**INTERNET**

The *Journals of the Senate* are available at
Senate_chamber_documents/Journals_of_the_Senate

Proof and Official Hansards for the House of Representatives,
the Senate and committee hearings are available at

For searching purposes use
http://parlinfo.aph.gov.au

**SITTING DAYS—2020**

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**RADIO BROADCASTS**

Broadcasts of proceedings of the Parliament can be heard on ABC NewsRadio in the capital cities on:

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For information regarding frequencies in other locations please visit
http://reception.abc.net.au/
FORTY-SIXTH PARLIAMENT  
FIRST SESSION—FIRST PERIOD  

Governor-General  
His Excellency General the Hon. David John Hurley, AC, DSC, FTSE (Retd)  

Senate Office Holders  

President—Senator the Hon. Scott Ryan  
Deputy President and Chair of Committees—Senator Susan Lines  
Temporary Chairs of Committees—Senators Askew, Bernardi, Bilyk, Brockman, Brown, Faruqi, Fawcett, Fierravanti-Wells, Gallacher, Griff, Kitching, Polley, Sterle and Stoker  
Leader of the Government in the Senate—Senator the Hon. Mathias Cormann  
Deputy Leader of the Government in the Senate—Senator the Hon. Simon Birmingham  
Leader of the Opposition in the Senate—Senator the Hon. Penny Wong  
Deputy Leader of the Opposition in the Senate—Senator the Hon. Kristina Keneally  
Manager of Government Business in the Senate—Senator the Hon. Anne Ruston  
Deputy Manager of Government Business in the Senate—Senator Jonathon Duniam  
Manager of Opposition Business in the Senate—Senator Katy Gallagher  
Deputy Manager of Opposition Business in the Senate—Senator Kimberley Kitching  

Senate Party Leaders and Whips  

Leader of the Liberal Party in the Senate—Senator the Hon. Mathias Cormann  
Deputy Leader of the Liberal Party in the Senate—Senator the Hon. Simon Birmingham  
Leader of The Nationals in the Senate—Senator the Hon. Bridget McKenzie  
Deputy Leader of The Nationals in the Senate—Senator the Hon. Matthew Canavan  
Leader of the Labor Party in the Senate—Senator the Hon. Penny Wong  
Deputy Leader of the Labor Party in the Senate—Senator the Hon. Kristina Keneally  
Leader of the Australian Greens in the Senate—Senator Larissa Waters  
Deputy Leader of the Australian Greens in the Senate—Senator Nicholas McKim  
Chief Government Whip—Senator Dean Anthony Smith  
Deputy Government Whips—Senators James McGrath and Slade Brockman  
The Nationals Whip—Senator Perin Davey  
Chief Opposition Whip—Senator Anne Elizabeth Urquhart  
Deputy Opposition Whips—Senators Raff Ciccone and Malarndirri McCarthy  
Australian Greens Whip—Senator Rachel Siewert  

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

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<th>Party</th>
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</table>

(1) Chosen by the Parliament of Victoria to fill a casual vacancy (vice S Conroy), pursuant to section 15 of the Constitution.

(2) Chosen by the Parliament of South Australia to fill a casual vacancy (vice N Xenophon), pursuant to section 15 of the Constitution.

(3) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice S Dastyari), pursuant to section 15 of the Constitution.

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

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

(6) Chosen by the Parliament of Victoria to fill a casual vacancy (vice M Fifield), pursuant to section 15 of the Constitution.

(7) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice A Sinodinos), pursuant to section 15 of the Constitution.

(8) Vacancy created by the resignation of Senator Cory Bernardi on 20 January 2020.
PARTY ABBREVIATIONS
AG—Australian Greens; ALP—Australian Labor Party;
CA—Centre Alliance; CLP—Country Liberal Party; IND—Independent;
JLN—Jacqui Lambie Network; LNP—Liberal National Party;
LP—Liberal Party of Australia; NATS—The Nationals;
PHON—Pauline Hanson's One Nation

Heads of Parliamentary Departments
Clerk of the Senate—R Pye
Clerk of the House of Representatives—C Surtees
Secretary, Department of Parliamentary Services—R Stefanic
Parliamentary Budget Officer—J Wilkinson
### MORRISON MINISTRY

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<tr>
<td>Minister for the Public Service</td>
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<tr>
<td>Minister for Women</td>
<td>Senator the Hon. Marise Payne</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Public Service and Cabinet</td>
<td>The Hon. Greg Hunt MP</td>
</tr>
<tr>
<td>Minister for Indigenous Australians</td>
<td>The Hon. Ken Wyatt AM MP</td>
</tr>
<tr>
<td>Assistant Minister to the Prime Minister and Cabinet</td>
<td>The Hon. Ben Morton MP</td>
</tr>
<tr>
<td>Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development</td>
<td>The Hon. Michael McCormack MP</td>
</tr>
<tr>
<td>Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management</td>
<td>The Hon. David Littleproud MP</td>
</tr>
<tr>
<td>Minister for Population, Cities and Urban Infrastructure</td>
<td>The Hon. Alan Tudge MP</td>
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<tr>
<td>Minister for Regional Services, Decentralisation and Local Government</td>
<td>The Hon. Mark Coulton MP</td>
</tr>
<tr>
<td>Assistant Minister for Road Safety and Freight Transport</td>
<td>The Hon. Scott Buchholz MP</td>
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<tr>
<td>Assistant Minister to the Deputy Prime Minister</td>
<td>The Hon. Andrew Gee MP</td>
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<tr>
<td>Assistant Minister for Regional Development and Territories</td>
<td>The Hon. Nola Marino MP</td>
</tr>
<tr>
<td>Treasurer</td>
<td>The Hon. Josh Frydenberg MP</td>
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<tr>
<td>Minister for Population, Cities and Urban Infrastructure</td>
<td>The Hon. Alan Tudge MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>The Hon. Michael Sukkar MP</td>
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<tr>
<td>Minister for Housing</td>
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<tr>
<td>Assistant Minister for Superannuation, Financial Services and Financial Technology</td>
<td>Senator the Hon. Jane Hume</td>
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<tr>
<td>Minister for Finance</td>
<td>Senator the Hon. Mathias Cormann</td>
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<tr>
<td>(Vice-President of the Executive Council)</td>
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<tr>
<td>(Leader of the Government in the Senate)</td>
<td>Senator the Hon. Zed Seselja</td>
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<tr>
<td>Assistant Minister for Finance, Charities and Electoral Matters</td>
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<tr>
<td>Minister for Agriculture</td>
<td>Senator the Hon. Bridget McKenzie</td>
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<tr>
<td>Assistant Minister for Forestry and Fisheries</td>
<td>Senator the Hon. Jonathon Duniam</td>
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<td>Minister for Foreign Affairs</td>
<td>Senator the Hon. Marise Payne</td>
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<tr>
<td>Minister for Trade, Tourism and Investment</td>
<td>Senator the Hon. Simon Birmingham</td>
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<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
<td>The Hon. Alex Hawke MP</td>
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<tr>
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<td>Assistant Minister for Regional Tourism</td>
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<tr>
<td>Attorney-General</td>
<td>The Hon. Christian Porter MP</td>
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<tr>
<td>Title</td>
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<tr>
<td>(Leader of the House)</td>
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<td><em>Minister for Industrial Relations</em></td>
<td>The Hon. Christian Porter MP</td>
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<tr>
<td>Minister for Health</td>
<td>The Hon. Greg Hunt MP</td>
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<tr>
<td>Minister for Aged Care and Senior Australians</td>
<td>Senator the Hon. Richard Colbeck</td>
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<td>Minister for Youth and Sport</td>
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<td>The Hon. Peter Dutton MP</td>
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<td>The Hon. Jason Wood MP</td>
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<td><em>Minister for Resources and Northern Australia</em></td>
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<td><em>Minister for Energy and Emissions Reduction</em></td>
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<tr>
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<tr>
<td><em>Assistant Minister for Community Housing, Homelessness and Community Services</em></td>
<td>The Hon. Luke Howarth MP</td>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. The title of a department does not necessarily reflect the title of a minister in all cases. Ministers are sworn to administer the portfolio in which they are listed under the ‘Minister’ column and may also be sworn to administer other portfolios in which they are not listed. Assistant Ministers in italics are designated as Parliamentary Secretaries under the *Ministers of State Act 1952.*
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<tr>
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<td><strong>Shadow Attorney-General</strong></td>
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<td>Shadow Assistant Minister for Cyber Security</td>
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<td><strong>Shadow Minister for Finance</strong></td>
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The PRESIDENT (Senator the Hon. Scott Ryan) took the chair at 09:30, read prayers and made an acknowledgement of country.

DOCUMENTS

Tabling

The Clerk: I table documents pursuant to statute as listed on the Dynamic Red. Full details of the documents are recorded in the Journals of the Senate.

COMMITTEES

Meeting

The Clerk: Proposals to meet have been lodged as follows:

Corporations and Financial Services—Joint Statutory Committee—private meetings otherwise than in accordance with standing order 33(1) on Thursday 6, 13 and 27 February and 26 March 2020, from 9.30 am.

Economics Legislation and References Committees—private meetings otherwise than in accordance with standing order 33(1) on Thursday 6, 13 and 27 February and 26 March 2020, from 3.30 pm.

Education and Employment Legislation Committee—private meetings otherwise than in accordance with standing order 33(1) today and on Wednesday, 26 February and 25 March 2020, from 11 am.

Education and Employment References Committee—private meetings otherwise than in accordance with standing order 33(1) on Wednesday, 26 February and 25 March 2020, from 11 am.

Effectiveness of the Australian Government’s Northern Australia agenda—Select Committee—private meeting otherwise than in accordance with standing order 33(1) on Thursday, 6 February 2020, from 10.45 am.

Electoral Matters—Joint Standing Committee—

private meetings otherwise than in accordance with standing order 33(1) on Wednesday, 5 and 12 February 2020, from 9.40 am.

private meetings otherwise than in accordance with standing order 33(1), followed by public meetings on Wednesday, 26 February and 25 March 2020, from 9.40 am.

Human Rights—Joint Statutory Committee—private meeting otherwise than in accordance with standing order 33(1) today, from 9.30 am.

