported there more than 40 years ago.

The committee report states that *Radopholus similis* in Fiji causes ‘losses of up to 70 % of their crop’ (paragraph 5.68). The 70 % figure is taken from a report referring to damage in one plot located on a single poorly managed farm. This figure is not representative of damage experienced elsewhere in Fiji.

The final IRA report assessed that there may be ‘significant’ consequences to plant life at the district level (i.e. the Sunshine Coast/Bundaberg ginger growing regions).

Subsequent to the publication of the final IRA report, a peer-reviewed scientific paper on the impact of the nematode in Fiji has been published (Turananivalu et al. 20131). This paper indicates that the use of clean seed and crop rotation suppresses nematode numbers to ‘very low numbers’, and that the ‘problem would largely be overcome if Fijian growers were more meticulous in their seed preparation procedures and ensured that the recommended hot water treatment was applied correctly.’ Previous studies have also indicated that nematode levels can be reduced to below detectable levels by adopting good production practices.

Following previous disease outbreaks (bacterial wilt, pythium) in Australia, the Australian ginger industry has adopted a system of crop production practices, similar to those tested in Fiji, that would...
likely result in the management of *Radopholus similis* in commercial ginger production (if the 'Fiji variant' did establish in Australia). Impact would be more likely on small scale or backyard growers who don't follow industry production guidelines.

The Senate report also states that there is a 'significant shortcoming' in the IRA report because 'it did not consider that the more pathogenic Fijian variant of *Radopholus similis* could be imported from Fiji on other host crops, such as rice, black pepper, coconuts, coffee and tea' (paragraph 5.75). The IRA report, as detailed in the scope of the report, assessed the importation of fresh ginger, not other crops.

*Radopholus similis* live in the roots of host plants and adjacent soil. The Senate report also identified other commodities (rice grains, dried peppercorns, coconut fruit, coffee beans or dried tea leaves) that Australia imports and are hosts of *Radopholus similis*. Australia does not import the roots of any of these additional hosts identified by the Senate report. There are no reports of *Radopholus similis* ever being present in rice grains, dried peppercorns, coconut fruit, coffee beans or dried tea leaves. Therefore the nematode is not associated with the pathway for the identified commodities. The department has previously advised the Senate of this information (response to questions on notice, January 2013).

**Recommendation 16**

*The committee recommends that before an import license is granted, the Department of Agriculture make available to stakeholders the scientific evidence used as the basis for the effectiveness of the proposed mitigation measures for yam scale [sic].*

**Noted**

Australia has the right to apply scientifically justified measures to manage quarantine pests in accordance with the *Agreement on the Application of Sanitary and Phytosanitary Measures* (SPS Agreement). The SPS Agreement recognises the use of measures in accordance with international standards and the application of measures to manage biosecurity risk in a consistent manner. Australia supports the use of consistent approaches and international standards in managing import risks and in negotiating market access arrangements with our trading partners. The mitigation measures contained in the import risk analysis for the importation of fresh ginger from Fiji for yam scale are consistent with the *International Standards for Phytosanitary Measures (ISPM)* No. 31 Methodologies for sampling of consignments (2009).

Australia requires a 600-unit phytosanitary inspection by Fiji to verify compliance with pest-free status, based on the international standard determined by the International Plant Protection Convention, of which Australia is a member. The statistical basis for this protocol is set out in *ISPM 31: Methodologies for sampling of consignments* (2009).

Mandatory phytosanitary inspection has for many years been the standard measure against easily visible, immobile arthropod pests such as scales. Australia also requires an additional on-arrival verification inspection by department officers, using optical enhancement where necessary to ensure consignments are free of pests.

**Recommendation 17**

*The committee recommends that if the Department of Agriculture cannot produce such scientific evidence, the mitigation measures for yam scale must be reassessed.*

**Noted**

See recommendation 16.
Recommendation 18
The committee recommends that the draft work plan for importing ginger from Fiji be made available to the Parliament and industry for appropriate scrutiny over a suitable period of time, prior to it being finalised.

Does not agree
Work plans are provided to the department on a Government to Government basis and these documents cannot be released without the permission of the exporting country. Work plans may also contain commercially sensitive information. Work plans can only be provided to third parties with the permission of the work plan author.

Recommendation 19
The committee recommends that the Import Risk Analysis for fresh ginger from Fiji be recommenced. In recommencing the IRA, DA Biosecurity should ensure that particular attention is paid to:

1 (a) the likelihood of the Fijian burrowing nematode variant being imported given:
   (i) the potential for the Fijian burrowing nematode variant to be imported via other host crops; and
   (ii) the potential for the Fijian burrowing nematode variant to be imported via other non-host crops grown in the same fields as ginger.

(b) the consequences of importing the Fijian burrowing nematode variant when the following are taken into account:
   (i) the suggestions made in the Peace Report regarding geographic scale for crops that are limited to particular districts or regions due to climatic conditions;
   (ii) the greater geographic scale for other host crops grown in Australia that could be susceptible to the Fijian burrowing nematode variant;
   (iii) proper consultation with stakeholders for other host crops, who should be fully informed of the Fijian burrowing nematode variant and its unknown pathogenicity to those other host crops; and

4. (iv) whether there are any effective management measures for the Fijian burrowing nematode variant in other host crops that are grown in Australia.

(c) the effectiveness of the proposed mitigation measures, taking into account:
   (i) the scientific evidence for the limited effectiveness of methyl bromide treatment when the Fijian burrowing nematode variant is resident inside ginger rhizomes;
   (ii) the assessment of the import likelihood, given that the mitigation measures do not guarantee elimination of the Fijian burrowing nematode variant and that inspections will not detect nematodes resident inside the ginger;
   (iii) the relative effectiveness of the mitigation measure for the Fijian burrowing nematode variant compared to the more common variant; and

(iv) a comprehensive examination of overseas practices.

Does not agree
The IRA on the importation of fresh ginger from Fiji was conducted in accordance with the Quarantine Regulations 2000. The IRA for ginger from Fiji carefully considered the relevant quarantine pests mentioned by the Senate inquiry report of 31 March 2014.

The department has considered a work plan from Fiji and undertaken an audit of the proposed systems to meet measures recommended under the IRA. The work plan, audit and subsequent actions
undertaken by the Fijian Government have sufficiently demonstrated that the measures can be met. The department will continue to monitor the measures to ensure compliance with Australian requirements. The department continues to examine any new science and can review import conditions at any time in light of new scientific information and recommend science-based changes to the import conditions.

Recommendation 20
The committee recommends that when the IRA is recommenced for fresh ginger from Fiji, all relevant pests and diseases should be reassessed.

Does not agree
See response to Recommendation 19.

Recommendation 21
The committee recommends that, before any fresh ginger is imported from Fiji, the Department of Agriculture use its powers under Regulation 69 of the Quarantine Regulations 2000 to resolve the scientific uncertainty surrounding the burrowing nematode and other possible pathogens.

Does not agree
See response to Recommendation 19. In addition, the Quarantine Regulations 2000 require an IRA be completed within a specified time period under regulation 69E. However, certain periods of time to complete an IRA may be disregarded if the Chief Executive makes a decision under regulation 69G in respect of the IRA:

69G Circumstances affecting completion of an IRA

(1) If the Chief Executive believes that further information is essential to complete an IRA and that a proposer or another person can provide the information, the Chief Executive may request, in writing, that the proposer, or the other person, provide the information.

(2) If the Chief Executive believes that it is essential to undertake research, or to seek substantial expert advice, to complete an IRA, the Chief Executive may commission the research or advice.

(3) The Chief Executive may decide that a significant national or international quarantine circumstance exists that limits Biosecurity Australia’s ability to complete an IRA within the time required.

Since the IRA for ginger from Fiji has been completed the department does not have the power to seek new information under regulation 69G. The department can review import conditions at any time in light of new scientific information and recommend science-based changes to the import conditions. Any such review must meet Australia’s international obligations.

The issues of bacterial wilt and pythium rots were comprehensively addressed prior to the release of the draft IRA report.

Where some evidence was provided that a ginger-specific variant of *Radopholus similis* might exist in Fiji, the department agreed to consider it as a provisional quarantine pest and quarantine measures were provisionally adopted. There was no reason to postpone the IRA in this case, as a measure was provisionally adopted pending further investigation of the quarantine status of this nematode. The department announced on 17 November 2014 the Commencement of a review of import conditions for fresh ginger from Fiji (a review) (Biosecurity Advice 2014-14) that includes consideration of the quarantine status of *Radopholus similis*. A draft report of the review was released for public consultation on 22 June 2015 (Biosecurity Advice 2015-05).
Recommendation 22
The committee recommends that the proposed merits review process for IRAs also include decisions by the Department of Agriculture on the exercise of information-gathering and other powers under Regulation 69 of the Quarantine Regulations 2000.

Does not agree
Under the current IRA process stakeholders who believe there was a significant deviation from the IRA process (as outlined in the Quarantine Regulations 2000) have an opportunity to appeal to the Import Risk Analysis Appeals Panel (IRAAP) following public release of the provisional final IRA report.

The appeals process is a non-judicial review that is not provided for in the Regulations. The IRAAP does not consider matters relating to the scientific merits of the IRA, the merits of the recommendations made, or the conclusions reached by either the department or the Eminent Scientists Group, it is a process review only.

The Quarantine Regulations 2000 provides that if the Chief Executive of Biosecurity Australia believes that further information is essential to complete an IRA, the Chief Executive may request the information. Additionally under Regulation 69G, if the Chief Executive believes that it is essential to undertake research or seek substantial expert advice to complete an IRA, the Chief Executive may commission the research or advice. However, the Fiji ginger IRA has been completed.

Recommendation 23
The committee recommends that the Department of Agriculture provide industry stakeholders and/or peak bodies with information relevant to IRA processes directly and without delay (and with sufficient time to respond to IRA timelines).

Agree in-principle
See response to Recommendation 2. This issue was considered as part of the examination of the IRA process released by Minister Joyce on 31 July 2015.

The provision and communication of information during an IRA process and the timeframes are issues which were raised in the examination and are currently being considered by the department.

Following announcement of the consultation period for the examination of the IRA process by Minister Joyce, the department released a discussion paper for stakeholders. The paper detailed the IRA process and the framework in which it operates, including Australia’s international obligations and the current legislative process. Over 2000 stakeholders were advised of the examination, consultation period and discussion paper.

During the consultation period the department met with nearly 100 stakeholders to explain the IRA process, the biosecurity system and other related issues when asked.

In discussing the IRA process, stakeholders expressed a number of views regarding IRA timelines noting they were either too long, too short, ample or not in their remit to determine.

In addition, stakeholders have access to all publicly available information. The department is willing to assist in stakeholders obtaining relevant information were appropriate. However, the department cannot release information when normal restrictions are placed on that information such as copyright, commercially sensitive information and confidential documents (also see response to Recommendation 18).
Recommendation 24

The committee recommends that, before commencing the importation of fresh potatoes from New Zealand, a formal Import Risk Analysis be conducted for fresh potatoes for processing from New Zealand. In conducting the IRA, DA Biosecurity should ensure that particular attention is paid to:

- the conduct, or commissioning, of scientific research in relation to possible disease pathways for the *Candidatus Liberibacter solanacearum* pathogen;
- the lack of reliable diagnostic testing for the zebra chip bacteria;
- the large number of bacteria, fungi, nematodes, arthropods and viruses which are known to occur in New Zealand, and which are of concern to Australian potato producers.

Does not agree

The department is conducting a risk assessment of fresh potatoes from New Zealand only for processing. A non-regulated review is being undertaken as conditions for trade in potatoes for processing from New Zealand have previously been established. The review is examining all pest and diseases and whether trade may be permitted under recommended conditions.

This review only assesses one import pathway (processing to manage potentially infected/infested potatoes) and considers all pests potentially associated with potatoes from New Zealand (see page 7 of the draft report). A separate review on potato material for propagation pathway also considered the zebra chip pathogen and a final report was completed on 27 August 2013 (*Final review of policy: Importation of potato (Solanum tuberosum) propagative material into Australia*). The review of the propagative pathway (which is considered the highest risk pathway) included stakeholder consultation.

Australia previously imported potatoes for processing from New Zealand. That import policy required potatoes be sourced from areas free from black wart and potato cyst nematode and secure processing of potatoes in quarantine approved premises. However, following advice from New Zealand that it was unable to meet area freedom requirements for potato cyst nematode, trade was suspended in 1988. Since this time Australia has developed domestic conditions to manage potato cyst nematode associated with potatoes.

A significant change in the pest status of New Zealand, for potatoes and other host species, occurred when the pathogen (a bacterium) that causes zebra chip disease was detected in 2008. The department conducted a pest risk analysis (PRA) for this pathogen, and the insect that spreads the pathogen, in 2009. This PRA included stakeholder consultation and recommended potatoes could only be imported from areas free of the pathogen or for processing. Since trade in potatoes from New Zealand had already been established, and a PRA had been conducted for the pathogen and insect that spreads the zebra chip disease, the department conducted a non regulated review of existing policy (a review).

New Zealand's market access request is not for fresh potatoes for consumption. Only processed potatoes will be released and Australia currently imports significant volumes of potatoes processed in New Zealand.

The committee makes specific mention of a review by Dr Hayward and his report to the department, the scope of his review, and other issues raised by AUSVEG they consider were not dealt with by Dr Hayward's review. The scope of Dr Hayward's review, as commissioned by the department, was to look at the recommended import conditions in the draft report of the review in regard to *Candidatus Liberibacter solanacearum* (the bacterium that causes zebra chip disease). Dr Hayward is a plant pathologist specialising in bacterial diseases. As acknowledged in the Senate report, Dr Hayward's review was conducted in relation to stakeholder concerns that the department was relying only on information considered during the 2009 PRA on zebra chip disease (see paragraph 7.103 of Senate report). Dr Hayward's review demonstrates that the department has considered the latest information on zebra chip disease. Independent of Dr Hayward's review, the department has continued to review the
latest information on zebra chip disease, and since Dr Hayward's review was completed in December 2012, the department has reviewed over 100 new scientific publications and presentations at two zebra chip conferences.

The Senate report (paragraph 7.112), also claims Dr Hayward's report does not discuss differences between US and New Zealand diagnostic work ‘...particularly because the US data can, in some cases, be misleading’. The Hayward report at section 6 (iv) notes that initial DNA tests developed in the US were ‘unreliable’ and gave ‘variable results’. Dr Hayward's review notes that more reliable tests have now been developed.

AUSVEG provided a submission to the draft report on potatoes for processing from New Zealand and raised the issue of other pests of potential quarantine concern to Australia. As is normal practice, the department is considering stakeholder submissions in developing a final report. Pests that meet the definition of a quarantine pest will be added to the pest list in the final report, including those identified by stakeholders.