Intelligence and Security—Joint Statutory Committee—private meetings otherwise than in accordance with standing order 33(1), followed by public meetings—

Tuesday 11 and 25 February and 24 March 2020, from 4 pm.

Wednesday 5, 12 and 26 February and 25 March 2020, from midday.

Thursday 6, 13 and 25 February and 26 March 2020, from 9.30 am.

Law Enforcement—Joint Statutory Committee—private meeting otherwise than in accordance with standing order 33(1) today, from 5 pm.

National Capital and External Territories—Joint Standing Committee—private meetings otherwise than in accordance with standing order 33(1) on Thursday 6 and 13 February 2020, from 10 am.

National Disability Insurance Scheme—Joint Standing committee—private meetings otherwise than in accordance with standing order 33(1) on Thursday 6 and 27 February and 26 March 2020, from 3.30 pm.

Scrutiny of Bills—Standing Committee—private meeting otherwise than in accordance with standing order 33(1) today, from 10 am.

Temporary Migration—Select Committee—private meeting otherwise than in accordance with standing order 33(1) on Thursday, 6 February 2020, from 3.30 pm.

The PRESIDENT (09:31): I remind senators that the question may be put on any proposal at the request of any senator.

STATEMENT BY THE PRESIDENT

Deputy Clerk of the Senate

The PRESIDENT (09:31): Senators, as many of you will know, shortly after the Senate rose last year our Deputy Clerk, Maureen Weeks, announced her intention to retire. It was perhaps her intention to slip away without fanfare at a time of her own choosing, but I thought it important that the Senate should formally record its gratitude for her many years of expert advice, guidance and support.
Maureen led the Senate's Committee Office, Table Office and Procedure Office before her appointment as Deputy Clerk three years ago. She had long experience as secretary to numerous parliamentary committees, culminating in her recent stint as Secretary of the Senate Privileges Committee. She was also Deputy Clerk of the ACT Legislative Assembly, having joined the assembly secretariat at its inception.

Maureen is held in high esteem by senators and staff alike and by her colleagues past and present. In retiring she departs with almost four decades of exemplary service to two parliaments, a rare and valuable contribution to the nation's public life. She has been a tutor, a mentor and an inspiration to scores of Senate staff, undertaking her myriad duties with good grace, great humour and aplomb. Maureen has now embarked on a period of leave pending her retirement, and I know you will join me in thanking her for her years of dedicated service to the Senate and the parliament.

I'm also pleased to inform the Senate that, after a highly competitive selection process, Clerk Assistant (Procedure) Jackie Morris will become the new Deputy Clerk of the Senate. The competitive nature of the process only goes to underscore the very high calibre of the staff who support the work of all of us here in the Senate. Jackie has a long record of achievement in committee and procedural roles, and I know senators will join me in congratulating her on her promotion.

**Senator CORMANN** (Western Australia—Minister for Finance and Vice-President of the Executive Council) (09:33): On behalf of government senators, may I firstly thank Maureen Weeks for her contribution to the Senate over a very, very long time. Many of us have worked closely with her, in opposition and in government, and there is no question that she made an outstanding contribution to the operations of this place—and, indeed, of course, she achieved the high office of Deputy Clerk. True to form, perhaps, she left in a somewhat unusual fashion, without letting any of us know before the end of the year, perhaps from a desire to leave without much fanfare. On behalf of government senators, let me join you, Mr President, in wishing her all the very best for a very happy and satisfying retirement.

May I also join you, Mr President, on behalf of government senators, in congratulating Jackie Morris on her appointment. She obviously comes very highly credentialed and highly experienced into this role, and we look forward to working with her in this new role.

**Senator WONG** (South Australia—Leader of the Opposition in the Senate) (09:34): by leave—On behalf of the opposition, I first associate myself with the remarks you have made in relation to Maureen Weeks, Mr President. I spoke to Maureen prior to her departure and I want to put on the public record the letter that I sent to her on behalf of opposition senators, which expressed our thanks and our recognition of her extraordinary contribution to the parliament. I indicated to her in that letter how grateful the opposition was for the work that she has done during her current role, and in previous roles, to support us in the Senate, both as we have been in opposition and during the last Labor government. I express my personal thanks for the assistance to me.

I made this point: the strength of the Senate and capacity of senators rest on the advice and support we receive. We are very fortunate to be served by experienced parliamentary officers of the highest calibre, and Maureen has been a leader in this regard. Her dedication to her work is outstanding, and many senators and staff have been fortunate to benefit from her counsel. I would like to thank Maureen for the assistance she provides to the Deputy President and in her role as Secretary of the Committee of Privileges, which obviously has taken a significant volume of work in recent times, with a focus on protecting the privileges of senators in this place from overreach by the executive and executive agencies. This is a very important task.

Mr President, you said in your statement that Maureen Weeks had made a rare contribution to public life. I would associate us with that and augment it by saying she has made a rare contribution to this institution and, through it, to the Australian democracy. This institution is so critical to the functioning and to the principles of the Australian democracy. Many of the conventions that our democracy depends on at times have been somewhat amiss in recent years, and at various times over many years, and it is this institution which has been a bulwark of democracy in this country. That could not occur without the dedication of the clerks and other staff of the Senate. I thank Maureen for her contribution to this institution and, through it, to the Australian democracy.

I also join with you, Mr President, and the Leader of Government in the Senate in welcoming Jackie Morris. That is an outstanding appointment, and an appointment we thoroughly support, insofar as it's not for us to support or not.

I will make a historic point. There was a very long period when this Senate had people who were part of the institution for many years. I'm thinking of Rosemary Laing and Harry Evans. We have had a changing of the guard, and I hope that this new team—not that the Clerk is new anymore, but, by Harry Evans's standards, he's new and very young—will make the sort of contribution we've seen from those giants who have held these positions in previous years.
Senator WATERS (Queensland—Leader of the Australian Greens in the Senate) (09:38): I rise to associate the Greens with the remarks that have been made by both of the leaders just now. I add our sincere thanks for the years of dedication that Maureen Weeks has provided to this institution of democracy. We have always found her advice to be professional, clear and timely. That's deeply appreciated to make our democracy function. We wish her all the very best for the new chapter of her life. We also warmly welcome the appointment of Jackie Morris to the role. We have also found her to be incredibly professional, very fast and very good at her role. One final remark: it's fantastic to see senior women in this place.

BILLS

Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019
Second Reading

Consideration resumed of the motion:

That this bill be now read a second time.

Senator McALLISTER (New South Wales) (09:39): Labor has long urged the government to act on illegal phoenixing, and we congratulate them for finally getting to work, through this bill. We support the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019 and we support its objectives. However, we acknowledge some of the concerns raised by stakeholders in relation to this bill, and I will go to that later in my remarks. We also acknowledge that the public is very interested in knowing—has a right to know—whether the provisions in this bill will have their intended effect, because phoenixing hurts people. Illegal phoenixing hurts people, and it is critical that government finally put their shoulder to the wheel and apply just a little bit of effort to dealing with this very serious problem. It's important that this legislation works, and we will therefore be proposing amendments to the bill that will require a statutory review to be conducted in five years time. The review will provide better evidence that any future reforms to phoenixing law work and will ensure that the bill is working as intended.

Before moving onto the substance of the bill, it's worth touching on a related matter. Late last year the government, after months of pressure from Labor, introduced legislation into the House of Representatives to finally implement the director identification number and modernise the business registers. Ironically, this recent legislation, yet to be passed, merely introduced into the other place, mimics the amendments to the legislation introduced by Labor that we will be debating today. We introduced amendments in the other place. Those amendments were voted down by the government. They have dragged their heels at every point, always a step behind us, never confronting this issue and the seriousness of it. Our fight to introduce director identification numbers has had widespread support from the AICD, the ACTU, the ACCI, the small business ombudsman, master builders, and stakeholders across the building and small business sector. Like the government, Labor committed to implementing director identification numbers, back in 2017, but it is only recently that government have gotten around to putting legislation for this critical piece of the puzzle into the parliament. Indeed, as I noted, they've previously refused to vote for these measures. Without Labor's work on this issue, the Liberals, in order to prioritise a partisan political agenda attacking unions, would continue to allow fraudsters to rip off small businesses and their employees.

Every year, illegal phoenixing costs Australian workers and businesses billions of dollars. Illegal phoenixing sees company directors strip businesses of their assets when times get tough, not pay their debts to workers, and then vanish completely, only to start a new business later on. In many cases directors do this numerous times. It affects workers and businesses in many ways. Some developers have built apartments blocks with defects and then disappeared. Owners are left holding the repair bill. Companies that no longer exist leave small businesses with unpaid invoices and workers without wages. A 2018 report by PricewaterhouseCoopers estimated that the annual direct cost of phoenixing to the Australian economy could be between $2.9 billion and $5.1 billion. This includes up to $3.2 billion in unpaid invoices for services provided and up to $300 million in unpaid entitlements for Australian workers. This is not fair. It is not right. It is deeply immoral.

Labor has heard disturbing stories from people like Benjamin, previously employed by M2M Global Technologies. Following the liquidation of that company, in May 2018, Benjamin has been unable to reclaim unpaid superannuation and employee entitlements, including unpaid leave and commissions of approximately $12,000—$12,000 in an ordinary household, unpaid because a company is liquidated. M2M is now a deregistered company with ASIC. However, Benjamin is of the view that a new company, ATGA, has been formed, with the same owners, to avoid the payment of any obligations to employees. He contacted the Fair Work Ombudsman and was advised this matter didn't fall within their scope. He also contacted the ATO regarding unpaid superannuation but was told the matter could not be pursued. He is aware that he's basically exhausted the current options...
Another example came from Gareth and Debbie, who previously hired a company, Joyce Kitchens, to refurbish their kitchen. The resultant product was not as agreed, but that company had completed the work, was liquidated, and then restarted a week later—one week later!—under a different name. As a result, this couple have been unable to receive compensation and have been told they must pay, out of their own pocket, for another refurbishment. In the meantime they have a non-functioning kitchen.

These actions, these immoral actions, have real human costs, and this was reflected in the evidence that came before the Senate Economics Committee. The stakeholders for the most part supported the bill. However, many noted that the government's primary focus should be on amending and enforcing existing legislation, not on developing new complex legislative amendments and offences. There was some concern that the proposed measures within the bill are likely to have limited impact as they're highly technical. There was concern that they do not substantially expand ASIC's power to combat phoenixing. It's on this basis that Labor recommends a statutory review be provided for in the legislation because of this uncertainty about whether the provisions will work in the way that the government says that they will work.

Professor Helen Anderson in her submission put forward a view that ASIC already has powers to prosecute illegal phoenix activity. She questioned the need for further legislative amendments. Similarly, the Australian Restructuring Insolvency and Turnaround Association stated that existing legislation contains a number of tools which already address illegal activity; however, the problem is that there is insufficient focus on enforcement actions and, as a consequence, there is no meaningful deterrent for those who engage in this activity. Similarly, the Australian Institute of Company Directors supported the legislation but argued for more proactive policing of legislation.

The Australian Council of Trade Unions expressed concern that this legislation may be a mask for failure to take substantive enforcement action. They noted that:

- Witness after witness argued that without resources and determination on the part of the regulator to utilise existing laws, additional laws will have little impact.
- This bill is ambitiously titled 'combatting illegal phoenixing'. As the committee process made clear, the real task to combat illegal phoenixing may well lie in the implementation. We know that ASIC has limited resources and is unable to pursue all of the reports of corporate misconduct that it presently receives from administrators and liquidators. Without additional funding and staffing, it's difficult to see how ASIC will be able to use these new powers to their full potential.

- The government needs to act to ensure ASIC has the ability to support more difficult court cases without draining their resources and they should understand that they have government support, that government really is behind the pursuit of these immoral actors in the economic system. These reforms to combat illegal phoenixing must be adequately resourced, appropriately funded and genuinely politically supported.

In contrast to the government's lacklustre approach, we have always had a strong commitment to antiphoenixing, especially in relation to its impact on the construction industry and its workers. The government has shown little interest in prosecuting corporate misconduct. Here and in other domains, witness them dragging their heels on implementing the findings of the royal commission into banking. Labor will be watching closely to ensure that this bill and other measures to improve corporate integrity are implemented and enforced by the government.

**Senator Griff** (South Australia) (09:48): The Treasury Laws Amendment (Combatting Illegal Phoenixing) Bill 2019 is a positive step towards tackling the immoral practice of phoenixing which, by design, is all about swindling innocent people. We've all heard the stories. We know the characters. We know the damage they do, and all too often they get away with it. For the few who are prosecuted, the penalties are often measly and not enough to deter wrongdoing. So I very much welcome the government's efforts to fight phoenixing and to stop the rotting which unfairly takes the money from the pockets of employees, subcontractors, suppliers and governments.

A recent example from South Australia bears this out. The Commonwealth public prosecutor recently secured the conviction of a company director who had engaged in illegal phoenix activity. This director operated two entities, Eastwood Insulation and Thermal Clad. Thermal Clad held the assets and Eastwood Insulation held the debts. When Eastwood was inevitably placed into administration, it owed more than $2 million, including $1.2 million to the tax office.
The damage from this kind of behaviour is widespread. Employees are suddenly unemployed, and then they find that they're owed wages, entitlements and superannuation. In construction, customers find that jobs are left unfinished and their deposits or progress payments have, incredibly, disappeared. Subcontractors and suppliers don't get paid, so cash flow problems ripple throughout the economy. And of course the broader community is affected when taxes aren't paid to state and Commonwealth governments. There is also flow-on reputational damage that affects others in the sector and casts suspicion on honest operators.

I don't believe that this bill will fully stamp out phoening, but I do believe that it will help. First, it will allow ASIC and the courts to unwind transactions, such as when dodgy directors strip out assets before a business goes bust. This will ensure that administrators can access a firm's assets and pay creditors. Second, the law will impose new rules on directors. It will prevent resignations in certain circumstances, prohibit backdated resignations and make directors personally responsible for GST and other liabilities to the Commonwealth. These measures will make directors think twice before they engage in unethical business practices.

Some have argued that this bill impinges on the workings of the free market, particularly an individual's right to have a business without facing any personal risks. Well, let me say that I disagree 100 per cent. I've run a number of businesses over the past 40 years and I can tell you that risk exists whether you want it or not. A prudent manager knows the state of their business and runs it accordingly. You know when trouble is coming and you can make choices. You can shut the business down. You can contribute additional capital. You can call in the administrators. What you can't do is take money that legally belongs to other people and use it to prop up your business. In my book, that's no different to stealing—stealing from your workers, your suppliers and taxpayers—and it deserves to be treated in the same way.

I am very pleased that the government has introduced these measures, and I agree with Labor: a little late, but it is good that it has been finally introduced. The bill is a good start to dealing with bad business behaviour and holding dodgy directors and business owners to account, and I very much look forward to its passage this morning.

**Senator SCARR** (Queensland) (09:52): I'm very pleased to rise to speak in favour of the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019. Perhaps I could commence by referring to some remarks Senator Griff made. This is not about inhibiting the free market; this is about holding directors to account to both their legal and, dare I say, moral obligations with respect to the discharge of their duties.

I have been in situations, including the global financial crisis, where I've had to advise directors in difficult positions in relation to solvency—directors who were seeking to do the right thing by their creditors, to do the right thing by their employees and to do the right thing by the array of stakeholders impacted by their business decisions. Prior to the introduction of the safe-harbour rule, directors were quite often in extremely difficult positions. In many cases the easy thing for a director to do was to appoint administrators and walk away. The harder thing to do was to raise the capital, negotiate with creditors, adjust the business model and navigate through the difficulties associated with running a business in the context of events such as the global financial crisis.

I'm extremely pleased that in 2017 a safe-harbour rule was introduced for directors in terms of insolvent trading liability. And in starting this debate I think I'd like to refer to that first, as one end of the spectrum. The safe-harbour rule allows directors of a company that is in financial distress to continue to trade and to incur debts if that is in connection with the course of action that is reasonably likely to lead to a better outcome for the company, a better outcome for the creditors as a whole. That is directors performing their duties responsibly. At the other end of the spectrum is the phenomenon of illegal phoeing. As Senator McAllister referred to in her remarks, illegal phoening has a devastating effect on a range of stakeholders.

The PwC report that Senator McAllister referred to estimated that the total direct costs for 2015-16 to be in the range of between $2.85 billion and $5.13 billion. Let's break down those costs. The first element is $1.162 billion to $3.171 billion for unpaid trade creditors, large and small. Those unpaid debts and the impact on cash flow can have a devastating impact on those trade creditors and can actually lead to them being placed in insolvency. The second element of that aggregate total is employees' unpaid entitlements of $31 million to $298 million. Senator McAllister gave an example of the personal impact that can have on employees. There is also the impact on government and the Australian people. PwC estimated that in 2015-16 the total cost to government was approximately $1.66 billion.

Then there are the indirect costs, and I want to say something about them as well. Firstly, there's the stress on employees. I've dealt with employees and trade creditors who are facing the prospect of a company they're engaged with becoming insolvent. It is extraordinarily stressful and it takes a huge mental and physical toll. So there's that indirect cost. Secondly, there's the discouragement effect, the demoralisation effect on those small trade creditors, many of whom make the decision that it's just too hard; they've worked too long and too hard to
see their businesses jeopardised by illegal phoenixing activity. There is the social welfare burden of those employees who are in need that's transferred to the government. There's also the burden that's placed upon non-government organisations who help those people in those dire situations, as they should do. Then there's the competition effect. For every illegal phoenix company and every director engaging in illegal phoenix activity, there are many, many Australians who are doing the right thing, who are paying entitlements to their employees, who are paying their trade creditors, who are complying with their obligations, be it under the Corporations Act or otherwise, and they're being put at a competitive disadvantage by the illegal phoenix activity of some who avoid those costs and thereby obtain a competitive advantage. So there are both direct and indirect costs.

As to whether or not these amendments would work, I will make a few points. First, we should note that ASIC has been bringing prosecutions and disqualifying directors for illegal phoenix activity. This has been occurring. When I was looking at the literature in preparation for this speech, a number of directors were indeed disqualified from acting as directors in just the last three or four months. ASIC is taking action. They do need to be resourced to undertake this activity; there is absolutely no question about that. The second point I would make is that quite often in the context of Corporations Act issues coming before the courts it is necessary to get into the detail and to provide technical support through amendments such as those contained in this act that allow the regulator to discharge their evidentiary burden of proof. In my view, there are a number of very effective provisions in this legislation which will help in that regard. They include presumptions that are raised in the context of companies not maintaining correct corporate records. In many situations, when an administrator or a liquidator moves into a company that has entered into insolvency because of illegal phoenixing activity, there are simply no records. There's no way for the administrator or the liquidator to get their head around what has actually occurred. So there are a number of very important presumptions that are raised with respect to the calculation of the value of assets which have been transferred out of a company in the event that records have not been kept in accordance with the law, and I think those presumptions are extremely important.

The second technical amendment brought about by this legislation, which I believe is extremely important, prevents directors from improperly backdating resignations or from resigning from the board of a company when they're the last standing director.

I've given advice to directors in positions where they've been faced with extremely difficult trading conditions. They've been concerned about their own personal liability, and they've talked to me and sought my advice about what the right thing to do is—and they have done the right thing. They have done the right thing by the company, by creditors and by shareholders, and they've stayed the course. At the other end of the spectrum, you have illegal activity, in essence, where directors are simply seeking to structure their resignations, to abandon their duties and obligations as directors, to make it more difficult for the regulator to prosecute for illegal phoenix activity. This bill does address that situation.

The reforms in this bill build on other actions that the government has taken to combat illegal phoenixing and, more broadly, crime and fraud in the economy, and these should be noted. They include the amendment of the Insolvency Practice Rules to restrict the voting rights of certain creditors related to the phoenix company. Secondly, they increase funding for the Assetless Administration Fund by $8.7 million over four years. This will increase ASIC's ability to fund liquidators, who play a vital role in investigating and reporting illegal phoenix activity. We should note that most liquidators in our country do the right thing.