The Senate report considers Dr Hayward is not independent because he 'has provided input and advice to the potato IRA'. The department is conducting a non-regulated review of existing policy and has issued a draft report for stakeholder comment as part of that process. As publically cited in Dr Hayward's 2012 report, he also provided advice to the department in 2011 on a range of pathogens in his area of expertise. However, Dr Hayward had no role in writing the draft report. Dr Hayward was selected as the most appropriate person to provide advice to the department because of his extensive specialist knowledge of plant pathogens, particularly bacterial diseases. Dr Hayward is one of the few specialists in this area of research in Australia. The department considers only a researcher actively working on zebra chip disease in North America or New Zealand would provide equivalent or better expertise on the matter. However, stakeholders may question the independence of international experts.

Dr Hayward is not aligned to any agency that is associated with domestic or international potato research, or commercial industry and he signed a consultancy contract that included a provision that 'no undisclosed conflicts of interests exist'. Dr Hayward is therefore considered a relevant expert and independent.

Additional Recommendation by Senators Xenophon and Madigan
That in addition to the majority report's recommendations, the provisions in the Quarantine Amendment (Disallowing Permits) Bill 2011 be implemented.

Does not agree
The Quarantine Amendment (Disallowing Permits) Bill 2011 has been considered by the Senate (10 November 2011). Nine Senators spoke on the Bill and no speaker supported the Bill. Senators from Labor, the Coalition and the Greens stated they did not support the Bill.

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**MINISTERIAL STATEMENTS**

**Export Market Development Grants Scheme**

*Senator BIRMINGHAM* (South Australia—Assistant Minister for Education and Training) (16:14): At the request of the Minister for Trade and Investment, Mr Robb, I table a ministerial statement and document on the 2015 review of the Export Market Development Grants Scheme. The statement was made in the House of Representatives on 19 August 2015.
MOTIONS

National Science Week

Senator KIM CARR (Victoria) (16:15): At the request of Senator Moore, I move:

That the Senate—

(a) notes:—

(i) that National Science Week 2015 runs from 15 August to 23 August 2015,
(ii) the importance of inspiring and supporting young Australians to study and pursue careers in science, technology, engineering and mathematics, and
(iii) that science and research are critical to building the jobs of the future;
(b) congratulates the organisers of the 1 500 National Science Week events around the nation, aimed at engaging Australians of all ages with the wonders of science; and
(c) condemns:—

(i) the short-sighted cuts to science and research in the Government's first two budgets, totalling more than $1 billion,
(ii) the Government's attempts to undermine Australia's publicly funded research agencies, by slashing funding and jobs, including overseeing the largest job losses at the Commonwealth Scientific and Industrial Research Organisation (CSIRO) in the organisation's history,
(iii) the complete failure of the Government to understand and advocate for basic research, which delivers new knowledge and underpins technological innovation, and
(iv) the total lack of vision or commitment on the part of the Government when it comes to creating and sustaining the jobs of the future.

In moving this motion I take this opportunity to respond to some questions that were raised by the minister in his ministerial statement of 17 August on science and innovation. This statement was made in the House of Representatives on Monday 17 August. I came to this chamber seeking the statement and was advised that there would be no statement here on 17 August. I came here on Tuesday and was again advised that there was no statement. Yesterday I moved a motion effectively requiring a return to order for the statement to be provided, because it is most unusual and beyond normal custom and practice for there to be a ministerial statement in the House of Representatives on important matters of this type and for it not to be made in the Senate. It is a measure of the dysfunction of this government that there was no statement made in the Senate until such time as the return to order was moved and—surprise, surprise—late in the proceedings yesterday, the statement arrived.

It is unfortunate that this should happen in Science Week. When you look at the belated Minister for Industry and Science's statement you can see it is a disappointing document, because it lacks a strategic vision for the future of Australian science. The sad fact is that the government really lacks leadership when it comes to science policy, and it is appropriate that we are discussing this motion today, because it goes to the very heart of the reason for the government's failure in this area. The ministerial statement made in the House of Representatives provides further confirmation that the government has nothing to offer the science and research sector but a series of cliches and motherhood statements. The minister talks about science being crucial for jobs, growth and business success, and it is. He says that it underpins the nation's innovation capacity, and it does. And because it does, you would have thought that the government would have taken the opportunity to use this week, Science
Week, to demonstrate some leadership to outline a strategic plan for the development of Australia's strategic scientific capacity.

You would have thought that the government, rather than just issuing a series of motherhood statements about science, would understand the real transformative power of science—the fact that it offers to us the capacity to develop new opportunities in every aspect of life in this country. The minister tells us that the estimates show that a $100 million business investment in R&D generates a return of some $150 million to $200 million, yet the statement fails to mention that there is legislation before this chamber for the second time to cut the rate of support for business research through the research and development taxation incentive. It neglects to mention that this government has already cut the incentives for research and development for the country's most significant research and development investors and has cut support for the most innovative companies. This is just one symptom of a failed policy position. When you read the ministerial statement you can see that it misses the mark on so many issues.

The minister fails in part because the views on science and research are presented almost entirely through a very narrow prism of commercialisation. No-one can argue that collaboration between industry and research is not crucial. However, that cooperation will be fruitless if the role of basic research is ignored. The government's statement tabled here last night has nothing to say about fundamental, curiosity-driven research—research that aims to understand our world and our place within that world. The greatest transformations of our time, particularly through applied research, come as a result of basic research. The proposition that concerns me is that, if we do not invest in basic research, we will not be well placed to do anything else, and our businesses will ultimately be less able to create new products, adopt new knowledge and adopt new technologies.

When you look at the way in which other countries do things, you will see that they leave us for dead. For instance, in July, the United States issued its annual pre-budget directive to government agencies on their spending priorities. It was signed by the director of the Office of Science and Technology Policy, as well as the director of the Office of Management and Budget. In the United States, the proposition advanced is:

Federal government funding for research and development is essential to address societal needs in areas in which the private sector does not have sufficient economic incentive to make the required investments.

Key among these is basic research—the fundamental, curiosity-driven inquiry that is a hallmark of American research enterprise and a powerful driver of new technology.

That is the official view in the United States, which the minister says is the great 'productivity frontier'. The real problem here is that in this government no-one is really responsible for science policy. The Minister for Science is not responsible for research policy; that is a responsibility of the Minister for Education. In the United States—it is 'across the aisle', as they say—the principle is understood that there is a direct link between basic research and the commercialisation of applied research—clearly something this government does not appreciate.

The minister has a lot to say about CSIRO. This government has reduced CSIRO's funding by $115 million. CSIRO has a long and deservedly held formidable global reputation for its achievements in large part because it has strength in both its abilities of basic research and
applied research. Remember it is CSIRO researchers who have given the world Wi-Fi technology. The minister's statement gives no acknowledgement that these types of achievements are a direct spin-off from astronomical research. CSIRO is not the only public research agency the Commonwealth has failed to fund adequately.

In its first two budgets, this government has cut $1.3 billion from science and research. If you take into account the reductions in support for industry programs, for innovation programs—Commercialisation Australia, the R&D tax incentive—you find that the reduction in support moves to $3 billion. There is $107 million for the Cooperative Research Centres Program, $75 million from the ARC, $28 million from ANSTO, $8 million from the Australian Institute of Marine Science, $16 million from Geoscience Australia, $120 million from the DSTO, $174 million from the Research Training Scheme, $300 million from the Sustainable Research Excellence in Universities program and $84 million from R&D in ICT as a result of the assault on NICTA. We now have a program to salvage something out of this, taken on by CSIRO, to merge NICTA within its operation. It comes, however, at the cost of 200 more jobs on top of the 1,200 jobs lost at CSIRO. We do not know what the consequences will be for the 300 PhD students that NICTA currently engage—PhD students who work directly with industry solving practical problems, the vast majority of whom go directly into industry. NICTA is a perfect example of this government saying one thing and doing another. It is not the only example. The abolition of Commercialisation Australia and Enterprise Connect and other measures within the industry department have undermined the capacity of our universities and private companies to work together.

This government has been able to produce cliché-ridden statements and endless reviews—I think there are now six reviews into the research program—some of which have been completed. We get vacuous statements, so there is very little coherence and very little strategic vision in the government's conduct of science policy. And as I say, it comes back to the fundamental problem of the division within the government between ministers and the industry department and the education department having split responsibilities where research falls effectively between the cracks.

The Minister for Education describes himself as a 'fixer'. He was the one who said that we could hold to ransom the 1,700 science jobs and the 35,000 research projects tied up with NCRIS, as part of his program to try to impose $100,000 university degrees. Clearly we have no coherence in this government about the way in which we develop our science policy or our research policy, or even our understanding of how we promote our scientific capacity. Dr Danielle Edwards, who was offered an early career fellowship which she turned down, told the ABC that there is a:

… lack of government support that seems to be continuing and getting worse … I think, it's going to be really hard for Australian scientists to produce world-class research going into the future.

Dr Edwards is an evolutionary biologist who looks at the effect of factors like the environment on genetic diversity. I would hazard a guess that, given her research expertise, Dr Edwards does not regard well the attitude towards climate change held by this government. It is disappointing yet again to see no reference to climate change in the ministerial statement. The science minister in Science Week does not seem to think it is worthy of our attention to discuss climate change.
What we do know is that the government's adviser on climate change, Mr Bernie Fraser, describes the attitude the government is putting forward in regard to the costs of climate change and their opposition policy statements as 'weird' and 'misleading'. We can see the sharp contrast yet again between what is happening in this country and what is happening in the United States. Global climate change is the first priority identified in the White House memo to all agencies when considering their science and research budget bids. The second priority is clean energy. In fact, you can go through the whole list of US priorities and find things the Abbott government has cut or ignored—earth observation, advanced manufacturing, ocean science and information technology. Fascinatingly, in the United States they have 'R&D for informed policy making and management'. These are things that do not register with this government. The contrast in approach is extraordinary.

The science, research and innovation budget tables released earlier this month show that under the Labor government investment rose by more than 50 per cent. There was a 50 per cent improvement in support for science, research and innovation under the Labor government between 2007-08 and 2013-14. In contrast, under this government the reductions have been savage. The consequences will be long term. It is appropriate that the Senate, therefore, give consideration to the issues before the chamber in this motion.

In opposition we have already made a range of commitments to support science, technology, engineering, maths and start-up company finance. I do not have any personal animus towards the Minister for Industry and Science but what a job he must have trying to sell science in what is essentially an antiscience government. He has been handed a poisoned chalice by the Prime Minister—belatedly, I say because they tacked on 'science' well over 12 months into the government's commission. There was no real commitment to the importance of science. It is regarded as something hostile. You have free licence in this government to promote antiscientific attitudes, whether it be on windmills or vaccinations. There is the proposition that science is somehow dangerous. This has led to the making of vacuous, pious statements and cliches rather than dealing with the substantial policy work that is required to show science leadership and to ensure that this country is able to face up to the challenges of climate change and face up to the challenges of developing our scientific capacity to give us the skills and ability to maintain prosperity.

In Science Week we as a nation could choose to promote the importance of innovation and science programs, but what we have seen from this government is massive reductions. There is no science advocate in this government. There are no evangelists for the importance of science and innovation. It is widely believed that the term 'innovation' is regarded with some hostility by the Prime Minister. The government has no leadership credentials on science or innovation. It is unfortunate that the minister's science statement failed to deliver any strategy for the advancement of Australian science or the development of research capacity.

There is a backlog emerging in terms of the funding of our research infrastructure. Some $3.5 billion is required to fund the next 10 years of science infrastructure. There is $3.9 billion sitting in the EIF. What did the government do? It said it wants to abolish that fund and use that money to promote the building of private roads. That is the government's approach. The government does not understand the critical responsibilities it has not only to fund scientific infrastructure but to support, argue and evangelise in favour of the importance of science, to ensure we as a nation have the capabilities to meet the challenges of the 21st
century head on, to promote young people to take on science and to have the equipment available so they can fulfil their function in the service of the nation.

I commend to the chamber the proposition before us today. I have no doubt that, given an opportunity to respond to the government's defence on these matters, we will take up these issues further this afternoon.

Senator McGrath (Queensland) (16:35): It gives me great pleasure to rise this afternoon—

Senator Conroy: I can't believe it—three out of three!

Senator McGrath: Senator Conroy has won the lotto of life. Every time he is on duty in the chamber he has to put up with one of my speeches. Congratulations!

Senator Bilyk: And me.

Senator McGrath: And Senator Bilyk too. Congratulations! I think you need to be nicer to the Labor whips because clearly they do not like you if they are forcing you to listen to me. Be nicer to the whips.

Senator Bilyk: I am a whip.

Senator McGrath: You should be better at your job then. I am going to say some very interesting things on what the government is doing for science. I am sure Senator Conroy will listen with excitement. This government is absolutely committed to putting science at the heart of industry policy, and the funding that goes across the government is testament to that commitment. Senator Carr said before that he thought there was no advocate for science in the government. I think all members of the coalition are advocates for science and all members of the coalition are advocates for innovation and building a smarter and stronger Australia.

This year alone we are spending $9.7 billion on science, research and innovation and $5.8 billion over the next four years on science and research in the Industry and Science portfolio alone. And there will be $3.1 billion for CSIRO over the next four years, with funding increases year-on-year over the forward estimates. This is the Liberal-National coalition government investing more than $731 million over five years for the competitive research centres to continue their diverse range of research. There will be new investments of almost $70 million to secure operation of vital scientific assets and promote the benefits of science in the community. In addition, the Liberal-National government will invest $12 million to improve the focus on science, technology, engineering and mathematics or what are called the stem subjects—science, technology, engineering and mathematics subjects—in secondary education through the Industry Innovation and Competitiveness Agenda.

We probably should—and it would be very handy to—have a look at Labor's record in relation to science. In 2008, Labor cut $63½ million from CSIRO over four years. The then science and innovation minister, Senator Kim Carr, admitted that the cuts had to be tough 'because we are fighting a war on inflation'. These cuts led to job losses and the closure of some research laboratories. The CEO of CSIRO at the time said:

We are seriously disappointed—

This was with the government's decision

but that is their call and we disagree with it.
Labor also cut $2½ million from ANSTO, the Australian Nuclear Science and Technology Organisation, in its 2010 budget. Labor cut $40½ million from the competitive research centres in the 2011-12 budget leading to three agriculture competitive research centres being abolished. Labor budgeted for the construction of the RV Investigator, a new bluewater research vessel for the CSIRO, but provided no funding for its operation.

I suppose if you take Senator Carr's words on value, when he talks about having advocates for science, he takes the Labor definition of advocates being those people who talk about it but do not deliver or, if they do talk about it, they actually cut funding for it or do not supply any funding for it. It was this government that provided the $65.7 million in last year's budget required to get the RV Investigator on the water. This government will talk about delivering and will actually then deliver our commitments and our promises made to the Australian people in relation to science and innovation. For Labor, sadly, it was all about the next front page.

The coalition government, under the leadership of Prime Minister Tony Abbott, was elected to fix Labor's debt and deficit disaster and return the budget to surplus. That means that in all areas we have had to make a contribution in terms of returning the budget to surplus. Labor's debt is already costing about $1 billion a month in net interest payments—and that is borrowed money. No country can go on paying the mortgage from the credit card and that is what Labor, in terms of their approach to economics, had been doing during their term in office.

Labor cut $6.6 billion from 2011-12 to 2016-17 in funding to higher education and research while they were in office, including more than $3 billion in their last year in office alone. Labor cut $563.7 million from a sustainable research excellence program by changing the rate of funding for the sustainable research excellence program itself. Labor cut $324.9 million by increasing student contributions for existing maths and science students by the removal of grandfathering provisions. Labor also cut over $1 billion by reinstating band 2 student contributions for mathematics, statistics and science units for new students. Labor made no provision for the National Collaborative Research Infrastructure Strategy and the Future Fellowship Program for research talent beyond 2015. Labor was happy to let Australia's research efforts fall off a funding cliff.

But Labor, as identified by Senator Carr, like to talk and like to advocate but are not very good at providing the money. In the Leader of the Opposition's budget in reply speech this year, he promised over 100,000 free science, technology, engineering and mathematics degrees over five years, but there was no funding whatsoever. So we have got a Labor Party in opposition who believe in governing by press release and in worrying about the next day's front pages rather than worrying about where the money is going to come from or indeed worrying about how they are going to help contribute to the mess that they left in office after the Australian people voted them out in 2013.

Science is vital to Australia's future, particularly given the strong impact of science on industry, the strong link between scientific thinking and industry explains why science is in the Minister for Industry and Science's remit. We are developing a strategic approach to science policy which will adopt a whole-of-government outlook to ensure that all portfolios work together to focus our resources and to deliver jobs. It is the Coalition's belief that this will inspire young Australians and inform them and their parents of the importance and of the
value of science, technology, engineering and mathematics skills. The Parliamentary Secretary to the Minister for Industry and Science, Karen Andrews, who is the member for McPherson on the Gold Coast, is actually an engineer, which has traditionally been a very male dominated profession, and is one of the leading advocates for getting more women into traditional male professions such as engineering.

We have also established the Commonwealth Science Council to advise on areas of national strength and priority as well as current and future capability and to suggest ways to improve connections between government, research organisations, universities and business. The Science Council meets twice yearly and acts as a source of advice for the government as it develops a comprehensive strategy for science. The Science Council is chaired by the Prime Minister, with the Minister for Industry and Science as deputy chair. The Minister for Health, the Minister for Education and Training as well as the Chief Scientist are standing members. Five eminent scientists, researchers and educators and five business leaders make up the majority of the Science Council to ensure discussions and to address the need for industry and science to work together closely to boost the competitiveness of Australia. The contribution of scientists and researchers is critical to lifting our productivity, creating jobs and building on our competitive advantage in key sectors. Australia's ability to compete in global markets in all sectors depends on our ability to move up the value chain, producing high-quality, innovative or niche products. Connecting science to industry is therefore the cornerstone of our industry policy and indeed our science policy.

In conjunction with the Science Council, the government has also established the National Science, Technology and Research Committee. The committee is chaired by the Chief Scientist and members include the CEOs of government research agencies and senior executives from the Department of Industry and Science, the Department of Health and the Department of Education and Training. This committee has been tasked by the research council and provides an operational perspective compared to the Science Council's strategic perspective. The Industry Innovation and Competitiveness Agenda includes initiatives to encourage and target innovation and collaboration in research and development. The government is going to provide just under $100 million—$97.6 million to be precise—to pursue global excellence in areas of competitive strength. In addition, we are investing more than $100 million per annum in the Entrepreneurs' Infrastructure Programme to connect researchers and businesses to develop and commercialise home-grown ideas. The Australian government will also support businesses to innovate and engage in research and development through the R&D tax incentive, which is expected to provide over $1 billion in tax offsets for eligible companies in 2015-16.

The government also strongly believes that we must promote the science agenda in schools to those who are going to move into the sector in the future. As part of the competitiveness agenda, the government is providing additional support to foster school students' interest and competency in science, technology, engineering and mathematics. This will better equip students with job-relevant skills and provide an additional $12 million to assist to develop and implement innovative online curriculum resources in mathematics, to enhance computer programming skills across the curriculum, and to provide seed funding to pilot an innovation focused PTEC-styled secondary education initiative. It is also the aim to increase student
participation in summer schools for science, technology, engineering and mathematics students.

The government is very proud of its record in the science, technology and innovation space. Support for science and research in the industry and science portfolio, as indicated in my opening comments, will total $5.8 billion over four years. Broken down, this includes more than $3 billion for the Commonwealth Scientific and Industrial Research Organisation, CSIRO, to continue its work across a range of industries; $768 million for the Australian Nuclear Science and Technology Organisation; $485 million for Geoscience Australia; and $168 million for the Australian Institute of Marine Science.

The government has also made new investments of $97 million for securing the ongoing operation of vital scientific assets and promoting the benefits of science in the community including $28 million for Science for Australia's Future to continue to support the Prime Minister's Prizes for Science, National Science Week and Questacon educational campaigns. I think many people in this chamber and in the other place often speak to school students who are coming through the houses of parliament. Without wanting to dis their enthusiasm for parliamentary democracy, often it is the case that the students are far more excited about having just come from Questacon or about their visit to Questacon. I must praise Questacon for the work it does for visiting school students, especially from my home state of Queensland. There will also be $49.1 million for permanent and safe disposal of used Australian nuclear fuel and $20.5 million for operating the Australian Synchrotron in 2016-17.

The government believes strongly in what are called 'industry growth centres'. The government is going to provide $225 million to pursue global excellence in five areas of competitive strength: food and agribusiness; mining equipment, technology and services; oil, gas and energy resources; medical technologies and pharmaceuticals; and advanced manufacturing sectors. On a personal note, in relation to medical technologies, as someone who suffers from severe and extreme sleep apnoea, my life is made sometimes a little bit easier by the use of a CPAP machine, which was developed mainly by an Australian. I give thanks to that person for those nights when I am able to sleep.

There have been stories in the media in relation to cuts that have had to be made. It must be emphasised that any cuts that have been made have been because we need to restore the budget to a sensible financial position after the reckless financial indifference of the former Labor government between 2007 and 2013. We are committed to returning the budget to surplus as soon as we possibly can. However, we are not going to go around the country waving blank cheques or even signed cheques without ensuring that the fiscal rectitude that was demonstrated through the Howard-Costello years but needlessly ignored in the Rudd-Gillard-Rudd-Swan years is put in place. This task of restoring the budget to surplus has meant that the government, operating in a very difficult fiscal environment, has been forced to make a number of decisions affecting all areas of government.

But some of the things we have been able to do include focusing on sharing the science and research responsibilities. Under the make-up of the government, these are shared through the Industry and Science and the Education and Training portfolios. The Minister for Industry and Science, my fellow Queenslander Ian Macfarlane, has responsibility for science research policy, industrial research and development, and key scientific agencies such as CSIRO. The
Minister for Education and Training has responsibility for research policy in relation to universities, research infrastructure and research grants and fellowships.

One of the really good programs that the government have been working on and bringing about—and I mentioned this briefly in my opening remarks—is the Entrepreneurs' Infrastructure Program. The Entrepreneurs' Infrastructure Program includes Research Connections, which aims to bring businesses and researchers together to develop new ideas with commercial potential. The services will include access to advisers who can link businesses to appropriate research institutions, and matched funding to bring research capability into the business for specific projects through the Accelerating Commercialisation component of the program.

The Commonwealth Science Council, which advises the government on areas of national strength and capability and on ways to improve connections between government, research organisations, universities and businesses, also will play a role. This council, which meets yearly, acts as a source of advice for the government. In terms of where the government's policy agenda takes it, it would be more appropriate for the government to listen to the Science Council than to the former minister, Senator Carr, whose period in office did not leave a marked effect or an improvement on the science sector in Australia.

This government is absolutely committed to putting science at the heart of industry policy. The funding that the government has committed across a range of areas is a strong commitment to that. You will find that every member of the coalition is a strong advocate for science and is a very strong advocate for ensuring that science, industry and innovation come together so we can build a stronger Australia which has a healthy and strong economy, as long as we can get the budget back under control.

Senator RICE (Victoria) (16:55): It is a great honour for me to rise to speak in this National Science Week as one of a minority of members of parliament who have a science background. I treasure my scientific training because of the logical, rational approach to problem solving that that background fostered. That background gives me an understanding of scientific method. Having a scientific approach to understanding the world and the challenges we face is a critical skill that is undervalued in this place and a critical skill that needs to be brought to our decision making in this place.

Sadly, since my days as a science student at university, when I studied maths and meteorology, I have seen respect for science fly out the window. The last few years have marked a low point in support for science by government. However, support for science by the public continues to grow. People recognise that, if we are going to face the challenges of the 21st century, we need the skills to think and reason, through science and scientific method.

Australia has a long history of scientific achievement, from early refrigerators to solar hot water, ultrasound technology, the bionic ear, the world's first frozen-embryo baby, the famous winged keel of Australia II, the wi-fi that we all use and even the dual-flush toilet. Australia has led the world.

But this government, led by Prime Minister Abbott, is doing its best to gut our science industry and to trash our international reputation while it is at it. Unfortunately, the rosy approach to science that Senator McGrath has just outlined in his contribution is far from the
realities that we see on the ground. On top of cuts from the previous Labor government, last year's brutal budget slashed spending on research and development. The cuts were continued this year, with research-and-development funding now at the lowest level for 30 years.

Morale amongst the scientists that I know is also at an all-time low. I think of one of the people I know who have been communicating with on social media, who has just finished a PhD in marine biology. His desperate plea to me was, 'I don't want to have to leave Australia.' He wants to stay here. He wants to contribute to the Australian scientific effort, but he cannot see the potential for jobs for him. Despite the fact that there is a huge amount of research that needs to be undertaken that is critical for Australia's future, he just does not see that the jobs are going to be there. He can see that, if he wants to continue to work in his field and use his skills as a scientist, he is going to have to go overseas.

In the Treasurer's budget night speech, not once was the word 'science' used—not once! We have to turn the corner and see that investment in science and research is vital for our wellbeing and the economy. When the mining boom is over, we will need something to sell to the rest of the world. The Greens want to see scientific pursuits like renewable energy research and medical research get the same kind of multibillion-dollar support that is currently given to fossil-fuel companies. But, instead of encouraging science, this government just wants to deny it.

The lack of scientific literacy, the lack of value that this government places on science, is alarming. The science tells us that we have to act to combat climate change, we have to act now and we have to act seriously. The Intergovernmental Panel on Climate Change is an incredible international institution bringing together thousands of scientists to reach consensus agreements on the science of climate change. Research undertaken by IPCC scientists around the world, including in Australia by CSIRO and the Bureau of Meteorology, has informed the position taken by the Climate Change Authority, which has said, based on the science, that we need to cut emissions by 40 to 60 per cent by 2030 to protect our community from the devastating impacts of global warming on our health, the health of our environment and the health of our economy. Yet we have a Prime Minister who dismisses the science as 'absolute crap'.

The science tells us that we have to make the shift from fossil fuels to clean energy, like wind and solar, and we have to do it extremely quickly, yet we have a Prime Minister who insists that coal is good for humanity, and brags about reducing the renewable energy target. The science tells us that there is no credible evidence about the negative impacts of wind farms. The science actually shows that these false claims can make people sick. Yet we have a Prime Minister who continues to perpetuate myths about the impacts of wind farms. It is time for the Prime Minister and his government to start listening to the science and to the community instead of providing an unfiltered ear to the big polluters, their slick lobbyists and the mega political donations.

The science does not tell us that burning native forests for energy is in any way renewable, that creating massive new coalmines has no impact on the climate or that culling sharks has any benefit to swimmers' safety, but the government does not want to listen. It was recently made public that the environment minister had a report sitting on his desk from eminent scientists Andrew Macintosh and Professor David Lindenmayer showing that ending logging in Victoria's Central Highlands would have a carbon abatement of three million tons every
year, which, based on the price the government paid earlier this year of $14 a ton for carbon, would be worth more than $40 million every year. The science tells us that ending native forest logging throughout the country would be worth billions of dollars in carbon abatement. It would reduce the effects of climate change, boost local jobs in tourism and save some of our most endangered and precious animals.

Science is waving its arms in the air with the answers to our future prosperity. It is shouting about the industries of the future that are in research and development, in manufacturing clean energy products like electric cars and solar panels, and in ensuring the coming generations receive a world-class, scientifically-based education. But this government simply refuses to listen. This government's attitude to science highlights that they have no plan or vision for the future. In this National Science Week, we must open our ears and let science be the hero.

**Senator BILYK** (Tasmania—Deputy Opposition Whip in the Senate) (17:03): What science has given our society cannot be underestimated. Science, particularly in the last two centuries, has totally transformed the human experience. It has expanded our life spans, provided us with technology and experience almost beyond imagination, and has made life much, much easier.

I am glad that in this place we can mark National Science Week 2015, which runs from the 15 to 23 August 2015. It is extremely important in this country that we celebrate and promote science through the events held in National Science Week. It engages all sectors of the broader Australian society, but particularly children, with the importance of science in our lives. It encourages children to be inquisitive about the world around them, to show them that science can be interesting and fun and that there are exciting science careers available that can help those around them. Whether it is engineering, medicine, ICT, mathematics, pathology, chemistry, physics or one of the hundreds of other jobs that are science based, a career in science is interesting, challenging and meaningful. There are over 70 National Science Week events planned in my home state of Tasmania during this National Science Week, and I encourage people to go out and participate. I would like to take this opportunity to congratulate the organisers of these events and the 1,500 National Science Week events around the nation.

Science has become so ingrained in our society that we often do not stop to think about it. It does not cross our radar—to use a science-based metaphor. And this is in some ways worrying, because unless we are aware of the ways that science affects our daily lives, we forget the importance of science research for the future of our society.

The other problem is that it makes it easier for governments, like this Abbott government, to cut funding to organisations like the CSIRO. This government cares so little about science that they did not even have a science minister for the 15 months from 18 September 2013 until 23 December 2014. That was the first time since March 1931 that Australia did not have a science minister. That is rather a despicable situation.