Thirdly, the reforms establish a phoenix hotline to make it easier to report suspected phoenix behaviour directly to the ATO. Fourthly, they establish various task forces to tackle illegal phoenixing activities—the Phoenix, Black Economy and Serious Financial Crime task forces. Fifthly, they introduce legislation to address the corporate misuse of the Fair Entitlements Guarantee scheme, to protect Australian workers and limit the excessive drain on the taxpayer funded scheme as a result of sharp corporate practices, including illegal phoenixing.

In summary, the government recognises that illegal phoenixing is a very separate activity from legitimate attempts by a business owner or director to restructure where a business may have failed. The Morrison government is committed to tackling illegal phoenixing activity to protect honest and hardworking Australian small businesses, employees and taxpayers.

Senator WATT (Queensland) (10:02): I'm very pleased to speak on the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019, which Labor is supporting, with some amendments. The practice of phoenixing is something I've spoken on quite a few times in this chamber because it is such a big issue in many parts of my home state of Queensland, particularly the Gold Coast, where my office is based.

Unfortunately, for whatever reason, it does seem that the Gold Coast and the Sunshine Coast are real hotspots when it comes to phoenixing activity. Already in my relatively short time in this parliament, there have been a number of very high-profile examples of phoenixing activity occurring—particularly on the Gold Coast and the
Sunshine Coast but also in places like Rockhampton and many other parts of my state—that have seen building subcontractors, subbies, totally ripped off to the tune of millions of dollars. Homeowners, who've paid deposits, are also being ripped off by dodgy developers and dodgy building companies who simply don't want to pay their bills and move on from one company to the next.

It has been a really big problem, as I say, across many parts of Queensland and, no doubt, across the rest of the country as well. I have literally met building subbies who have lost their homes because of the bills that have not been paid. I've met subbies whose marriages have broken up because of the financial pressure that phoenixing has put on them. This government has been far too slow in responding to these problems. I've been raising these issues for as long as I've been here. There've been a number of other people on this side of politics who've been raising this for a lot longer than I've been here. I remember Senator Cameron, when he was here, was part of a Senate inquiry—and no doubt other senators were as well—which made recommendations to fix this problem. It was ignored by the government. And a number of other Labor figures, including shadow ministers, have been seeking action from this government for a long time. We're pleased that this is starting to happen in the form of this bill, but there's still a long way to go.

As has been mentioned by other speakers in this debate already, the practice of so-called phoenix activity, where dodgy directors deliberately strip companies of their assets and transfer assets to a related company before intentionally collapsing their business and thereby refusing or claiming to be unable to pay their bills—and it's done in an attempt to avoid obligations to employees, to government and to honest businesses—is estimated to cost the Australian economy more than $5 billion per year. So $5 billion per year is owed by dodgy directors and dodgy building companies to their employees, their subbies and the government—a lot of the time this involves tax bills that aren't paid by the people who owe taxes. Millions of dollars, in fact billions of dollars, are owed to homeowners who paid deposits and to a range of other people. That is a really massive impact on the Australian economy and on people. Marriages are breaking down. There are suicides, unfortunately, which occur from people being on the wrong end of this phoenixing activity and finding themselves in massive financial distress. So this has an economic impact and a really big human impact as well.

In my home state there are a number of places, particularly on the Sunshine Coast and the Gold Coast, which seem to be hotspots for phoenixing activity and subcontractor exploitation. It seems like not a week goes by in Queensland where we don't have another report of this kind of activity occurring.

While I think of it, I want to pay tribute to the efforts of Les Williams and the Subcontractors' Alliance, or subbies alliance. They're a band of subbies who've got together and got organised. They probably wouldn't like being likened to a trade union, but much like a trade union they're standing up for their rights. They have had a lot of success in putting this issue on the agenda in Queensland and getting the Queensland government—the Palaszczuk government—to respond with a number of major reforms. I want to commend the Palaszczuk government on what they've done in respect of this as well. Subbies alliance is continuing to get media coverage to put pressure on all levels of government to take more action. Unfortunately, there is still a long way to go. That's why we keep seeing examples of this phoenixing activity occurring.

One example I can give you from 2017 is the company called Queensland One Homes, which was put into liquidation by its directors. The collapse left 133 tradies and staff out of pocket by about $3.4 million. There were 35 would-be home owners who paid deposits for their homes and have been left in limbo.

This issue has impacted on people in this chamber. The former senator Bob Day's very own company, Newstart Homes, is another example of a company which has been shutdown while owing millions of dollars to suppliers, building workers, subbies and homebuyers who have paid deposits—they're never to see that money again. That kind of conduct is unacceptable. It's damaging to our economy and to our community. The Queensland government has taken steps to stop it, but the federal government simply needs to do more.

Just about every tradie in Australia will have experienced the frustration of not being paid on time or not being paid at all. We need to remember subbies aren't volunteers. They are running a business. They often have employees of their own they have to pay, and they should always be paid in full and on time. We hear a lot from this government—from members of the Liberal Party and the National Party, or the LNP, as it's known in my home state—claiming to be friends of small business. They're claiming to be the people who are standing up for small businesses against big business and against government, but here's a form of small business—building contractors—being left in the lurch, suffering from phoenixing and not being paid, and this government has been prepared to sit idly by and not take action to protect them. It's about time our LNP members of parliament stop saying that they care about small business while doing nothing in response and stop going soft on corporate crooks and start listening to the subbies who are getting ripped off by these people. We've got to close loopholes that are allowing these businesses to take advantage of subbies.
Turning to this bill, which Labor will be supporting as a good first step to tackling this problem, schedule 1 to the bill introduces new phoenixing offences to prohibit creditor-defeating dispositions such as transfers of company assets for less than market value or the best price reasonably obtainable, penalise those who engage in such dispositions and allow liquidators and ASIC to recover such property.

The provisions set out in schedule 2 are aimed at preventing directors and officers from an insolvent company from avoiding personal liability. This will reduce the incidence of illegal phoenixing activity and its impact on employees, creditors and government revenue. Schedule 3 allows the commissioner to collect estimates of anticipated GST liabilities and make company directors personally liable for the company's GST liabilities in certain circumstances. Finally, schedule 4 authorises the commissioner to retain tax refunds where a taxpayer has failed to lodge a return or provide other information that may affect the amount the commissioner refunds. This ensures that taxpayers satisfy their tax obligations and pay outstanding amounts of tax before being entitled to a tax refund.

This bill has been subject to a Senate inquiry conducted by the Senate Economics Legislation Committee. Stakeholders, for the most part, supported the bill, but many did note that the government's primary focus should be on amending and enforcing existing legislation, not on developing new, complex legislative amendments and offences. There were also concerns that the proposed measures within the bill are likely to have limited impact, as they are highly technical and will not substantially expand ASIC's power to combat phoenixing.

I might end on that note in relation to ASIC. I think many of us have been frustrated by ASIC's seeming inability to take proper action against companies which are engaging in this kind of conduct. I have asked ASIC about this at Senate estimates hearings, and I know other people have as well. The response that we're always given is that they simply don't have the resources to do the policing job that the government and the community expect them to do. We know that ASIC has limited resources and is unable to pursue all of the reports of corporate misconduct that it presently receives from administrators and liquidators, pursuant to various sections of the Corporations Act. Without additional funding and staffing, it's difficult to see how ASIC will be able to pursue to their full potential the new powers it is being given under this bill. The government simply has to act to ensure that ASIC has the ability to support more difficult court cases without draining the corporate watchdog's resources.

In summary, this bill is a good start. We will be supporting it. We will be proposing amendments. It is high time that this government started taking this issue of phoenixing seriously. I have met too many people in the Gold Coast, the Sunshine Coast, Rockhampton and other parts of the state who have lost their business, who have lost their home and who have lost their marriage because they have been ripped off by dodgy developers and dodgy builders. We've been asking the government to act on this for years. The Subcontractors Alliance has been asking for the government to act on this for years. Ordinary men and women in Australia have been doing so as well.

If this government is serious about being a friend of small business, here is a category of small business that really needs help. They simply don't have the bargaining power to fight for themselves in court to get back what they are owed. They don't have the legislative power to do so either. They need the government to step in and the government regulators to have the proper resources to be able to take action and enforce the laws that already stand on the legislation books.

Senator PATRICK (South Australia) (10:12): I rise to speak on the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019. This bill has good purpose. This bill is designed to deal with phoenixing, which is where directors set up a company, win work, engage subcontractors and then set about stripping the company of its assets and shut down the company, leaving subcontractors, who are in actual fact the real builders and have done the work, not being paid and leaving staff without pay, leave or their super entitlements being paid. Indeed, the taxpayer ends up with unpaid tax debts, and, of course, that affects the government's ability to provide services. Then a new company, exactly the same as the last, rises like a phoenix. In some cases it's a business model for operators. PwC's report The economic impacts of potential illegal phoenix activity estimates that the annual direct impact of illegal phoenixing activity is between $2.85 billion and $5.13 billion per annum.

I have some real examples that South Australia has experienced. I have a construction industry example. Mr Stephen Thomas and Mrs Angela Thomas were described as early as 2002 in the Queensland parliament as 'phoenixing developers'. For decades this couple have moved from company to company and state to state exploiting loopholes. The companies simply ran up large debts.

The companies have been shut down, and then they simply open a different company and they do it again and again. They've been at the helm of multiple construction companies both in Queensland and South Australia that
have collapsed, leaving a trail of destruction and far too many tradies and suppliers unpaid. Many of those tradies are left with those unpaid debts. They remain on a knife edge and some of them are driven into insolvency—as a result of the activities of others. They're forced to refinance homes. As Senator Watt indicated before, it causes marriage breakdowns. It's an awful activity.

In the case of the Thomases, they had several companies—Liberty Homes Australia, Panoramic Homes SA and Omega Homes SA—and they stripped them of assets before the liquidator moved in. This left many creditors, subcontractors and tradies with no recourse to recover any money owed to them. As I said, the effect of this is not just financial; there are human costs to all of this.

In my home state, in relation to tax, in March this year the CDPP will begin prosecuting one of the largest phoenixing scams in Australian history. It's been alleged that sham labour hire companies avoided paying over $20 million in GST and income tax liabilities. The companies are believed to have supplied hundreds of Chinese and Taiwanese abattoir workers, in effect exploiting these workers and not meeting their tax obligations.

The bill makes it an offence to engage in illegal phoenixing activity; creates criminal penalties for directors who engage in or don't stop creditor-defeating asset disposals or dispositions; and allows ASIC to wind back sales of company assets where the sale wasn't on market terms, so that creditors can be paid their dues. If you look at the report by the Economics Legislation Committee that Senator Watt mentioned, you will see that there's general support for the bill and general support for reforms. The ACT government supports reform. The Housing Industry Association supports reform. The CFMMEU supports reform. Maurice Blackburn and Mendelsons Lawyers support reform.

Centre Alliance support the reforms in this place and we'll be supporting the bill. That said, the bill doesn't go far enough. There are some areas where there could be improvements, where there are still loopholes. Circumvention is one of those—the possibility of illegal phoenixing behaviour without creditor-defeating dispositions. It's possible that a company might accrue significant debts yet hold no assets.

It's been suggested that this bill will only encourage some to accrue debt through asset-poor companies, and hold assets in another company. This bill will not touch those, as it's only concerned with companies that engage in conduct that involves creditor-defeating dispositions. We must also remember that the people who are unscrupulous in conducting phoenixing activities can also be smart. They will work around the system. They will find every loophole they can.

There's another area I want to talk about that's important particularly for tradies—that is, security of payment. This bill deals with phoenixing post facto. It seeks to discourage phoenixing of course, but it really just deals with the directors of companies who may have engaged in phoenixing. Whilst it does allow for the pursuit of those directors, it still doesn't provide a remedy for the subcontractors who've done the work and haven't been paid.

John Murray was commissioned by the coalition government to conduct a funded study, a national review of security of payment laws. The review was released in 2018. It was quite a substantive report, containing 86 recommendations which have largely sat on a shelf. One of the most important recommendations was the concept of bringing in deemed statutory trusts across the nation—that is, money paid into a trust before work commenced. As the prime contractor, I engage a subbie. I pay the money for the work into a trust account and I release it against contracted milestones.

That way, if the company goes under, there is still money sitting in the trust. Of course, if the director somehow has taken the money out of the trust, there's fraud involved, and that is a criminal offence.

We see deemed statutory trusts in operation in Canada. About half of the US states have deemed statutory trusts. We actually have security of payment laws right across Australia, but they are a hotchpotch. Some are strong, some are weak and some allow for voluntary trusts—and we need to clean that up. John Murray made a number of substantive, sensible recommendations that have just lain idle. I would urge the government to go back and look at the review because certainly there are things we can do there.

I would point out that the banning of directors who have engaged in phoenixing activity has not really been covered off in this bill. I know Labor were going to move an amendment in this space, and Centre Alliance would have supported it. But I understand the government is now looking at a new piece of legislation that will deal with that in the House, and I trust that the government will proceed with that bill in a timely fashion.

I do have some reservations about the bill, and these really come down to implementation. As we know, schedule 3 allows for GST deemed debts to be based on estimates made by the ATO. I support the concept, but there's a lingering concern in relation to that, and that is that it could be open to abuse by an overzealous official or officials. You might say that that's not likely, but I remind senators that in mid-2017 the tax office engaged in overzealous use of garnishee notices that affected a number of businesses. It involved whistleblowing by Mr Richard Boyle, a South Australian, about matters taking place in the tax office in Adelaide. We've subsequently
seen a report by the IGT that confirms that there was an anomaly in relation to garnishee notices in South Australia. We saw that famous 'hour of power' email from a team leader of frontline staff inside the ATO. Richard Boyle blew the whistle on that and has now unfortunately ended up in a situation where he is facing prosecution in Adelaide for charges that may have flowed on from his whistleblowing. I know that the Economics Legislation Committee, having examined some of the documents involved in dealing with Mr Boyle's whistleblowing, will have something to say about that at a later stage.

I have another reservation. Schedule 3 allows the ATO to hold directors personally liable for unpaid deemed GST. Just to be clear, this provision is not tied to phoenixing behaviour; it impacts all directors. I actually understand why we want to do that. There's not a criticism there, but I want to raise a court case back in 1897. It's the seminal court case related to companies as legal entities. In that case, they declared that companies are a separate legal entity from directors and shareholders of a company and that a company has its own separate legal rights and liabilities from that of the directors. The lords—because this is a House of Lords case—were cognisant of the idea that there might be reluctance by people to engage in corporate ventures if they were going to be held personally liable for actions of the entity.

In effect, that case established the corporate veil. The corporate veil is not intended to protect a director from breaches of their statutory obligations. We in fact have a whole bunch of rules set up in the Corporations Act, enforced by ASIC, and directors are required to follow those laws. We don't intend to protect rogue conduct—people who set up an entity for the purpose of ripping others off.

But it was intended to protect people from circumstances outside their control, in situations where a director—and I quote from the court case:

… is not shewn to have done or to have intended to do anything dishonest or unworthy, but to have suffered a great misfortune without any fault of his own.

So, we ask: what happens in circumstances where a company is operating well, has enough money in its bank account to meet its tax obligations but not enough money to pay its subcontractors at this point and is waiting for a payment, and then something like a bushfire happens, and that company can't pay them, for whatever reason? Now the director is faced with a choice: do I pay the subcontractors and keep them going? Some of them are actually caught up in the fire and they may need the cash immediately as well. Or, knowing that there's a liability that will be hung around my neck, do I pay the tax office instead?

I'm just a little bit worried, and I may ask questions at the committee stage about how that might be addressed. And I say this as a director. I was a director of a company. I'll give you the circumstances. I had employed three or four small family subcontracting businesses to do work for me in Malaysia. They did the work. I had enough money in the bank, because it wasn't the only job that my company was doing; I was doing other work. So I had money in the bank to meet all my obligations—certainly my tax obligations—but I didn't get paid by this overseas entity. The sum was, from memory, about $150,000. I had to make a choice as a director: do I take the money that I've got set aside for other things—for the tax office, for example—and pay these subcontractors, knowing that if I don't their family won't eat? In that circumstance I made the choice to pay the subcontractors and I put at risk my own personal liability such that the tax office may end up pursuing me for taxes owed.

I eventually got the payment and everything came good, but this is the reality of business. Cash flow is king. There are circumstances sometimes when things are outside your control and you have to make hard choices. I just wonder whether what we're doing here creates an impediment, a reservation, and I will ask questions about that briefly at the committee stage. It's for this reason that we'll be supporting Labor's amendments, which seek to review the conduct of these laws to make sure that the laws, which are well intended, are implemented in a fair and just manner.

Senator BRAGG (New South Wales) (10:27): I rise to speak on the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019. This is very much another demonstration of our commitment to small business. Of course we've always been committed to ensuring integrity and probity in Australian law, because for 75 years we have stood for middle Australians and for workers, not for any vested interest. So, this has been a common thread in Australian liberalism: probity in Australian governance and legal arrangements. We can talk about the royal commission into the painters and dockers, which had a good look at the bottom-of-the-harbour tax schemes that the Fraser government dealt with, or we can talk about the very significant CLERP reforms that Peter Costello spearheaded as Treasurer, which rewrote Australian corporate law, or even more recently our support for small business, which, as Senator Patrick very rightly said, ensured that small business gets paid on time. The Commonwealth is now paying small businesses much faster than it was in the past. I think if you do an e-invoice you can get paid in five days now. So, this is a common thread and a common commitment: to root out wrongdoing in a targeted way, as we have throughout our history.
At the end of last year, we had a very similar discussion about ensuring probity and good governance throughout our economy in the form of the ensuring integrity bill, which was about strengthening laws so that Australian workers and small businesses can benefit from a certain and strong legal environment. We do think that workers' entitlement funds and the like should be managed properly. We think that there is no room for any form of malfeasance, and we certainly won't stand idly by and watch companies be stripped of, frankly, their requirement to do the right thing. That is the most important thing—because so many of these tradies and suppliers you'll find have actually performed the work and done the job and then these businesses take off.

Effectively this bill will help address illegal phoenixing, which is a very, very significant part of our economy, sadly, at almost $5 billion at the highest estimates. So the bill includes new offences and new civil penalty regimes. It effectively does four things: it amends the insolvency practice rules to restrict the voting rights of certain creditors; it increases funding to the Assetless Administration Fund; it establishes a phoenix hotline to make it easier to report suspect behaviour; and it establishes various task forces.

As I say, this is a common thread of Australian liberalism: always standing up for the workers and small-business people. We don't stand for rip-offs and rorts, and that's what you see across our legislative agenda on almost a daily basis here in this place.

Senator AYRES (New South Wales) (10:31): I rise to speak on the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019 because it does give me an opportunity, while Labor is supporting the bill because it's marginally better than nothing, to point to the lack of genuine resolve on the government's part to deal with the practice of illegal phoenixing. The people on the other side, the government, really have had a consistent pattern. They've been the friends of unscrupulous businesspeople everywhere and the friends of shonky financial advisers. On this side, we're the friends of legitimate businesspeople who are doing it tough in an economy that is struggling and who want their bills paid on time.

Stripping away the ability of businesses to engage in phoenixing is a core Labor objective. Phoenixing is a crime against honest, hardworking businesspeople. It's a crime against honest taxpayers and it's often, in the examples that I've been involved in in Australian manufacturing and Australian construction, a crime against the people who work hard on behalf of these businesses and who see long-term entitlements ripped away.

This bill is a half-hearted and shallow attempt at combating the criminals who rip off creditors and taxpayers. It sets out highly technical provisions that don't expand ASIC's powers to combat phoenixing and it's likely to have a very limited impact on the incidence of phoenixing. One measure is designed to ensure that taxpayers satisfy their tax obligations and pay outstanding amounts before being eligible for a refund. The bill falls well short of what is required to combat fraudulent phoenixing activity.