The Abbott government's anti-science agenda is extreme. I do not think we have seen in this country before a government that is willing to attack science so publicly or so vigorously. They attack science because it deals with the facts that do not conveniently fit into their ideological model. In less than two years this government has tried to cut $3 billion from science, research and innovation. I will repeat that: this government has tried to cut $3 billion from science, research and innovation in less than two years. They should be condemned...
loudly for these cuts. These cuts include: CSIRO—$114 million cut; Australian Research Council—the ARC—$75 million cut; Australian Nuclear Science and Technology Organisation—$27.5 million cut; Cooperative Research Centres—CRCs—$80 million cut; Research Training Scheme—$173.7 million cut; Commercialisation Australia abolished—$260 million cut; National ICT Australia Ltd to be abolished—$84 million cut; Geoscience Australia—$16.1 million cut; and Defence Science and Technology Organisation—$120 million cut.

This Liberal government made a large number of cuts to programs for innovation in the 2014-15 budget. These cuts include reductions in the value of the R&D tax incentive, estimated to save around $1.7 billion in lost incentives for businesses to invest in R&D; the abolition of Commercialisation Australia, $260 million; the abolition of the Innovation Investment Fund venture capital; the abolition of Enterprise Connect, $152 million; a cut of $45 million from clean technology programs and a move to abolish ARENA; the abolition of industry innovation precincts, $298 million; the abolition of Enterprise Solutions, $28.7 million; the abolition of Researchers in Business; and the replacement of a number of these programs with an ill-conceived Entrepreneurs Infrastructure Program, now known just as the Entrepreneurs Program, which tries to deliver programs similar to Enterprise Connect and Commercialisation Australia with around half the funding. In the 2015-16 budget, the government made additional cuts to innovation, including $27 million from the Entrepreneurs Infrastructure Program, and a further $31.7 million from industry grant programs abolished in the 2014-15 budget.

CSIRO alone has lost 1,200 science and support staff in the last two years, the largest job cuts in the organisation's history. Those 1,200 jobs represent 20 per cent of the total staff of the agency, a drastic and unwarranted cut. These cuts have been particularly hard in my home state of Tasmania, with 76 jobs lost at CSIRO's world-class research labs, which has significantly impacted on the important work they do—and, of course, it has not helped staff morale any. CSIRO has also closed or merged several of its research sites, including eliminating the world-class irrigation research team at Griffith in New South Wales and consolidating sites in Canberra. The agency has also asked the National Capital Authority to rezone the Ginninderra field station site on the Barton Highway as 'urban area' in the next amendment to the National Capital Plan, due out next year. Do you know why it needs to do that? It needs to do that because that would allow CSIRO to sell or build on the site for commercial development. CSIRO should not have to sell off the farm and would not have to if the Abbott government had not slashed $115 million from its funding in the 2014 budget. Senator Rice made some comments about some of the inventions, but let's remember that Australia and the world can also thank the CSIRO for inventing wi-fi, plastic banknotes and the hendra virus vaccine, amongst other things.

The Abbott government also decided to abolish the Education Investment Fund—which funded the construction of Australia's only blue-water research vessel, the RV Investigator—and transferred the money to its failed Asset Recycling Fund. The previous Labor government invested $120 million to build the RV Investigator, a world-class vessel that is capable of spending 300 days a year at sea. Yet the Abbott government took a short-sighted decision in its 2014 budget to provide funding for the RV Investigator to spend only 180 days at sea. That is just 60 per cent of the sea time per year that the vessel was designed for. For the sake of
saving $7 million a year, the Abbott government has consigned the RV Investigator to spending an additional 120 days a year tied to a dock when it could be at sea making new discoveries to support our marine economy and environment. I am pleased that Hobart is the home port of the RV Investigator. However, we all need this ship to be out at sea doing the important scientific research it was designed to do. This government needs to properly fund the RV Investigator.

Again in my home state, Tony Abbott's budget cuts have attacked the University of Tasmania, Tasmania's only university. This budget reduces funding for undergraduate student places by 20 per cent, and this will cost Australia's universities $4.4 billion over four years from 2016. Research funding was also cut, with $263 million cut from the Sustainable Research Excellence program. This will impact on Tasmania dearly, with UTas cuts totalling $125 million over four years. In the 2015-16 year alone, UTas will see $13.9 million cut from the Commonwealth Grants Scheme, $2.9 million from the Sustainable Research Excellence program and $1.7 million from the Research Training Scheme. This is an absolute disgrace, and the government should be condemned very loudly for these savage cuts. Tasmania has a wonderful international reputation for research. These cuts, which are even more savage in the coming four years, will see jobs lost and our best and brightest researchers forced to leave Tasmania. That makes absolutely no sense. UTas Vice-Chancellor Peter Rathjen is clearly worried about the viability of the northern campuses under the Abbott government's plan for deregulation. Professor Rathjen said earlier this year:

We got cut again and, in particular, what got cut was the support for our research programs which hits us quite hard.

The huge 20 per cent cut to undergraduate places will mean Tasmanian students will suffer. Already UTas has nearly one-third of all its students coming from low-socioeconomic backgrounds. This is nearly double the national figure and the third highest in Australia, and it beggars belief that the Abbott government is going to deny more students from less well-off families the opportunity to go to university. UTas has a high proportion of mature-age students, who will also be forced to abandon their university studies because of the Abbott government's deregulation agenda.

The Abbott government has decided to de-fund National ICT Australia, or NICTA, from June 2016, which will see even more scientists and innovators lose their jobs. This will be another devastating blow to a science and innovation sector already reeling from savage cuts from the Abbott government. NICTA has been one of the most successful government industry research and innovation partnership organisations in Australia, and its abolition once again should be condemned. Nowhere in the world has an organisation that combines cutting-edge blue-sky research, training for hundreds of PhD students and industry-focused application been able to survive without government support. Labor is pleased that NICTA has found a path forward in a merger with CSIRO, although almost two-thirds of NICTA's 310 jobs might be lost. Labor strongly believes NICTA should never have been de-funded. This government is fuelling a science brain drain in our country and they do not even seem to realise.

The Abbott government is stuck in the past and its cuts have seen federal government investment in knowledge and innovation slip to its lowest level in 30 years. Australia now spends less on scientific research than the OECD average. This government has completely
failed to understand and advocate for basic research, and it should be strongly condemned for this because the way Australia has become such a prosperous nation is through its strong investment in research and innovation. The way that Australia will remain prosperous nation is through strong investment in research and innovation.

This government just does not understand the importance of science to all sectors of the economy. Scientific research transforms practices in farming, in manufacturing, in medicine and health provision, in electronics and in communications. Research in science and technology will be the difference between Australians designing, refining, operating and maintaining the machines of the future or being replaced by them. Scientific research is the key for creating and sustaining the jobs of the future, but this government does not and will not understand the importance of Science. Labor does.

Labor has a vision. We have a vision of a clever future with a great national goal: to dedicate three per cent of our national GDP to research and development by the end of the next decade. We know that three in every four of the world's fastest growing occupations require STEM-skill and knowledge. Government, universities, research centres and industry must all work together to reach this goal.

In our schools participation in science subjects has fallen to the lowest level in 20 years and maths and science literacy has fallen. At the same time, other countries in our region continue to improve their results. In classrooms today about 40 per cent of teachers teaching science and maths to Australian students between years 7 to 10 do not have a tertiary qualification in the discipline. We need to improve this, and Labor will.

Labor will support better training for 25,000 current science, technology, engineering and maths teachers because we want our hardworking teachers to have the skills and the confidence to help more students fall in love with science. We will create 25,000 new scholarships for STEM graduates to encourage them to continue their study and become great teachers. Teach STEM will provide an incentive payment to attract more STEM graduates to become teachers. Students who have just completed a STEM degree or are within five years of graduation will be able to apply for a $15,000 incentive payment. Five thousand dollars will be paid upon commencement of the course of study, with the remaining paid after their first year in the classroom. We will also write off the student debts of 100,000 science, technology, engineering and maths students upon graduation. This will encourage more Australians, particularly women, to have the opportunity to study, work and teach in these fields.

Science will be at the centre of a Labor government not just in words but in actions. Science will underwrite jobs in health, education, construction, ICT, mining and agriculture as well as the jobs our children will do—in many cases jobs yet to be invented.

This government has failed the science and research sector. It has thoughtlessly cut funding to the current programs and agencies that provide a nationally significant role in improving all facets of Australian industries. It has failed to provide any vision for the future and failed to plan and fund the research that we need to create the jobs of the future, and it should be condemned for that also.

National Science Week is an important opportunity to lift the profile of science in our community. Unfortunately, this visionless government has completely failed in this area.
Senator CANAVAN (Queensland) (17:19): I did want to speak this evening on the actual topic. I wanted to speak on science. I will still, hopefully, get to science, but Senator Bilyk spent just a bit under 20 minutes speaking about politics in a very misleading way. I think at the end she said Labor has a vision. She certainly had visions in that speech, because they were not actually based in fact at all! I want to point out a few of the mistruths in this and I might actually use some facts while I do that.

I picked up that Senator Bilyk said that there had been over $1 billion in cuts from R&D tax credits under this government. It surprised me a bit that she attributed those to this government, because they were actually announced by the previous government. Those cuts were their policy in government. To make sure that the Australian public know that I am not misleading the Senate, I actually have some facts here in front of me that Senator Bilyk did not have. I have a press release here from Mr Wayne Swan on 27 June 2013. He said:

The R&D Tax Incentive is one of the most important elements of the Government's support for our innovation system. It will continue to provide generous, easy-to-access support for around 10,000 companies each year who are undertaking eligible R&D.

This is the kicker:
The change will affect less than 20 corporate groups and will ensure this support is better targeted at small to medium businesses.

He was envisaging exactly what this government has done, which is focus the R&D tax credit on small and medium enterprises, not large companies. The press release went on to say:

Savings from the reforms – estimated at over $1 billion from 2014 to 2017 - will fund Government priorities including measures announced in the Government's Industry and Innovation Policy Statement, A Plan for Australian Jobs.

So Senator Bilyk has just spent a fair amount of time of her speech criticising Labor Party policy, which I am not objecting to. If that is how Senator Bilyk wants to use her time in this chamber, we should give her an extension of time. We should hear more from Senator Bilyk more often so that she can expose in more detail the deficiencies of Labor's approach to policymaking in this country.

I also heard Senator Bilyk say that CSIRO has had job losses, and it is a fact that CSIRO, unfortunately, has had job losses in the past few years. Again, what Senator Bilyk did not mention was that in fact, of the 1,000 reduction in staff numbers in CSIRO in the past few years, 600 of those actually occurred between 30 June 2013 and the end of 2014, almost completely during the Labor government except for those last few months of 2014.

Senator Ronaldson: She didn't say that.

Senator CANAVAN: No, she didn't say that, Senator Ronaldson. I did not hear that, but I just wanted to check. Did you hear her say that? I might not have heard all of her speech, but I do not think she mentioned that 600 of those job losses were actually under the Labor government. Indeed, in the case of the other 400 jobs that unfortunately have been made redundant since, that was actually a consequence of the efficiency dividends the Labor Party put in place while in government. While they were in government they subjected government agencies and departments, not just the CSIRO but all government departments and agencies, to two efficiency dividends. I am not criticising that practice; that is something all governments do from time to time. But that was a decision they made, and the result of that
decision is obviously that agencies and departments have to cut their costs. And when they have to cut their costs often they have to do so by cutting staffing costs, because labour costs are the biggest part of the budget for departments and agencies of the Commonwealth. They are only going to meet these efficiency dividends by reducing staff numbers. Senator Bilyk should know that. Certainly the government at the time would have known that. That would have been the advice they would have had from Treasury and Finance, and that was a consequence of their decision. They should have the guts to own up to the consequences of the decisions they made in government.

Senator Bilyk also mentioned the RV *Investigator*, a CSIRO vessel. Apparently we are not funding the RV *Investigator* as much as they did. Well, again, I have right here in front of me, from 2013-14, budget paper No. 2, which is the final budget that the Labor government announced before being dismissed at the last election. On page 214 there is a measure to do with the CSIRO—Marine National Facility operational funding. Under that measure it says: The Government will provide $12.1 million to the Commonwealth Scientific and Industrial Research Organisation (CSIRO) to conduct sea trials of Australia's new Marine National Facility (MNF) vessel, the RV *Investigator*.

So, they funded it by $12.1 million. What Senator Bilyk failed to outline is the funding they provided beyond 2013-13. What do you think it would have been, Senator Ronaldson, if you could hazard a guess? Senator Bilyk did not mention it, but presumably Senator Bilyk was expecting that the ship would continue to be used. She said it should be used 180 days a year, or something like that. That is how often she wants it to be used. You would think Senator Bilyk would have wanted the Labor government to actually fund it to get out for 180 days a year. But let's just look at the budget papers. There is a table, and under 2013-14 there is $12.1 million. Just to be clear for Senator Bilyk, under 2014-15, what number is there? Zero. Under 2015-16, what number is there? Zero. Under 2016-17, what number is there? Zero—three zeroes, three strikes for Senator Bilyk. No funding was provided by the former, Labor, government for the RV *Investigator*. We have provided funding for it—perhaps not as much as Senator Bilyk would have liked, but much, much more funding than her own government put forward for it. Indeed, it is so much more funding that you cannot even calculate it, because you cannot calculate a percentage of zero.

There is one final point I want to make about Senator Bilyk's contribution, and Senator Carr's as well, about the terrible impacts of funding cuts to the CSIRO. It is very interesting to point out that in 2008 Labor actually cut $63.4 million from the CSIRO budget. It is even more interesting that the then science and innovation minister, Senator Kim Carr, who now speaks so sanctimoniously about science funding, admitted that the cuts had to be tough 'because we are fighting a war on inflation'. Do you remember the war on inflation, Senator Ronaldson? That was a difficult war, wasn't it? That was a tough war that we all had to get through, in mid-2008. As soon as the war on inflation ended, what did they have next? I think they had a war on obesity. How did that one go, Senator Ronaldson? How is the war on obesity going for you? I am struggling a bit with that war! And then they had the building the education revolution. They were a very violent government. They had all these revolutions and wars. And then of course they had a coup, and they got rid of two Prime Ministers—and then another one for good measure.
So, that was the Labor government. They had a record of cutting funding to science and now they sanctimoniously come into this chamber and criticise this government for doing the same thing. They did indeed criticise them sometimes for implementing the very policies they announced only a few years ago. It has been an amazing road-to-Damascus conversion for the Labor Party in the past 18 months.

But I did actually want to speak on science, and I now have more-limited time to do so. But I would still like to do so, because I think it is important in National Science Week that we as representatives in our nation's parliament engage not just in politics here. So I am sorry I had to do that, but I did have to point out those errors. But I want to speak a little bit about science itself and how important it is, and my concerns at the state of science, not just here in Australia but around the world. I want to talk about a guy called Karl Popper, with whom I share some affinity, because Karl Popper once thought of himself as a communist—for a few days, apparently—and I, too, once thought of myself as a communist, although I think I might have sinned for a bit longer than a few days. When I started university I thought: 'Yep, communism; that's the way to go. Let's share the wealth, let's all be happy and not have competing interests and base capitalistic or profit-motive interests.' That is what I thought. I soon discovered I was wrong. When I met some communists I discovered that I was very, very wrong. I was a bit of a loner in high school in my Marxist days, but once I got to university there were some actual, real communists there, and when I met them I thought, 'These guys are on a different track than me.' So, I did learn. I did hopefully accede to the aphorism attributed to Churchill, I think it was, that if you are not a communist when you are 20 you do not have a heart and if you are still one when you are 30 you do not have a brain—and hopefully I have acceded to that.

That is probably where my affinity with Karl Popper ends, because Karl Popper, for those who do not know, was one of the most famous philosophers of the 20th century, one of the most influential at least. I certainly will not achieve those goals—notwithstanding the fact that I certainly cannot be a great philosopher of the 20th century, having been born in 1980; I do not think I will be a great philosopher of the 21st century either. But what Karl Popper was famous for was the philosophy of science. I listened in the chamber earlier to Senator Rice's contribution. She is a scientist, and she spoke about how she is a scientist because she believes in rational and logical thought. I did not feel that Senator Rice succinctly or clearly summed up what her philosophy of science is. It is a very important thing to think about what science is. What does it mean? What can we take away from people that do science and apply science?

Karl Popper had quite a revolutionary idea: that science is not about creating conclusions from observing the real world; it is not about making positive or truthful statements about what we see around in the world; it is actually about putting forward hypotheses or, in more colloquial terms, conjectures, about the world and then trying to test them and seeing if they can be falsified. He used the example of Albert Einstein's theory. Einstein had a hypothesis that light would be distorted as it got close to solid bodies. That theory could be tested. It was tested during a solar eclipse—I think it might have been in the late 1910s or the 1920s. Much to the surprise of the scientific community, who at the time largely agreed with Newtonian physics, Einstein was proven correct. At least his theory was not falsified—the Newtonian
theory that light was a constant and would not change was falsified. So we went from having a Newtonian view of the theory of light to having a relative view, which Einstein established.

Popper compared the theories of Einstein to those of another famous thinker of the time, Sigmund Freud, who invented psychoanalysis. He compared them usefully and said that the theories of psychoanalysis could not be falsified. Sigmund Freud and his followers did not make predictions that could be tested and falsified. That is not to say that Freud's theories are useless or should not still be studied and considered. But it does clarify what it means to be scientific. What does science mean? Science in Popper's view—and it is a view that I definitely think has some merit—is about having those testable and verifiable conjectures and then subjecting them to real-world data. With Freud's theory of psychoanalysis that could not be done, so that was not science.

Popper described his theory as 'critical rationalism'. It was about being rational, of course, and providing rational data, and it was about taking a critical view of those theories. It was not just inductivism. It was not just saying that because the sun has risen every day since I was born, or since the start of time, tomorrow the sun will also rise. That is induction. That is saying that because something has happened every time before, it will happen again in the future. Popper said that that is not actually science. Science is saying that we put up a theory that the sun will rise tomorrow and we do not know whether it is true or not until we get up tomorrow and see if it has risen. That statement is scientific because it can be falsified. It is a verifiable statement.

Popper's theories led to a real revolution in science. Before Popper we thought about science in an inductive way. We would think about science as being logical, as Senator Rice established. We would be able to say statements in science like, 'If Socrates is a man then Socrates is mortal. Socrates is a man, therefore Socrates is mortal.' That would be a scientific statement, because you would be inducing something from certain established facts. After Popper you were more likely to characterise science in a falsifying or disconfirming manner. So we would say things like, 'If Socrates is a god then Socrates is immortal. Socrates is not immortal, therefore Socrates is not a god.' We would use the negative to think about scientific theories.

Popper's theory is that we cannot prove that a conjecture is true. There is no way of doing that. All we can do is proof that it is false. If a conjecture is proven not to be true, then the above logic is used to dismiss that conjecture. I think a couple of quotes from Popper help sum this up more usefully. One that I like is:

If we are uncritical we shall always find what we want: we shall look for, and find, confirmations, and we shall look away from, and not see, whatever might be dangerous to our pet theories. In this way it is only too easy to obtain what appears to be overwhelming evidence in favor of a theory which, if approached critically, would have been refuted.

Another quote from Popper that I like is:

Whenever a theory appears to you as being the only possible true one, take this as a sign that you have neither understood the theory nor the problem which it was intended to solve.

I like this last quote, because even though it was written in the 1950s, I think it usefully sums up some of the problems that I have with our modern approach to science and particularly the language around it. We are often told that the science has spoken. Indeed, Senator Rice emoted science as some transient being, almost—science is shaking its hands or science is
doing certain things. Science does not do any such thing. If you agree with Popper's theories, which I largely do, science can only ever make conjectures or hypotheses, not conclusions, not anything precisely true.

We can usefully base our understanding of the world on those conjectures that have withstood testing and are yet to be falsified. These statements are often made about many different areas of science. We often think science does many different things. I want to touch on the subject that is most commonly put up to a lack of scientific scrutiny, in my view, and that is climate change. I think it is important, because whenever you talk about climate change there is a propensity to distort and deceive what someone has said about it. I want to put on the record what I think at the moment. I am not a scientist, so I do not know, but I have read quite a bit of the literature.

There certainly appears to be evidence that carbon dioxide warms the atmosphere. That can be tested—you can do that in the lab and people do that in the lab. Carbon dioxide certainly warms atmospheres in a laboratory environment. It is much different, though, to conclude that the increase in carbon dioxide emissions that we have experienced on our planet have caused an increase in global temperatures. It is a much, much different hypothesis again to say that these increases will cause catastrophic global warming that leads to extreme weather events, the deaths of polar bears and, apparently, according to the Sydney Morning Herald, will lead to bread not rising as much as it has in the past.

Senator Ronaldson interjecting—

Senator CANAVAN: I hear you laughing, Senator Ronaldson. I do not exaggerate. Indeed, if I were a schoolboy right now, I would love climate change, because instead of saying that the dog ate my homework, I could just say that climate change did it. It explains so many things these days, apparently.

These hypotheses are conjectures that are made. We can test whether in future bread will rise as much as it has in the past, but of course we cannot do that until the future. What I am concerned about, though, is not that climate change science does not generate falsifiable conclusions—it is that when it does, and the theories are tested and an answer comes back different, the goalposts get moved. There have been modelled predictions from climate change scientists in the last 20 years, and almost all of them have been proven to be far too exaggerated. The temperature on whatever series you use, whether it is HadCRUT, UAH, RSS—these are all measures of global temperatures—has been proven to not rise in line with the theories. So we can conjecture and we can debate whether they have been falsified, but they certainly have not been verified at this stage, and there certainly needs to be a lot more work done in this field.

What concerns me most about this debate is that we speak often about climate change as if we know it all, and we certainly do not know it all. I studied philosophy at university and I was a great fan of Socrates and his dialogues. His most famous idea was that true wisdom is to know that you do not know it all. And we certainly do not know it all. There is much that we do not know about the universe, and that is why we need science to continue to explore and understand more about our universe.

I just want to conclude our contribution to this debate with a final remark from Karl Popper on this subject which I think usefully captures this wisdom. Karl Popper said once: 'For it was
my master who taught me not only how very little I knew but also that any wisdom to which I might ever aspire could consist only in realising more fully the infinity of my ignorance.'

Senator KETTER (Queensland) (17:38): I rise to support this notice of motion and join in congratulating the organisers of National Science Week and the over 1,000 organisers who have arranged events around the nation aimed at engaging Australians of all ages with the wonders of science. In this week it would be wonderful to have a government which demonstrated a vision and a plan when it came to science and research. Instead we have a government which has demonstrated short-sighted cuts totalling more than a billion dollars in these areas in its first two budgets.

It would be wonderful to celebrate a government which understood the importance of Australia's publicly funded research agencies. Instead we have a government which is actively seeking to undermine those agencies, slashing funding and jobs. It would be wonderful to have a government which understood and advocated for basic research. But we have a government which is a complete failure in that regard. And it would be wonderful in this week to celebrate a government which had a vision or a commitment for the future when it came to creating and sustaining the jobs of the future. Again, we have a government which has demonstrated its inability to move in that direction. In short, we have a government which is an embarrassment.

Going back to National Science Week, we know that it is our annual celebration of science and technology and that thousands of individuals, from students and scientists to chefs and musicians, are involved. Science Week is a great opportunity to recognise how important it is to promote and invest in science in our schools, universities, TAFE and industry. It also aims to encourage an interest in science pursuits among the general public and to encourage younger people to become fascinated by the world in which we live. We have seen the opposition leader, Mr Shorten, visiting the students at Canberra College this week to celebrate National Science Week.

National Science Week runs each year in August and features more than 1,000 events across Australia, including events in my own state from Edge Hill to Macleay Island. I encourage everyone to log onto the excellent Science Week website for information. Although Science Week officially continues until 23 August, I note that on the website you will find a number of very interesting activities which will continue beyond that date. Enlightening Engineering at Saint Benedict's College at Mango Hill runs until 31 August. We have an Australian bat clinic open week which runs until 23 August at Advancetown. We have a sound map for National Science Week at South Bank which runs until 23 August. We have already had a storm chasing presentation at Banyo library. I also want to mention a wonderful opportunity to meet our scientists at the Queensland Museum and Sciencentre at South Brisbane. There are some fantastic opportunities to celebrate Science Week and it would be good to celebrate all of those things.

In his contribution Senator Canavan laments the fact that we actually want to talk about the politics and the government in our speech, but it is important in this place that we do look at this important issue. It is such an important issue for the future. We know that it is important for us to have a government which properly invests in this area. But after two great years of government—as the government has indicated—what have we got at the moment? Unemployment is up from 5.7 per cent to 6.3 per cent. For the first time in 20 years 800,000
Australians are out of work. The Australian economy is stuck in below-trend growth of 2.3 per cent. We have new taxes and charges. The tax to GDP ratio is the highest it has been since Prime Minister Howard’s time and it is rising each and every budget year. Consumer sentiment is 11 per cent below where it was at the election and the budget deficit doubled in just the last 12 months.

It has not been a good two years for science either, and I note that Senator Bilyk has touched on a number of these things. In the last two years $114 million has been cut from the CSIRO. The Australian Research Council has had a $75 million cut. The Australian Nuclear Science and Technology Organisation has had a $27½ million cut. The Cooperative Research Centres program has been cut by $80 million. The Research Training Scheme has been cut by $173.7 million. Commercialisation Australia has been abolished and had a $260 million cut. National ICT Australia is to be abolished, with a cut of $84 million. Geoscience Australia has had a $16.1 million cut. The Defence Science and Technology Organisation has had a cut of $120 million. The Australian Institute of Marine Science has had a smaller cut, comparatively speaking, of $8 million, but having been to the Australian Institute of Marine Science near Townsville earlier in the year I must say that this is an area where I am particularly disappointed. I did take the opportunity to have a look at the National Sea Simulator at the AIMS facility. The National Sea Simulator is a world-class marine research aquarium facility for tropical marine organisms, in which scientists can conduct cutting-edge research. Using the SeaSim, as it is called, Australian and international scientists can research the impact of complex environmental changes with large, long-term experiments in which they can manipulate key environmental factors. It is a world-class facility, and I know that it is the envy of many other nations who would like to have that type of facility. The history of the SeaSim is that in 2010 the Australian government awarded the AIMS funding for the development of the National Sea Simulator through the Super Science Marine and Climate Initiative, with support from the Education Investment Fund. Having seen that firsthand, it is very disappointing for me to see the AIMS having to scale back the use of the newly opened National Sea Simulator and reducing research on marine biodiversity.

Well over $3 billion in funding were slashed from programs, research and organisations. What concerns me is this government’s clear contempt for science. The rest of the world seems to be bemused by this government’s contemptuous attitude towards science. Senator Canavan elaborated on the scepticism in relation to areas where there is a high degree of consensus amongst the leading scientists. We only have to look at this government’s approach to climate change. Going further, how could we forget the education minister, who earlier this year proudly held Future Fellowships and research infrastructure funding hostage to his ideological pursuit of university deregulation and $100,000 degrees. Holding a political gun to the head of Australia’s most eminent researchers—that was the ‘fixer’s’ fix. Nobel laureate Brian Schmidt, summed it up perfectly when he said, ‘This is not the way a grown-up country behaves.’ I think senators are aware of the comments from BCA President Catherine Livingstone, in March of this year. She said:

… how have we come to this? … How have we come to a point where a government feels it can use assets, publically funded to the tune of over $2 billion, as a hostage in a political process? … Where it is prepared to jeopardise over 1500 highly skilled research jobs and the continuing operation of 27 national facilities? … Shame on us.

And I say shame on the government for that terrible and irresponsible approach.
Unfortunately all we have seen from this government is one attack after another. In the government's first budget it sought to cut almost $900 million from science and research, and unfortunately the government's second budget did little to reverse the savage cuts of the first budget. But in contrast, Labor does have a proud record on science and research. The Science, Research and Innovation Budget Tables, which were released earlier this month, show that investment under Labor increased by more than 50 per cent between 2007-8 and 2013-14. In stark contrast, the current government is projecting that its investment in Australia's innovation capacity will actually fall by 3.7 per cent over its first two years.

Labor is looking to the future, unlike the current government. We know that 75 per cent of the fastest growing occupations today require skills in science, technology, engineering and maths—STEM. Employment in STEM occupations is projected to grow at almost twice the pace of other occupations. Yet in 2012, only 16 per cent of higher education students in Australia graduated in STEM-related subjects, compared with 52 per cent in Singapore and 41 per cent in China. Labor has announced initiatives that will prepare our children, our workforce and our industries for the changing economy. These policies align closely with the Australian Mathematical Sciences Institute's recommendations to boost Australia's mathematics capacity.

I think senators are aware of Labor's approaches in respect of STEM teacher training. We will establish a fund to support 25,000 primary and secondary school teachers over five years to undertake professional development in STEM disciplines. We will encourage STEM graduates by offering 25,000 'teach STEM' scholarships over five years to address the shortage of qualified teachers. We will provide 100,000 STEM award degrees, 20,000 a year for five years, which will provide a financial incentive for students to enrol in and complete a STEM undergraduate degree, in recognition of the significant public benefit of growing Australia's STEM capacity. These are the sorts of things which a government that is fair dinkum about these types of issues should be doing, but it is left to Labor to chart a more responsible approach when it comes to science research and innovation. Giving every child in Australia the opportunity to learn coding and computational thinking in school is a visionary approach, and we have announced initiatives that will prepare Australia for the future.

But unfortunately, in contrast, the government continues to be stuck in the past. I noted that, in response to Labor's initiatives with respect to coding in schools, this year in question time the Prime Minister—when he says 'he' he is referring to the opposition leader—said:

He says that he wants primary school kids to be taught coding so that they can get the jobs of the future. Does he want to send them all out to work at the age of 11? Is that what he wants to do?