That's why, whilst supporting the bill, Labor will move amendments that will require a statutory review to be conducted that will provide further evidence on the need to improve anti-phoenixing laws and to introduce a director identification number regime. The bill represents a slap in the face to small business and the families who have been the victims of phoenixing and have been pleading for legislation with teeth to combat the scourge of shonks, crooks and carpetbaggers whose business model is a parasite on legitimate Australian businesses.

To appreciate how negligent the coalition are when it comes to tackling illegal phoenixing, you only need to look at how much it costs unsecured creditors and government revenue in the form of unpaid tax liability. In 2015, the Senate Economics References Committee conducted an inquiry into insolvency in the construction industry. The inquiry was given impetus by the notorious collapse of Walton Construction, which left unsecured creditors with $70 million in unpaid debt. I'll return to Mr Walton shortly.

As a case study on the incidence and effects of illegal phoenixing, the Senate inquiry into construction industry insolvency is instructive as to how the Morrison government is failing to see what is blindingly obvious to small-business people across Australia: the law relating to illegal phoenixing needs substantial reform; it doesn't need tinkering at the edges. Illegal phoenix activity is rife in the construction industry. It's notorious for its use of illegal phoenix companies, and the industry has played host to some of the most flagrant examples of the practice. The economics committee report says:

The Cole Royal Commission into the Building and Construction Industry found that 'there is significant [illegal] phoenix activity in the building and construction industry, particularly in the eastern states'.

It was Commissioner Cole's only sound finding in that long-running and expensive royal commission.

Initial external administrators' reports lodged with ASIC support the conclusion of widespread incidents of illegal phoenix activity in construction. These reports show that the incidence of misconduct in the construction industry for contraventions associated with illegal phoenix activity under the Corporations Act is significantly higher than in other industries. In addition to external administrators' reports, ASIC receives reports of alleged misconduct directly from the public. ASIC informed the economics committee insolvency inquiry that its
misconduct and breach reporting team received 13½ thousand reports of alleged misconduct involving civil and criminal breaches of the Corporations Act in the construction industry between 2009-10 and 2013-14.

According to the Melbourne Law School and Monash Business School, where the prevalence of illegal phoenix activity reaches a critical point, it becomes impossible for reputable businesses to continue. They face a difficult choice: between insolvency or, alternatively, the risk of being priced out of the construction industry. In some circumstances, the non-economic effect of illegal phoenix activity can be considerable. The Collins inquiry into construction insolvency in New South Wales reported that the frustration and anger expressed at the impunity of unscrupulous operators was palpable.

I want to turn now to the Walton Construction collapse. Walton Construction was founded in Melbourne in 1993 by Mr Craig Walton. In 2002 the company expanded, registering a Queensland arm, Walton Constructions (Qld) Pty Ltd. At its height the Walton group had an annual turnover of $300 million. In 2011-12, revenue dropped and the company recorded a loss of $14.6 million. This period marked the beginning of the end for Walton Constructions. In November 2012 the National Australia Bank, Walton's financial backer, reviewed its financial support for the company and commissioned Deloitte to prepare a report on the finances of the Walton Group and its financial viability. In 2013, the company won a major Melbourne project but NAB refused to provide a bank guarantee, so a competitor took over the project—so the bank had begun to figure out what was a secret to Walton's creditors.

Rumours began to spread in the industry and developers abandoned Walton, cutting off critical cash flow. Walton engaged the Mawson Group, a business management consultancy, to advise it. In the lead-up to the eventual collapse in October 2013, Mawson directors worked with Walton directors to transfer projects to two new companies, LeWton Asset Services Pty Ltd and Peloton Builders Pty Ltd. Companies within the Walton group had been customers of NAB since the 1990s. Walton creditors have long maintained that NAB should have done more to prevent Walton Constructions (Qld) from operating, long before it collapsed. When Walton collapsed, NAB knew about the precarious financial situation facing Walton creditors. NAB's failure to appoint a receiver at an early stage meant more unsuspecting subcontractors contracted with Walton and were caught up in the eventual collapse. The issue here is informational asymmetry—the subcontractors didn't know—and between Mawson Group and the NAB and Walton there was a conspiracy to continue the business when it shouldn't have continued.

It was the view of the initial liquidator, PKF Lawler, that Walton had been trading while insolvent for some time before it went into administration in October 2013. As noted above, NAB was in possession of a report, provided by Deloitte in early 2013, indicating that Walton was experiencing liquidity problems. Unsecured creditors believe that NAB must have known the true scale of Walton's financial problems. NAB introduced Walton to Mawson in order that Mawson would implement a pre-insolvency restructuring of the Walton businesses, designed solely for protecting the interests of the bank and Mr Walton. NAB denied this in evidence to the Senate economics committee, and that evidence is scarcely believable.

Without wishing to take up my time in the debate going into the minutia of the pre-insolvency manoeuvres, what occurred was collusion in the provision of pre-insolvency advice, designed to facilitate a phoenix operation that caused very significant harm to unsecured creditors and advantaged one of Australia's biggest banks—ordinary businesses being ripped off in the interests of the host company and one of Australia's biggest banks. The practice of providing pre-insolvency advice designed to harm creditors of soon-to-be-insolvent companies is not regulated. ASIC expressed its concerns to the economics committee about the lack of regulation of pre-insolvency advice, citing a number of banned liquidators and administrators operating profitably in that field. This bill does nothing to deal with those questions.

NAB's denials to the Senate economics committee over its collusion with Mawson and Walton are not believable. There is no better authority for this than the Federal Court. In a recent judgement in a case brought against Walton in the Federal Court by Walton's liquidators, His Honour Justice Derrington said:

… it is clear from the conduct of Mawson, the NAB and Mr Craig Walton that none of them sought to advance the interests of the companies and their unsecured creditors and if the companies received any advantage from their actions it was purely coincidental.

He went on to say:

The evidence identified above establishes, and I so find, that the strategies leading up to the entry into the Restructure Agreements and the entry into those agreements themselves were directed to the purposes of extricating the NAB and relieving Mr Walton and his associated companies from potential liability under guarantees to the NAB … They were devised by Mawson for the purposes of achieving the identified objectives.

The end result was to increase the exposure of other unsecured creditors—ordinary small businesses run by Australians in the construction industry—to Walton, while NAB was extricated from its unsecured position.
Another recent judgement of the Federal Court has voided a number of critical transactions that were the result of pre-insolvency advice given to Walton. There will be a class action of creditors against the NAB for recovery of the $70 million owed to them in large part due to the conduct of the bank, colluding with the Mawson Group and Walton to cause harm to unsecured creditors while extricating itself from exposure. There is a statement of claim to that effect. The first claimant is Mr Les Williams, a civil works contractor who has doggedly and determinedly pursued Walton, Mawson and NAB for six long years and was well known to my predecessor in this place, Senator Cameron. It's my sincere hope that Mr Williams and his co-claimants finally find some justice in this matter.

Other senators will speak at some length on the merits of the system of director identification numbers to be introduced. As an ASIC officer pointed out in the economics committee's insolvency inquiry, it is easier to register as a company director than it is to register your dog with the local council. Indeed, two of the 44 recommendations made by that inquiry were that a director identification number be introduced and be backed up with proof-of-identity requirements. The government's response to that report, tabled in May 2017, said:

These recommendations align with recommendation 15.6 of the Productivity Commission's Report on Business Set-up, Transfer and Closure. The Government will give further consideration to Director Identification Numbers as part of its ongoing work to combat illegal phoenixing in Australia.

Nearly three years on, we are still waiting. We are still waiting because the government is half-hearted in its pursuit of objectives in this area. People like Les Williams—and the victims of dodgy phoenix operators right across the country, particularly in construction, which this government seems determined to prop up—can be justified in asking: 'What is the point of this government? What is the purpose of this legislation?' The legislation makes a marginal improvement in some technical ways that will be unobservable to Australian small business. What is the point of a half-hearted attempt? What Australian small businesses need, particularly in the construction industry, is a government that will stand up for small business, that will stand up for certainty and security, that won't mouth the platitudes and that won't do the bills with the big names that achieve very little. They need a government that's interested in probity and integrity in our industries.

This is a government that, on the one hand, rabbits on about ensuring integrity for their opponents, but when it comes to integrity in the construction industry with illegal phoenixing they have run up the white flag and are nowhere to be seen. They've got the hide, this week of all weeks, to be talking about integrity when they have no integrity after a systematic industrial-scale sorting of $100 million of taxpayers' money designed to advantage them and their friends. The only interest that they show any interest in protecting is their own shallow, narrow self-interest.

Senator ROBERTS (Queensland) (10:46): As a servant to the people of Queensland and Australia, I speak to this bill, the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019 and to my concerns for everyday Australians who could be affected by illegal corporate phoenixing in many ways. I speak about my sister's business—a wonderful small-to-medium-sized business—with her partner, and her employees. They had to fold eventually because of debtors not paying their bills, rich debtors who folded their companies and restarted, just like the phoenix in ancient Greek folklore, the bird that rose from the ashes.

I stand, like Senator Hanson, for everyday Australians, including honest workers and honest business people. There are many people who are concerned about what this bill might do to them. That's important, because small business is Australia's largest employer. But, later on, I will touch on how one very large company in this country is affecting its employees, because regulations are not the only answer. It requires enforcement. I will be speaking in support of the Labor Party's amendment for a five-year review.

A key problem we have to face is the difficulty associated with identifying whether particular phoenix activity is illegal or not. Our concern must be to not penalise those who have the best of intentions for a business, its employees, subcontractors and suppliers. I think you will find many company directors in rural and regional areas who operate small-to-medium-sized businesses are hardworking. They will do whatever they can to keep their business going, pouring their heart and soul into the business in good times and in bad. What is more is that the victims of illegal phoenixing activities do not form an easily identifiable group. So there is a challenge for this government in coming up with this legislation.