That is an infantile response to a legitimate issue which has been not only raised by Labor but supported by the Chief Scientist.

As our economy responds to technological change, it is vital that all Australians are skilled to be able to participate and secure jobs today and well into the future. Digital proficiency will be a foundation skill as important as reading and numeracy. It will increasingly be the determinant of employment prospects and opportunity.

The Australian Workforce Productivity Agency predicts that in 2025 there could be an undersupply of qualifications for key ICT occupations, with employment projected to grow between 64 and 72 per cent faster than overall employment growth and account for around five per cent of all employment in 2025. Business leaders, industry, demographers and the
Chief Scientist are urging for immediate action to prepare for this future demand. Key to this, they say, is to improve digital literacy in schools and embed coding in the Australian Curriculum from primary school. Chief Scientist Ian Chubb said:

If the digital economy is an arena, then the skills you need to play include computer programming and coding. Informatics gives us these skills and this event highlights the global nature and ferocity of the competition.

The Australian Computer Society said:

In ten years' time, it will be the most common language in the world. You need to teach a language as early as possible to allow for maximum fluency in a child.

Yet there is concern about whether Australian schools are prepared to respond to this challenge. Around 20,000 teachers in science, maths and IT classes never studied these subjects at university.

European countries are investigating this issue and over 12 of them already have computer programming and coding as part of their curriculum and a further seven are in the process of introducing it. Countries, including New Zealand and Singapore, are in the process of including coding in the curriculum. Computer programming and coding is already part of the primary curriculum in England, Belgium, Finland, Estonia, the Netherlands, Italy and Greece.

Labor has a very sound approach to science and innovation. I also wish to indicate that I am very pleased with the approach of the Queensland state Labor government with respect to their commitment to science. This is the way that a government should be behaving. They have announced a $180 million investment in innovation, skills, education, business development and start-ups to diversify the Queensland economy and deliver knowledge based jobs now and into the future.

Unlike the Abbott government, the Queensland government is focused on harnessing the opportunities that are available in start-ups, innovation businesses and our science and research base so that the Queensland workers of today will have access to the new jobs of the future. I also note they have $50 million set aside to develop, attract and retain world-class talent and skills by delivering new research fellowships and scholarships to increase research talent; the Global Partnership Awards to support collaboration between Queensland graduates and entrepreneurs with international companies and institutions; a future schools review of the teaching of science, technology, engineering and maths, including coding and computational science, ICT and robotics so that our kids have the jobs of the future; and Knowledge Transfer Partnerships to link industry and universities through funding opportunities for small and medium enterprises to have postgraduate students working in their business on an identified problem or project.

In conclusion, to ensure Australia remains competitive internationally, we need a federal government that will make education a national priority. Instead, as I have indicated, we have seen the government make savage cuts to schools, universities, vocational education and research.

This government is an anti-science government. Australia needs to look to the future. This government has no plan for science or innovation. We need a government that truly understands the importance of science, research and innovation for the future economic
welfare of our country. We need a government that is committed to supporting these vital areas. This government's cuts will stand condemned by history.

Senator EDWARDS (South Australia) (17:57): It is with pleasure that I rise to speak about science and Science Week in particular. I note in the chamber the presence of Minister Ronaldson who has the carriage of Minister MacFarlane's portfolio of science and industry in this place and through the Senate estimates process.

It is a complete celebration to have these inspirational people in front of me three times a year. They range from, as Senator Ketter pointed out, the quite amazing mind and capacity of the Chief Scientist—currently, Professor Ian Chubb—whom I have known for some 30 year and watched his career progress to the pinnacle of what it is today—to Dr Adi Paterson, the chief of ANSTO, the Australian Nuclear Science and Technology Organisation. I have also listened to him and he also has a very inspiring science mind.

We also cover CSIRO and, unlike what Senator Canavan asserted, our minister is very much aware of our place in the global science race. I heard Senator McGrath's earlier contribution and he was very articulate in pointing out where the failures of the past government were.

With my remaining 40 seconds, Senator Ketter, I will just let you know that in dealing, as I am, with in the nuclear space right now, the minds of these people in our science space are some of the best in the world, and people around the world tell me that. Our commitment to science and to Science Week is never been as profound as it is today from the minister. I suggest everybody get behind Science Week and applaud it in Australia's economy.

The PRESIDENT: The time for this debate has expired.

PARLIAMENTARY REPRESENTATION
Tasmania

The PRESIDENT (18:00): I table the original certificate received through His Excellency the Governor-General from the Governor of Tasmania of the choice by the parliament of Tasmania of Senator McKim to fill the vacancy caused by the resignation of Senator Milne.

COMMITTEES
Community Affairs References Committee
Report

Debate resumed on the motion:
That the Senate take note of the report.

Senator MOORE (Queensland) (18:01): I want to make some comments on the report that was presented yesterday in this place on out-of-home care. We had a number of speakers in the chamber yesterday who spoke about the extraordinary work that was put forward in this report, which I think has provided a significant basis of information so that people can look and see what is the status of out-of-home care in our nation today. One of the problems we have consistently is trying to draw together all the data about what exists in our nation, and I think this report goes a long way towards doing that. There is no way that I can cover the range of issues that I would like to in my contribution this evening, so I will concentrate on a couple of them and make a commitment to, on future evenings, do a replay and get to the
other recommendations—which I know you will be waiting for with great happiness, Mr President.

This evening I particularly want to talk about three points. One is the aspect of making sure that young people have a voice in the decisions that affect them. People will understand that the focus on out-of-home care must be the safety and the security of our children. That is the process across all jurisdictions and that is the determining factor for the development of policy. Over the last few years, many jurisdictions have conducted their own inquiries into the out-of-home care system simply because there have been so many complaints and so many incidents which have caused great harm to children.

One of our recommendations is to ensure that young people do have a voice. The National Children's Commissioner, Ms Mitchell, who provided a very substantial submission to our inquiry and gave evidence, said:

It is really important to understand that children have agency; they can understand a lot of things. I am so impressed by kids as I go across the nation talking to them. Really young kids understand stuff if you engage with them. I think for children in these circumstances—

And that is in the circumstances of looking at needing to have care outside their family—

it is really critical. I am not saying that they are going to get what they want necessarily; it is about having a dialogue.

That is the important point. There needs to be engagement with the young people so that when they are experiencing the need they are able to share that with us. Naturally I am talking about children who are old enough to be able to express their wishes. They are the ones who are actually the focal point of the system, when they are moved away from family in many circumstances and they are lost. We heard about kids who were churned through the system—placement after placement. They lost their sense of identity and certainly lost their sense of safety and security, which in fact was the intent of the system.

The wonderful organisation CREATE, whose focus is ensuring that young people's voices are heard, said to our committee:

... although the principle of children being able to have a say about their decisions, about coming into care and about their lives is more recognised in Australian policy and practice, in reality, children's voices are often not heard in court and decisions are generally made for them without their input.

Miss Jarcinta Short, a young woman who came to see us in Hobart and who had been part of the care system, said:

I would like to have been thought of, instead of my case worker just placing me in places they thought I should be. Was it necessary for me to be removed? If it was not, then I should not have been removed. So my solution would be to ask the child, to put them first and have them be involved in the consideration and in the decision-making. With matching kids to care, I think it is a really good idea for case workers to do a tick sheet with children—the things that they like to do and what makes them them—and then pass it on to a carer that they think would be suitable for that child.

Again it is making sure that young people's voices are heard. Julia said, 'I did not even know I had a child safety officer until I was 12.' She did not even know that there was someone in the system—the system that was allegedly designed to support her—looking after.

We said that all jurisdictions, all agencies involved in this process, should have as one of their key determining practices that they are engaged with the children—and not just once but that engagement should continue on a regular basis so that they consistently hear what the
child is saying. As with many other things in our inquiry, this was reinforcing knowledge that we had gained in previous inquiries. When we as a Senate were involved in the inquiry that looked at the institutionalisation of young people in earlier parts of the 20th century, the key issue that came up consistently was that young people were not given their voice and, when they called out for help because they were in fact being damaged, no-one listened and no-one responded. Now, in 2015 when we are looking at the out-of-home care situation care in our nation, it seems that that message needs to be reinforced.

I want to make comment, again, on previous experiences of our committee. Yesterday, when this report was brought down, Senators Seselja and Lindgren talked about their position on adoption. The committee worked very hard on this issue. We looked at the range of concerns and the impact of permanent placement for young people, and the need to take account, always, of security and of the lessons to be learnt from previous experience. Naturally, we believe that children should be at the centre of any decision-making process. In the chapter in our report on permanency of care, we raised the issue about what is in the best interest, and there is a wide range of opinion. In some areas, there does seem to be a return to a favouring of adoption. That needs to be considered. No option that could benefit a child should be dismissed completely.

We must remember past practice. We must remember the work that has been done by the Australian Institute of Family Studies through their surveys—all on the record. They talk about the need for serious consideration before any decision is made on permanent placement for any person and that the impact in terms of loss of identity, loss of link to home and care, loss of link to kin and the clear knowledge of where they are in the world must always be taken into account.

Through previous inquiries about women who have lost their children into the system and about grandparent care of grandchildren, the committee understands the need to ensure there are appropriate services that provide support to anyone who is providing care to children and taking children into their home, and support to children themselves. These services must be planned on a long-term basis because the need and the impact does not necessarily happen immediately. In several of our inquiries, we found that people well on into their lives are still concerned about the way that their lives were changed, most often by past practices of adoption.

I encourage people to look at the evidence that the committee received. We must not accept that the easiest and most attractive option is the best way to go. I refer to evidence the committee received from the Alliance for Children at Risk from Western Australia: 'The big fear is that because there are fiscal challenges in the system the adoption process is an easy way. Yep, 12 months and we are out of this and it is off the books.' That fiscal concern should never be a determining factor about how we provide services in this country. We need to look at the true wellbeing and health of the individuals involved. In any discussion of any form of moving to adoption in the future, we must remember and learn the lessons from the past about the supports necessary to ensure that everybody in the system is protected and that their wellbeing is maintained. I seek leave to continue my remarks later.

Leave granted; debate adjourned.
Debate resumed on the motion:

That the Senate take note of the report.

**Senator XENOPHON** (South Australia) (18:10): I wish to comment on the interim report handed down just yesterday by the Senate Economics References Committee on the future of Australia's automotive industry. This is a very important report and I commend all my colleagues involved in this inquiry. It is good to see Senator Anne Ruston from South Australia is in the chamber. This is a key industry for South Australia and I look forward to working constructively with Senator Ruston, as I have in the past, on this matter. In fact, Senator Ruston is someone for whom I have enormous regard who I have worked with constructively on important issues such as the future of regional post offices and the challenges and the future of the Australian wine industry. I hope that we can get a good result when it comes to the automotive sector.

My concern is that there must be much more done to allow for the transition of the automotive sector in Australia and in my home state of South Australia. What we are facing is a tsunami of job losses, particularly in Victoria and South Australia. It is estimated that something like 150,000 jobs could be lost with the departure of Ford, Holden and Toyota from Australia at the end of 2017. In fact, Ford are due to leave in about a bit over a year.

There are some key issues that this inquiry set out that must be considered. The Automotive Transformation Scheme has something like $700 million in the kitty and it is money that needs to be spent responsibly—

**Senator McEwen interjecting**—

**Senator XENOPHON**: Can I acknowledge Senator Anne McEwen, also from South Australia, who has been a consistent and passionate advocate for manufacturing in South Australia.

The federal government, to date, just has not got it about the looming jobs crisis, the looming tsunami of job losses facing Victoria and South Australia, and the several thousand jobs in New South Wales as part of the automotive supply chain—12½ thousand jobs directly in auto manufacturing and 33,000 jobs directly in the components sector in tier 1. But there is tier 2, 3 and 4—the makers of widgets that go into a part that go into another part for a component that goes into a Ford, a Holden or a Toyota made in this country.

The government just has not planned for the enormous upheaval that this sector is facing. We discussed this just last week. I think that the comments by Treasurer Hockey in December 2013 were basically taunting General Motors Holden, goading them to leave Australia—are you gonna stay or are you gonna go; like a bad version of a Clash song. What he said was, quite frankly, reckless and irresponsible. The consequences of those reckless and irresponsible comments, I believe, led to General Motor Holden's decision. Within 48 hours of the statement to the Productivity Commission by the then managing director of GMH in this country, Mike Devereux, that they were willing to stay if there was a plan for the auto sector and within 24 hours of the Treasurer's comments, General Motors Holden made the decision to pull up stumps. And as a consequence, we saw the collapse in the automotive...
supply chain in this country, with Toyota making the inevitable decision to bail out of Australia by the end of 2017.

What this report of the Economic References Committee does is to set out the magnitude of the problem but also practical solutions in terms of what needs to be done. The Federation of Automotive Products Manufacturers, in their submission to this committee back in April 2015, made a number of very sensible, reasoned submissions. These are companies representing something like 140 businesses in the automotive supply sector that between them represent 33,000 people. These are companies that employ from a few dozen to up to 600 or 700 employees in some of the bigger components makers. They are saying that there must be flexibility in the Automotive Transformation Scheme to enable these companies to diversify to do other things, to make other things or expand markets.

Precision Automotive, headed by Darrin Spinks in South Australia, is making heliostats, which are incredibly useful in the sense that it is plugging into the renewable energy sector. There are other companies that cannot get access to the ATS because of the narrow confines of the criteria for that. One company that I mentioned last week and will mention again is SupaShock. Their team at Magill in South Australia make world-leading shock absorbers. Oscar Fiorinotto and his team do tremendous things. Their shock absorbers are world beating and their technology is second to none—used in F1 racing cars and in the Ford racing team. The Ford racing team says, 'We win races. Our secret weapon is SupaShock shock absorbers.' But they cannot access the funding for the Automotive Transformation Scheme because it is tied to the OEMs—that is, the original equipment manufacturers—Ford, Holden and Toyota. That needs to be loosened up in a way that is responsible to taxpayers, because if we get it right with this fund it will give real hope to many thousands of employees to transition from the shock that we will experience when the last Australian-made car rolls off the line.

Yesterday, in relation to this report and in relation to this whole issue, I was at a forum at the Australian Automotive National Summit with my colleagues Senator John Madigan and Senator Ricky Muir. In his presentation Senator Madigan gave a terrific exposition of what occurred in the UK. The UK industry appeared to be on its last legs but as a result of bipartisan, sensible policies there has been a renaissance in the UK automotive sector. Senator Madigan gave some very impressive statistics on the growth of that sector, the export market—80 per cent of those cars are exported—and the many billions of pounds it contributes to the UK economy. Senator Madigan made the point very powerfully that we should not give up on manufacturing. We need to ensure that this sector gets support, because it will make a real difference to having a strong, vibrant economy with good, well-paying jobs. Senator Ricky Muir made the point about the aftermarket sector. It is a $5 billion a year sector and there are many firms involved in that—something like 200-plus firms are involved in the aftermarket sector. That has tremendous ability to expand, to grow and to take up some of the jobs that will be lost inevitably as a result of the departure of car makers in this country.

This report is only an interim report but it does contain a template of ideas and practical suggestions for the sector to grow in those areas: in the aftermarkets, in the components sector—for diversification to at least absorb to some significant degree, if it is done properly, the enormous job losses that are expected with the demise of the three original equipment manufacturers—Ford, Holden and Toyota. I commend the work of the committee and the secretariat in relation to this report.
There is more work to be done. I urge the federal government to look closely at the funding mechanisms of the ATS, the criteria and other funds so that there can be a real expansion of this sector. One example given yesterday by Richard Dudley, who heads the MTAA, the Motor Trades Association of Australia, was that where there are skills shortages apprenticeships can really be expanded. One of the participants at the forum yesterday made the point that with just a bit of money for a mentoring scheme for apprentices—and this is all about jobs—the apprenticeship retention rate increased from 45 per cent to 85 per cent through a scheme that involved mentoring within the industry but that the funding for that scheme has been taken away. Why would you do that if it is a low-cost, effective way of keeping people in the sector and growing jobs in the automotive sector? There is a lot to be done. I urge the government—and that is why it is important that my colleague Senator Ruston and others from South Australia play a key role in influencing the government on policy on this—to do all we can to stem the job losses and to grow new sectors within the automotive sector so that we can have as many Australians as possible employed in this sector. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Wind Turbines Select Committee

Report

Debate resumed on the motion:

That the Senate take note of the report.

Senator MADIGAN (Victoria) (18:20): I rise to speak as the former Chair of the Senate Select Committee on Wind Turbines. It is nearly 30 years since Australia's first wind farm was built—that was in Esperance in Western Australia. Currently, there are 82 wind farms accredited under the Renewable Energy (Electricity) Act 2000. They consist of 2,077 wind turbines with a total installed capacity of 4,180 megawatts. Among renewables wind is a major player in Australia. It has benefited significantly from the financial incentives of the Renewable Energy Target. The committee report represents a substantial body of evidence. Undoubtedly it is the most complete inquiry into wind farms in Australian history, receiving nearly 500 submissions, 39 pieces of additional information, 82 responses to questions taken on notice, 46 tabled documents and significant additional correspondence from all over the world. Additionally the committee held hearings in Canberra on three occasions as well as sitting in Melbourne, Sydney, Adelaide, Cairns and Portland. We heard testimony from hundreds of witnesses.

As a Ballarat-based senator for Victoria, I have long been aware that many people residing near western Victorian wind farms have reported noise nuisance, ill effects and sleep deprivation due to their proximity to wind farms. In fact, in June 2010, up to 20 residents from the Waubra and Cape Bridgewater areas alone sent the former health minister and current Victorian Premier Daniel Andrews statutory declarations reporting that their health and wellbeing were being seriously compromised by the operation of wind turbines. This small group hoped the Victorian government would not turn its back on them. They did not have much luck. They gave their stat decs to the same premier who has told the wind industry that Victoria is open for business. They then halved the setback distance from two kilometres to one kilometre to prove the point.
In my view, clean energy can be a dirty business. The unimaginable injustice of what I have seen—decent rural people done over by big business in the name of saving the planet—is what inspires me to keep asking one question. Why is the wind industry exempt from appropriate regulatory practices that apply to other industries? In my home state of Victoria, for example, the EPA plays no role in the assessment of wind farm noise. These matters are left to paid consultants—guns for hire, really—who write the report the wind farm operator needs to appear compliant. The wind industry is in fact regulating itself in Victoria and elsewhere, riding roughshod over country people. This is what drives me to keep shining light in dark corners.

So it staggers and it disappoints me that those who profess to stand up for people, for the rights of communities and the wellbeing of this country, waged throughout the committee's hearings a campaign of denigration, misinformation and lies. Senator Urquhart from the ALP was extended every courtesy during the committee's operation. We bent over backwards to accommodate her requests. She sat through the same testimony as we all did. Yet her speech on this matter and the ALP's dissenting report bear all the marks of Orwellian propaganda and group think. I have to ask myself whether they were referring to the same inquiry that I had chaired.

Likewise, various green lobby groups attended committee hearings and, using digital media and press releases, misrepresented and lied about hearings and evidence. And, of course, the Greens political group refused to be part of the committee. Instead they took cheap pot shots from the sidelines, blaming victims, vilifying witnesses and sneering. It staggers me how afraid some people are of the facts. It staggers me how afraid some people are of real debate, discussion and investigation. As George Orwell said, 'In a time of near universal deceit telling the truth is a revolutionary act.'

I am particularly proud of the work of the Senate Select Committee on Wind Turbines. Our 15 recommendations provide a roadmap for the way forward. As everyone agrees, Australia has a clean energy future—and I support that—but the clean energy imperative, with its ideologues and carpetbaggers, must be tempered by respect for people and their lives. Again I thank Senator Leyonhjelm in calling for this inquiry. I thank Senator Day for his excellent support as deputy chair. I thank my other fellow committee members, Senators Back and Canavan, for their positive input. I thank Senator Xenophon for his valuable input as a participating member as well as Senator Marshall. The committee secretariat did an extraordinary and unenviable job. The committee tabled its final report on 3 August 2015. Already, the body of evidence developed through the inquiry has been heralded internationally as the most significant ever accumulated on wind turbine impacts.

I would encourage everyone to take the time to read the wind turbine inquiry report and its recommendations. I strongly encourage reading the submissions and transcripts of evidence that were obtained at the hearings. These are the stories of the people who are dealing with wind turbines at ground zero, not from an ivory tower in the middle of Sydney. You will read testimony of sleep disturbances, compromised health and reduced amenity. This is all too often the reality for rural Australians who reside beside industrial wind energy facilities, whether they host turbines or not.

For anyone who is genuinely interested, who can think independently and is not blindly obedient to the ideological spin put out by the wind industry and its propagandists, take a look
at the report and the committee's work. What have you got to lose besides your ideological innocence? For anyone who is faithfully beholden to the alarmist politics of the Greens and the Labor Party and who would have us sacrifice rural families for the worship of wind turbines, take a look. All that one needs to be able to support the report's important recommendations is an open mind and access to the committee's website.

The inquiry may have wrapped up when the committee tabled its report earlier this month but its legacy remains. This is the inquiry's gift to rural Australians who have long been nuisanced by industrial wind turbines. Their complaints have been trivialised by wind operators, planning systems and decision makers. Their symptoms have been misunderstood by a compliant media, captive to the messaging of a narcissistic academic, well-practised in ridicule, defamation and bullying. The report, its recommendations and the supporting information gathered, speaks for itself.

Question agreed to.

Legal and Constitutional Affairs References Committee

Report

Debate resumed on the motion:

That the Senate take note of the report.

Senator LEYONHJELM (New South Wales) (18:29): I participated in the Senate inquiry into illicit firearms and made a significant contribution to the majority report. I am also one of Australia's 800,000 licensed firearm owners. I lead the Liberal Democrats—the only party in this place that, without exception, stands up for licensed firearm owners.

I am here to say, as plainly as I know how, that licensed firearm owners are not happy. We are not happy that the government is proposing to impose yet more constraints on law-abiding sporting shooters. We are not happy that this is being painted as an issue of national security. We are not happy that lever action firearms, which have been in use in Australia for well over 100 years, are now being described as 'rapid-fire firearms'. We are not happy that the federal government has placed a ban on imports of lever action shotguns with a capacity of more than five rounds, commonly known as 'the Adler ban', while it reviews the National Firearms Agreement. We are not happy that unelected bureaucrats in the Firearms and Weapons Policy Working Group, under the leadership of its chair, Catherine Smith, have been agitating for more restrictions on legal gun ownership since 2005, dreaming up means of prohibition by stealth. And we are not happy that the Minister for Justice, Michael Keenan, has uncritically accepted the wish list of state and federal police departments without even consulting with firearm groups until very recently.

Last week I managed to blackmail the government into adding a 12-month sunset clause to its Adler ban. This ban was originally introduced as a permanent ban, despite the statement by the Prime Minister that it was temporary. I am not pleased that my blackmail was even necessary. I also blackmailed the government into reopening regular consultations with a long list of representative firearms groups, most of whom had heard nothing from Minister Keenan, despite his claim that he had been consulting them. Again, I am not pleased that blackmail was necessary. I am not pleased that I was the only parliamentarian who was willing and able to extract these commitments. When it comes to sticking up for shooters the Nationals talk a lot, but are short on action. Above all, I am not pleased that neither the sunset
clause nor the consultation will deter the government from attempting to further restrict the liberties of law-abiding firearm owners. It is all part of drumming up votes on the grounds of proving how tough it is on terrorism.

The coalition government is struggling in the polls, with little sign of recovery. The only issue on which it seems to make headway is national security, so we continue to be bombarded with thundering rhetoric about the terrorist threat and demands that we accept ever-increasing powers for shadowy 'intelligence' organisations. And before long, we got a manufactured moral panic about guns. How insulting it is to link Australia's 800,000 licensed firearm owners to terrorism! I can hear it now: the government will refer to the lone gunman in Tunisia who shot tourists on a beach, for which Islamic State has claimed responsibility. They will say: 'Just imagine if a lone terrorist with an Adler shotgun were to turn up on Bondi Beach. To prevent Adler shotguns falling into the hands of terrorists, we need to stop licensed firearm owners from obtaining them.' The government will claim that this treatment of gun owners is called for by the inquiry into the Martin Place siege, but this siege involved an offender with no licence using an illegal firearm that had been illegally obtained, with no record of its having entered the country.

It seems that neither the Prime Minister nor the Minister for Justice has bothered to read the Martin Place siege report, either. The report only calls for two key things of relevance to guns. Firstly, it recommends a reduction in the regulation of the licensed firearms market so that scarce police resources can be refocused to frontline enforcement activities aimed at the illicit firearms market and, secondly, a consideration of new technologies to facilitate better administration of firearms throughout the nation; something as simple as sharing firearms transaction data between jurisdictions. The Martin Place siege report contains no call for any further restrictions on lawful firearms ownership or for changes to how firearms are categorised.

It also seems that the Prime Minister and Minister for Justice have not read the Senate inquiry report into illicit firearms. That inquiry heard from police that the firearm of choice for criminals is pistols. Rifles and shotguns are rarely used by criminals, and they are virtually never used for criminal purposes by licensed firearm owners. Nonetheless, it appears that Catherine Smith from the Attorney General's Department is seeking legal advice on whether gradual prohibition via reclassification will allow the government to avoid having to compensate firearm owners whose property is rendered illegal and must be surrendered. This is an outrage. Why do the bureaucrats who work so hard to convince ministers to restrict legal gun ownership have such a striking inability to develop strategies for effectively addressing illicit use of firearms by criminals?

There is significant international evidence about what works to disrupt illicit firearms use, and many practical strategies that could be implemented in Australia. Good, responsible policymaking would reflect this, yet we have never seen anything to this effect. The bureaucrats advising Minister Keenan on firearms are out of their depth, incompetent, or so wedded to an anti-gun agenda that they care little about what will genuinely improve community safety. Linking plans to further restrict legal firearms ownership to terrorism is something even the Greens reject as outlandish. The government is intent on whipping people into such a state of fear about terrorism that bad decisions, which ultimately have nothing to do with terrorism and everything to do with poor opinion polls, can slip by unchallenged.
Australia's 800,000 licensed firearm owners are not happy. We are sick of being treated as criminals-in-waiting. We are sick of being the scapegoats for poor policy, lazy policing and the kind of stuff-ups that allowed Man Monis back onto the street. And be in no doubt—we will express our disgust at the ballot box. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Community Affairs References Committee—Out of home care—Report. Motion of the chair of the committee (Senator Siewert) to take note of report debated. Debate adjourned till the next day of sitting, Senator Moore in continuation.

Economics References Committee—Future of Australia's automotive industry—Interim report. Motion of Senator Carr to take note of report debated. Debate adjourned till the next day of sitting, Senator Xenophon in continuation.

Economics References Committee—Australia's innovation system—Interim report. Motion of Senator Carr to take note of report agreed to.

Environment and Communications References Committee—Report—Recent trends in and preparedness for extreme weather events—Government response. Motion of Senator McEwen to take note of document agreed to.

Rural and Regional Affairs and Transport References Committee—Report—Industry structures and systems governing levies on grass-fed cattle—Government response. Motion of Senator McEwen to take note of document agreed to.

Community Affairs References Committee—Availability of new, innovative and specialist cancer drugs in Australia—Interim report. Motion of Senator McEwen to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Wind Turbines—Select Committee—Report. Motion of Senator Leyonhjelm to take note of report debated and agreed to.

Recent Allegations relating to Conditions and Circumstances at the Regional Processing Centre in Nauru—Select Committee—Report. Motion of Senator McEwen to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Economics References Committee—Future of Australia's naval shipbuilding industry: Long-term planning (part 3)—Report. Motion of the chair of the committee (Senator Gallacher) to take note of report called on. The motion of Senator McEwen the debate was adjourned till the next day of sitting.

Rural and Regional Affairs and Transport References Committee—Australia's transport energy resilience and sustainability—Report. Motion of Senator Urquhart to take note of report agreed to.
Foreign Affairs, Defence and Trade References Committee—Blind agreement: reforming Australia's treaty-making process—Report. Motion of the chair of the committee (Senator Gallacher) to take note of report called on. On the motion of Senator McEwen the debate was adjourned till the next day of sitting.

Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples—Joint Select Committee—Report. Motion of Senator Peris to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Community Affairs References Committee—Adequacy of existing residential care arrangements available for young people with severe physical, mental or intellectual disabilities in Australia—Report. Motion of the chair of the committee (Senator Siewert) to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Foreign Affairs, Defence and Trade—Joint Standing Committee—Partnering for the greater good: The role of the private sector in promoting economic growth and reducing poverty in the Indo-Pacific region—Report. Motion of Senator Gallacher to take note of report agreed to.


Legal and Constitutional Affairs References Committee—Incident at the Manus Island Detention Centre from 16 February to 18 February 2014—Government responses to interim and final reports. Motion of Senator Siewert to take note of documents called on. On the motion of Senator McEwen the debate was adjourned till the next day of sitting.


Legal and Constitutional Affairs References Committee—Ability of Australian law enforcement authorities to eliminate gun-related violence in the community—Report. Motion of the chair of the committee (Senator Wright) to take note of report debated. Debate adjourned till the next day of sitting, Senator Leyonhjelm in continuation.