The victims of illegal phoenixing include unsecured trade creditors, small businesses, individual employees, members of the public, and large government entities such as the Australian Taxation Office. We have also seen this sort of tricky, shonky phoenixing in the building industry, as many previous speakers have said, where it is used to avoid payments to subcontractors and to avoid taxes. It is important to remember that phoenix activity can be entirely legal if a company has to restructure, especially if the value of the failed company's assets is preserved and the employees keep their jobs and entitlements—and that is significant.
I note that the ATO website has stated that fraudulent phoenix activity is one of its areas of focus and that the ATO says that fraudulent phoenix activity occurs when a company goes into liquidation, leaving its debts behind, while the assets are shifted into a new entity that begins trading again, often under a similar name. This deliberate practice of liquidating related businesses and corporate trading entities is a fraudulent exercise to evade tax and other debts accumulated in the name of the failed company. But this is not new, and we have seen its impact for a long time. In fact there are professional advisers out there who specialise in teaching directors and businesses how to do it, and this corruption must stop. So we applaud the government for its initiative.

The ATO deputy commissioner, Mark Konza, in 2009 described phoenix behaviour as 'a deliberate attempt to avoid financial obligations'. He further noted that phoenix activity is a type of tax evasion that 'has the potential to severely erode the revenue base and undermine business and community confidence'. So it's significant in our economy.

Schedules 3 and 4 of the bill were quite concerning to One Nation and to many Australians. Accordingly, we have to ensure we have checks and balances to protect the well-intentioned person—for example, the well-intentioned director or businessperson who salvages a business previously failed due to factors outside their control, such as a Queensland tourist operator whose first company is forced into liquidation or voluntary administration after an airline strike beyond their control or after health concerns about travel. Another example is where a viable business is prematurely liquidated by an overly cautious party who fears insolvent trading liability during a period of poor liquidity, even though the business is fundamentally sound. This should not require everyday Australians to defend themselves in court at great cost because the ATO took a dislike to them. There must be a better, simpler way. That is why Labor's amendment for the five-year review is crucial.

We also need to ensure that proper education is provided to help directors to understand their obligations. There are many small-business people out there who have set themselves up as companies and need to understand what they can and cannot do before they try to salvage their business. We don't want to scare small businesses and we don't want to scare small-business directors, because small business, as I said in my opening comments, is our largest employer in this country. In dealing with this issue, it is also very important to promote debate on the need for improvements to the role of administrators. This is something One Nation has championed for years now.

When I chaired the Senate select inquiry into lending to primary production customers, we confirmed the inherent conflict of interest in the role of receivers and administrators who prey on innocent people and organisations to strip assets. We then pleaded with the Turnbull government to include administrators and insolvency practitioners in the financial services royal commission's terms of reference. Yet Mr Morrison, as Treasurer, and Mr Turnbull, as Prime Minister, refused. This bill still leaves the door open for administrators to strip a company's funds, leaving nothing for creditors like subcontractors. Putting an organisation into administration must take account of the impact on, and the protection of, the interests of all stakeholders and minimise the costs that administrators can charge. This is really important, and the government needs to step up here.

It makes it hard to support this bill while successive Liberal-Labor governments continue to enable administrators to strip assets and to line their pockets. That is another reason for the review, and we support Senator McAllister's amendment. The government must provide real and effective legislation and regulations to end the administrator's inherent conflict of interest and to set real boundaries to ensure protection for honest directors' rights and creditors' benefits.

It is also worthy to note that complex illegal phoenix activity is sometimes likely to attract other forms of illegality, such as the use of false invoices, including GST fraud, the use of false identities, fictitious transactions, money laundering and/or visa breaches and misuse of migrant labour. Illegal forms of phoenix activity have been linked to certain industries in particular—those being the building and construction industry and the financial services industry. This has been the subject of many prior reports and academic papers. This sort of activity, phoenixing, requires an integrated approach from all regulatory arms. I trust consideration will be put into this approach in terms of data sharing and strategy.

I want to deviate for a minute now, because the government has been found wanting in the Hunter. While I'm pleased to see the government crack down on phoenixing, I will continue to watch a situation in the Hunter that is unfolding every day under the noses of Liberal state and federal governments and ministers, and under the noses of Labor members of parliament who have been informed and know what is going on. It involves specifically the labour hire firm Chandler MacLeod, and BHP, the giant globalist. I have a question. Will Chandler MacLeod's multinational owner, Recruit Holdings in Japan, consider phoenixing Chandler MacLeod to avoid the liability they have created through unfair employment practices? If they do phoenix, this could affect government services. For example, the ATO itself employs Chandler MacLeod casuals.
In this chamber, in Senate estimates and publicly, I have repeatedly raised BHP's exploitation and abuse of hundreds of supposedly casual workers in the Hunter Valley who are actually working full-time coalmine production rosters at its Mount Arthur mine. It did so using the foreign owned Chandler MacLeod labour hire firm that did a deal with Peter Jordan and other Hunter Valley CFMMEU bosses. This set-up sees management breaking the law, with workers being threatened, to prevent the reporting of serious injuries; workers enduring needlessly hazardous conditions without proper workers compensation or accident pay; workers underpaid by as much as around 40 per cent; and workers stripped of basic leave entitlements, long service leave and possibly superannuation.

These are breaches of federal and state laws that continue five years after they were first identified. Yet local and state and federal MPs—Labor MPs—have abandoned the workers who pleaded with them. Indeed, Labor's Joel Fitzgibbon is publicly selling the deceptive message that the issue is about casualisation, when that is the tip of the iceberg. His public statements deflect and hide the real problem: the huge scam that exploits workers that his mates in the Hunter Valley area CFMMEU, such as Peter Jordan, have endorsed and overseen.

The federal Fair Work Commission has contradicted federal legislation. New South Wales Liberal government ministers have ignored miners' documented evidence and failed to fulfil their responsibilities. I must thank Senator Marise Payne for listening to the concerns regarding the abuse of casual mine workers in the Hunter Valley when I raised it in Senate estimates. I appreciate the federal Attorney-General's Department checking and endorsing the miners' documents, showing that they are correct. I also want to compliment Senator Jim Molan, who I approached on this last night and who is promising to pursue it. Why, though, is the government not pressuring the New South Wales government to fulfil its responsibilities? Apart from One Nation and Senator Marise Payne and Senator Jim Molan, no-one is working to meet these three aims: firstly, paying miners their legal and moral entitlements, as well as compensation for the trauma and suffering that they continue to endure; secondly, ending the exploiting of casual workers across the industry; and, thirdly, bringing BHP, foreign owned Chandler MacLeod and the CFMMEU's Hunter Valley union bosses, including Peter Jordan, to justice. It is thanks to the trusted One Nation team, including Stuart Bonds, that BHP's abusive practices are being exposed—and last night Mark Latham, in the New South Wales Legislative Council, committed to chasing this and holding the New South Wales government accountable.

Chandler MacLeod today—what will be their name tomorrow? How will this phoenixing legislation work with multinationals? When large companies, and they don't get much larger than BHP, can ignore and break laws with impunity, we need the five-year review in the amendment that Senator McAllister is moving. We will continue to hold BHP, Chandler MacLeod and the Hunter division of the CFMMEU accountable until all three of our aims are achieved.

As I stand here today, I seek the government's assurances that they have both the commitment and the resources to ensure that illegal phoenixing is stamped out and that non-illegal phoenixing activity to save companies will not be penalised. I also believe that, if this government were serious about this, it would turn to improving the role of, and the checks and balances for, administrators and receivers, saving us all a lot of money and a lot of pain. On balance, with some reservations, we support this bill.

Senator POLLEY (Tasmania) (10:59): I rise to make some comments on the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019. This bill is designed to address fraudulent phoenix activities or the intentional stripping and transfer of assets from one company to another, usually a related entity, making the original entity insolvent. Phoenix activity is estimated to cost our economy around $5 billion annually and has particularly significant impact in the construction industry. Unfortunately, the construction industry rate of insolvency is out of proportion to its share of national output. Over the past decade, the industry has accounted for between eight and 10 per cent of annual GDP and roughly the same proportion of total employment. Over the same period, the construction industry has accounted for between one-fifth and one-quarter of all insolvencies in Australia. It is argued that this is because of illegal use of phoenixing.

However, in Australia one of the difficulties in assessing the incidence, cost and enforcement of phoenix activities is the lack of reliable data. Company creation and liquidation is not evidence of illegal activity. A high rate of insolvency in the construction industry does not automatically mean phoenixing has occurred in every case. People associated with the industry warn that, when the incidence of illegal phoenix activities reaches a critical point, other companies in the industry will face a difficult choice between succumbing to the same illegal behaviour and risking being priced out of business. This is what legislation must aim to address.

There are also some characteristics of the construction industry that make debt recovery particularly difficult. The subcontracting system is a key feature of major building works. The head contractor undertakes to perform the contract and is paid for it by the client. Work is then contracted out through layers of subcontractors. The various layers of subcontractors must complete statutory declarations that they have paid their employees and
other debts in order to receive payment from the contractor above them. We've heard that false statutory declarations are common and prevalent within the industry, and ASIC is currently investigating this.

Recovery of unpaid wages and entitlements is also fraught. Employees may not be sure of the company name of their employer, which may change from pay slip to pay slip, and may remain unaware that their employment is now with a new employer who has no liability for the wages or other entitlements accrued previously. The industry employs high numbers of temporary migrant workers whose knowledge of their entitlements may be minimal. Backpackers on 417 visas can lose their employment and their employer sponsorship if they question the payment of their entitlements, and they are then forced to return home. Recovery of redundancy entitlements is especially problematic in the construction industry.

However, as noted by many stakeholders and by Labor senators in the Senate inquiry into this bill, the bill is likely to have limited impact. Therefore, Labor is proposing amending the bill to include a schedule that would implement director identification numbers. This would require company directors to be registered with a unique identification number on a government registry following an identification check. DINs were an election commitment of Labor going into the last election and are supported by many stakeholders as being an effective measure to combat fraudulent phoenix activity.

The ACTU and the Small Business and Family Enterprise Ombudsman are supportive of this, because, currently, it is difficult for regulators to track directors who regularly engage in phoening activities. DINs would address that issue. It must be noted that, if the government votes against this amendment, they will be voting against their own policy. I also note that the bill introduces new phoenixing offences to prohibit credit-defeating dispositions of company property, to penalise those who engage in or facilitate such dispositions and to allow liquidators and ASIC to recover such property. These proposed measures are likely to have limited impact. They are highly technical and will not substantially expand ASIC's power to combat phoenixing.