Certain Aspects of Queensland Government Administration related to Commonwealth Government Affairs—Select Committee—Report. Motion of Senator Ruston to take note of report called on. On the motion of Senator McEwen the debate was adjourned till the next day of sitting.

Finance and Public Administration References Committee—Domestic violence in Australia—Interim report. Motion to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

National Broadband Network—Select Committee—Second interim report. Motion to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

National Disability Insurance Scheme—Joint Standing Committee—Progress report—Implementation and administration of the National Disability Insurance Scheme—Government response. Motion of Senator Siewert to take note of document called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Environment and Communications References Committee—Report—Environmental offsets—Government response. Motion of Senator Bilyk to take note of document agreed to.
Abbott Government's Budget Cuts—Select Committee—First interim report. Motion of Senator Bilyk to take note of report called on. Debate adjourned till the next day of sitting, Senator McEwen in continuation.

Legal and Constitutional Affairs References Committee—Incident at the Manus Island Detention Centre from 16 February to 18 February 2014—Interim and final reports. Motion of Senator Bilyk to take note of reports called on. On the motion of Senator McEwen the debate was adjourned till the next day of sitting.

ADJOURNMENT

Liberal Party

The PRESIDENT (18:38): I propose the question:
That the Senate do now adjourn.

Senator STERLE (Western Australia) (18:38): I rise to address reports that a sum of money totalling $1.5 million has been stolen from the Victorian Division of the Liberal Party of Victoria. This story was broken by Melbourne's Herald Sun last night. According to the Herald Sun, forensic accounting firm PPB Advisory was called into Liberal Party headquarters some months ago. It is reported that a number of unauthorised financial transactions took place between 2010 and 2014. According to reports, a forensic examination of a number of computers has revealed that invoices may have been made out to a company which did not exist.

Mr Damien Mantach left the position of Director of the Liberal Party of Victoria on 13 March this year following the state election loss. He joined the Victorian secretariat in 2008 as deputy director, having previously been director of the Tasmanian branch of the Liberal Party from 2005 to 2008, and before then, a staffer for the Liberal Party in this building. At one stage he was a member of the Government Members' Secretariat—the dirt unit operated by the Howard government.

Today it has been reported that Mr Mantach was forced to repay money to the Tasmanian division while he held the office of state director. This has not been a matter of public knowledge until today. What was a matter of public knowledge was his behind-closed-doors dealings with the Exclusive Brethren and associated breaches of electoral laws. It is understood the Tasmanian division is now conducting an investigation into matters related to Mr Mantach's tenure. According to reports, senior Liberal figures were aware of the incident prior to Mr Mantach's appointment to Victoria as deputy director and his subsequent promotion to state director in 2011. Perhaps Liberal senator, Tasmanian powerbroker and now Leader of the Government, Senator Abetz, could shed some light on the party official he worked so closely with during this period.

Reports suggest that senior figures with knowledge of alleged questionable conduct by Mr Mantach in Tasmania include Liberal Party federal director Mr Brian Loughnane. It is understood Mr Loughnane was part of the selection panel that appointed Mr Mantach to the position of Director of the Liberal Party of Victoria. The other panellists were Mr Tony Nutt, the former chief of staff to Prime Minister Howard, current NSW party director, and mooted replacement for Ms Credlin, as well as then Premier Ted Baillieu and his then chief of staff Michael Kapel. In March 2013, Mr Mantach was caught in the middle of the Victorian police command crisis and there were calls for his removal. At a press conference on 8 March 2015, Mr Abbott said this of Mr Mantach:
I know Damien well. He is a person of integrity. Let's see where this investigation goes but he has my confidence.

More recently, the member for Corangamite, the member for La Trobe and the member for Deakin have praised Mr Mantach for his role in getting them elected. The member for Wannon—current chair of the Parliamentary Joint Committee on Intelligence and Security—has also praised Mr Mantach's professionalism. Earlier this year, Mr Loughnane, a man closely connected to Mr Abbott's office, clashed with the Liberal Party's federal treasurer about disclosure and accountability on financial issues. The party's now former federal treasurer Phil Higginson threatened to resign his position over transparency issues and alleged conflicts of interest charges he laid at the feet of Mr Loughnane and Ms Credlin.

There are questions for Mr Loughnane to answer: first, his role in Mr Mantach's appointment; second, his knowledge of his conduct in Tasmania prior to his appointment in Victoria; and third, his knowledge of Mr Mantach's conduct during his Victorian appointment, including where the money went. Did any of it serve the Liberal Party's interests, state or federal? There are also questions for the Prime Minister to answer: first, his knowledge of Mr Mantach's conduct in Tasmania and Victoria; second, the Prime Minister needs to explain the reason he considers him 'a person of integrity'; third, the connection between his office and Mr Mantach; and fourth, the relationship between Mr Mantach and Mr Loughnane. The Prime Minister, Senator Abetz and Mr Loughnane have shown themselves to be poor judges of character, backing a man who stands accused of stealing no less than $1.5 million from the Liberal Party.

**Employment**

Senator MADIGAN (Victoria) (18:43): 'Get a good job that pays good money.' Not you, Mr President; you and I are paid well. This remark was made by the Treasurer to the people of Australia who are finding it difficult to buy their first home. But I wonder, what is a good job? Is it a job as a farmer on the land? This is an area of employment that we as a nation undervalue. Is it a job as tradesman, like an electrician? This is a job that we are signing free trade agreements to get Chinese people to fill. Is it a job as a car manufacture employee? These jobs will soon be added to the Liberal Party's employment extinction list. Or is it a job as a lawyer, a financial advisor, a banker or a businessman? Are these the good jobs that our Treasurer is talking about?

The fact of the matter is this. People have good jobs and are losing them under this current government—and the last. You know what else they have? These people have families and a mortgage. Often in this place, the human element, the consequences of our decisions on people, are forgotten about. We see the financial impact statement in the explanatory memorandum, but maybe we should give a little more thought to what we do here and the impact our decisions have. Will people impacted by the government's policies be able to afford their children's schoolbooks? Will they be able to buy their children a birthday or Christmas present? Will they be able to pay their mortgage?

Instead of focusing on how many jobs are being created, maybe we should focus on not losing the ones we already have. I do not profess to have all the answers in this place; however, what I do know is that we subsidised the car industry that employs thousands of people across the country and has enormous flow-on effects far less than we give to wind power companies. I think this is a real problem we have as a nation. We do not recognise who
we are as a nation. We have become hijacked by ideologues. The car industry should be a part of what Australia is and who we are. Having a strong manufacturing sector, turning our inventions, our research and development into something physical and tangible, is Australian too. Having Australians growing things and exporting quality products to the world is what people expect of Australia.

We invented the black box in aircraft, wi-fi, ultrasound and the bionic ear. I find it a tragedy when we as decision makers choose to focus on what we want Australia to be good at, whilst neglecting what we as a nation are already good at. I think it is important that we expand what makes Australia great and not simply limit our vision to what politicians find easiest to understand. I think we in this place need to have a little more respect for our history and the industries that have developed. We should value and nurture them, not simply milk them for everything they are worth. After all, there is a reason why almost all developed economies around the world value their car industry, their manufacturing base and their fuel security. There is a reason why all countries that have agricultural land value it and cultivate it as much as possible. I think politicians need to wise up a little and realise that all jobs can be a good job for the right person, because all jobs are a part of what makes Australia great, not to mention they are an important and critical part of an individual's identity and self-worth.

Environment

Senator CANAVAN (Queensland) (18:47): In a more unenlightened time than the one we live in today people used to think there was a white man's burden. That was a phrase coined by Rudyard Kipling. There was a burden placed on countries that were rich and prosperous to tell poor, unenlightened, savage like people how to live their lives. We have gone away from that concept. We have learnt and realised that that was a prehistoric way of thinking about the world and we should let other countries, particularly those that are not as lucky and fortunate to have the wealth we do, to take care of their own lives and to take charge of themselves and not be subject to some imperial overlord.

We have departed from that concept but we have a new form of imperialism in our country today. It is not a white man's burden, although it is the case that most environmental lawyers and green activists I have met are white; it is a rich man's burden. Some in our population think they need to tell other areas of our country and other people who live in our country how to live their lives and what to do in their part of the country. I say it is a rich man's burden because we know that many of these green activist groups are very well funded. These organisations have a very detailed strategy to object to mining approvals and they are funded through donations.

Because these donations attract a tax deduction, we have very good data on who makes these donations. When you look at the last ATO statistics available for 2012-13, you can see that around $500 million of the gifts and donations that received tax deductible status came from people with taxable incomes of more than $250,000. From people who earn more than $250,000 a year $500 million went to charitable organisations. That was a full 22 per cent, or nearly a quarter, of the total donations made in 2012-13. People who earn more than $250,000 a year are in the top one per cent of our population, so one per cent of our population provided nearly a quarter of the donations to these groups. It is even worse when you go up higher. People who earn more than $1 million a year account for less than 0.7 per cent of our
population yet they contributed 10 per cent of the donations. The average amount claimed by that fortunate group who earn more than $1 million was $25,000.

I do not begrudge people funding whatever they want to. If you are lucky enough to have $1 million a year, good luck to you. If you want to fund Greenpeace or the Environmental Defenders Office of New South Wales, go for your life. If that is what makes your hair go back, I am all for it. Go for it. But I do not think that if you are on more than $1 million a year you should expect to get a tax deduction from other people, who most certainly are poorer people because 99 per cent of people are poorer than you, to pay for that luxury good. Funding green activism is a luxury good in this country. It is a luxury good we are fortunate enough to be able to afford because we have enough money to play with these kinds of things.

When people are allowed to do this and rich people take it upon themselves to tell the poor people of Central Queensland and the poor people of Western Queensland what is best for them, people's lives are affected. They are affected when that money goes towards funding a campaign that is definitively targeted at stopping job creation and mining projects, not about protecting the environment. These groups are not about environmental protection; they have a clear and defined strategy to stop coalmines. Indeed, last night on Lateline Tony Jones interviewed somebody from the New South Wales Environmental Defenders Office, the organisation that has taken the action against the Galilee coalmine in Central Queensland. They were asked if they were involved in developing the strategy document called Stopping the Australian Export Boom and they admitted they were. They were there in 2011 at a retreat in the Blue Mountains, west of Sydney, to develop a strategy to stop Australian coal exports. Good luck to them. I wish I could afford a retreat in the Blue Mountains more often. But if I did go there, I do not think that I would spend the time trying to stop coal exports; I would probably find something better to do. But that is what they wanted to do; they wanted to stop coal exports. They specifically state in that document that their first strategy is to fund legal action to frustrate and delay the development of coal projects.

The New South Wales EDO is also in a story today in The Australian where Executive Director, Jeff Smith, said his organisation did not use public money for the challenge but rather it used community funds and donations. The EDO was a member of the Register of Environmental Organisations, but being on that register means that donations to it are tax-deductible. So people making these donations, including those who are lucky enough to have more than $1 million a year in taxable income, get a tax deduction for making a donation. I reckon that might be classified as taxpayer funded. If you are getting a particular status, a particular special privilege—and not all organisations get that—to be able to accept tax-deductible donations, I reckon you might just have a little bit to do with the taxpayer in your organisations.

On The Australian website, below this article, someone called Jason made a comment and I will quote him because he summed it up brilliantly. He said:

It is a bit of a bloody technical argument, isn't it? They did not use taxpayer funds for this but by using other funds, they freed up taxpayer funds for other brands of mischief. Seriously, things like this can only happen in a country that has bucket loads more money than brains.

Certainly I think if we do have brains about this particular threat to our future prosperity and future job creation in this country, we should do something about it to put a stop to people in
this country that want to abuse our legal process to stop the creation of jobs and stop the investment in new projects in our country.

Our legal system should be there to protect the legitimate interests of people that are harmed, to protect legitimate environmental concerns under our act. But, clearly, the application of this particular strategy that has been dreamed up by environmental groups here is being done in a coordinated way not to protect the environment, not try and save the ornamental snake or the Yakka skink in Central Queensland. It is precisely aimed at stopping coal. That is why they are doing it and that is an abuse of our legal process which should be stopped. I applaud the government for proposing to clamp down on this particular legal loophole that is being abused by environmental organisations in this country.

I also note that the government has established a House of Representatives inquiry into the Register of Environmental Organisations to look into whether that particular register is being abused. I certainly think from the analysis I have done, it is. I have spoken elsewhere in this chamber about the organisations on this register. There are around 600 on the register. I did a relatively intensive look at just over 100, 108, of these organisations and I found that more than 80 per cent of them participated in protest. Half of the organisations supported divestments in coal and other fossil fuels and around half were taking legal action. So around half of those 108 organisations that I sampled out of the 600, 40 or 50 odd, were taking legal action. They were using their donations to take legal action against developments that had been approved simply to disrupt and delay them. Around a shocking 12 per cent of those organisations were involved in unlawful activities of some kind—they had been arrested or convicted usually during protest activities.

Again, I do not see any reason why organisations that engage in unlawful acts should be receiving the benefit of tax-deductible status. I hope this inquiry that is ongoing in the House of Representatives will conclude that the requirements of the register can be tightened so that we can better focus tax-deductible status to those organisations doing practical environmental work, helping the environment, not running a political campaign to try and stop jobs being created in this country. I want to reiterate, if you do want to run a political campaign, if you do want to stop coal and that is your driving interest in life, go for your life; you are free to do that in our democracy. You are just not free to ask for government funding.

I certainly hope also that the inquiry may look at whether or not access to these deductions should be tightened for individuals that are lucky enough in our country to have taxable income of more than $1 million or more than $250,000. I think if those people want to get their kicks from stopping development in our nation then they should fund that themselves. They should not ask for the taxes that are paid by other ordinary working Australians that rely on these jobs being created to fund those flights of fancy for them. I applaud the government's efforts and I hope the Senate will seek to put jobs ahead of Greens and frogs.

Senate adjourned at 18:57

DOCUMENTS

Tabling

The following documents were tabled by the Clerk pursuant to statute:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number. An explanatory statement is tabled with an instrument unless otherwise indicated by an asterisk.]
Defence Act 1903—Section 58B—
Compassionate leave and long service leave – amendment—Defence Determination 2015/32.


Radiocommunications Act 1992—
Radiocommunications Licence Conditions (Maritime Coast Licence) Determination 2015 [F2015L01283].
Radiocommunications Licence Conditions (Scientific Licence) Determination 2015 [F2015L01284].
Radiocommunications (Minimum Age for Issue of Certificates of Proficiency) Declaration 2015 [F2015L01286].

Departmental and Agency Appointments and Vacancies

Indexed List of Files
Indexed lists of departmental and agency files for the period 1 January to 30 June 2015—Statement of compliance pursuant to the order of the Senate of 30 May 1996, as amended—Immigration and Border Protection portfolio.