Labor has agreed to proposed amendments to the bill that will require a statutory review to be conducted. This approach is supported by stakeholders, including Professor Anderson. These amendments should be supported by the government because these amendments will improve this legislation. This review would provide better evidence for any future reforms to phoenixing law and would provide additional support for ASIC to enforce processes. We are trying to make this legislation into better legislation. I urge the government to support our amendments.

Senator STERLE (Western Australia) (11:06): I stand to make a quick contribution to the debate on this bill, the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019. I know what an absolute time bomb this has been, ticking in this nation for many, many years. I know that there's been a great deal of work done by former senator Doug Cameron, and I know how passionate he was. We've all heard of instances in the building industry. But let's not turn a blind eye: this has also been a massive problem in the transport industry, and in the road transport sector predominantly. It's been rife in certain states. I've witnessed it and it's absolutely downright disgraceful—and nobody has given a damn. You have to actually be there: when you find out that a building company or transport company or anyone has gone broke—and I've heard contributions from all senators on this. Unfortunately, it happened in my family, where my brother-in-law's transport company went broke through no fault of his own. So it's a much broader issue that we have to look at.

There is nothing worse than when a transport company or any company goes broke because some mongrel further up the chain has decided they're not going to pay their bills. There is nothing more frustrating when you see those same so-and-so's coming out the next day, as we've heard before, like they're rising from the ashes. And for governments and regulators, it's in their face—it's right there in front of them: these same so-and-so's have stripped companies, refused to pay creditors and refused to pay workers. And no-one cared about it. All of a sudden, we've got the government thinking, 'Maybe we need to be doing something.' You need to go a hell of a lot further. I believe that, in this nation, if you are a director or whatever you may be, and you have blatantly operated while you're insolvent—shifting assets or something like that—and you have not only not paid your contractors and suppliers but also not paid your staff, these should be jailable offences. I think these people are the lowest form of life in the industrial arena; I really do.

I've had instances in my office in Perth, in my previous life, where truckies have come to us or forklies have come to us with absolutely no idea what is happening—the director has disappeared; the manager has disappeared; the manager's wife's BMW has moved out of the parking bay that she's normally had, or they've come back in to collect stuff, but they don't suffer a thing. How in this nation, today, can anyone in this world get up in the morning and think, 'How can I destroy many, many lives through being an absolute mongrel of a'—I was going to say human being, but they're not human beings. So I urge the government: go further. Adopt the Labor amendments. Adopt every amendment. Review this bill. We should be leading by example in this nation and
saying, 'If you want to break the laws and create destruction through family breakdowns and destroying businesses, there will be consequences.' And I urge the government: don't stop there. Go a heck of a lot further.

Senator O'NEILL (New South Wales) (11:09): I rise today to speak on the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019. I've been in the chamber for just a couple of minutes to hear the contribution of my colleague Senator Sterle, and I wholeheartedly support and endorse his comments. This is a problem that real people around Australia see every day. This government have been in for nine years—or is it eight years? It feels like forever! They've been in for so long, for three terms of government, when they could have actually solved this problem. The sad reality is: this is just not a priority issue for this government. For far too long in this country, phoenixing directors have attempted to circumvent justice and creditors by stripping their companies of assets and resurrecting them again under other names to escape their obligations. The new businesses perform in and operate the same kind of business as that of the companies that were liquidated but with none of the pre-existing liabilities. It's like going to a shopping centre: you load up your trolley with goods and you don't pay for them; you just walk away. It's just not adequate. It's absolutely not satisfactory. This leaves creditors—usually small businesses, contractors and employees—with nothing while shonky directors escape without any penalty.

The matter of phoenixing arising from a supposed death—which is not a real death in the case of many of these businesses—is especially pernicious in the construction industry. One part of the construction chain goes bust and runs away. It can jeopardise an entire project, risking investment and, importantly, jobs, particularly for so many small-business owners who are subcontractors in the construction industry. They employ people in their local communities, particularly in regional Australia. It impacts powerfully in the most awful way. Families and businesses need better regulation from a government that thinks it can just show up and do nothing to assist the hardworking people of this country.

ASIC commissioner, John Price, said a few months ago that the current laws, on the watch of this government, make it difficult to pursue directors who liquidated a company to phoenix and avoid debt. Commissioner Price also stated that there is currently a lack of legislative definition, which makes it very difficult for the regulator to do their job. The legal loopholes over which this government has presided must be shut and confidence needs to be returned to our small-business sector. Every day we delay and every day we allow another dodgy director to get away with more money being lost to our small businesses, more contractors, more investors and more creditors are being ripped off.

As my colleague in the other place Dr Andrew Leigh said, business runs on trust—it's the oil in the wheels of commerce, but phoenix activity puts sand in the gears and makes it harder for good businesses to just get on and do the job. This malicious practice costs the economy around $5 billion annually, including $3.2 billion in unpaid bills, $300 million in unpaid employee entitlements—that's a conservative estimate—and $1.7 billion in unpaid taxes. In addition, there are compliance costs, according to the report from PwC.

The Labor Party, in opposition, have been calling for action on these shonks for years—not just since the recent election but for years. We've been calling for the government to act, but we've seen a government that have dithered again and again, refusing to support small businesses and employees by bringing an end to this malfeasance. You have to wonder what it is that they show up to do here every day when they can't even look after something as simple as this: a small change to make it possible for this practice to disappear from the Australian economy. What are they doing here? What are they doing here apart from some great PR job about how they care about small businesses—all the small businesses that they presided over that have been going down the tubes over the last three terms of their government. There's a gap between reality and the lies that we see from this government.

This bill was allowed to lapse before the last election and has been continually delayed since then.

Industry groups have been calling for reform for years. Back in 2017, a report by academics from the University of Melbourne and Monash University called for action from ASIC and the parliament to crack down on pre-insolvency advisers who have a business model of giving business owners advice on how to avoid their creditors—a shameful business practice, but a growing business sector under the watch of this government. Advocates have also called for director identification numbers as well as greater transparency on director history and the removal of fees for ASIC searches. Basically, this is so you're known. All they have to do is make sure the directors are identified and that their history of practice in business is accessible to people who can do a search through ASIC. That's what is being asked for—that simple process. Technology allows it. The will of business wants it. But this government is found wanting and lacking in action.

In the three years since that crucial report landed, these issues have been continually postponed, delayed and allowed to lapse by a government that lacks the will, the wit and the wisdom to act in the interest of small
business. Just like with the banking royal commission, the government is refusing to ensure integrity in the business sector by failing to act. The government are incapable, it would seem, of being moved to action on anything except persecuting their enemies and doing the bidding of their very big business mates—at the cost of small businesses right across this country.

While this bill does take many of Labor's points and recommendations, it's likely to have a limited impact as it has been constructed by this government due to the watering down of appropriate recommendations made to the government. The bill takes recommendations from industry leaders and victims that have been crying out for action and it outlines measures to introduce a new offence to prohibit creditor-defeating disposition of company property, to penalise those who engage in or facilitate such dispositions and to allow liquidators and ASIC to recover such property. The bill allows the commissioner to collect estimates of anticipated GST liabilities and make company directors personally liable for their company's GST liabilities in certain circumstances. The bill also authorises the commissioner to retain tax refunds where a taxpayer has failed to lodge a return or provide other information to the commissioner that may affect the amount the commissioner refunds. This ensures that taxpayers satisfy their tax obligations and pay outstanding amounts of tax before being entitled to a tax refund.

I and the Labor Party are supportive of these sensible measures to address fraudulent phoenixing activity, and that is why I also support the director identification numbers as a crucial and overdue reform. During the last election, Labor committed itself to director identification, because it knows that this will allow the regulators to track directors who regularly engage in phoenixing activity. The measure is supported by relevant stakeholders who have a deep and abiding interest in this issue, such as the very active Australian Council of Trade Unions, who stand up for workers across this country day in and day out. Thank God somebody is standing up while this government is presiding over the abandonment of small businesses and the workers who are employed in them. The Small Business Ombudsman supports this change. Sadly, the changes that are recommended by both the ACTU and the Small Business Ombudsman—an appointee of the government's own choice—are missing from the original bill from the Morrison government. We cannot continue with half measures to combat this phoenixing problem.

It's clear where the government's priorities are if one takes a glance at last year's legislative schedule. What was on this government's agenda? Smashing workers and their representatives with their farcical and absolutely disgracefully named ensuring integrity bill was on this government's agenda. That is what they wanted to do, not to look after companies that needed protection from shonks who seek to exploit them. The government had on their agenda brutalising sick refugees by repealing medevac laws that allowed refugees in a critical condition to receive needed medical care. This is a government with no decent agenda and no plan of benefit for the Australian people.

Half the coalition room yesterday spent the day of condolence squabbling amongst themselves rather than focusing on the reality of constituents, across this great nation, whose homes were destroyed by blazes. And when we see Senator Bridget McKenzie continue to lead the Nationals in the Senate, even after being forced to resign from the cabinet in disgrace, we have just a small indication of the chaos that exists within this government. This Morrison government, this third-term Liberal-National government, has no plan to deal with things that matter to Australians, no plan for climate change and no proper plan to respond to the bushfire disaster, where they were found not only absent but profoundly wanting. They have no plan to deal with stagnant wages. They have no plan to sort out the chaos in their own midst. Instead, they have delayed until now a real plan to crack down on dodgy directors, despite nine months passing since their re-election.

This is not the first time the government has passed the buck when it comes to measures that significantly affect the construction industry. The Morrison government and Minister Andrews consistently refuse to support federal funding to remove cladding and delayed—for months—a national approach to the building certification crisis. So if you're a tradie out there and you bought the nonsense from this government that they're there for you, this bill shows you how wanting they have been for three terms. People in business who build and construct roads, buildings, infrastructure vital to this nation, have been abandoned by this government for nine years, and no amount of PR from Mr Morrison—who has great marketing experience but not enough capacity to lead the nation—should persuade any tradie across this country to vote for the Liberal Party ever again. They abandoned you. The consequences are known to you by people who are in your industries, who have been subject to the sort of sham business practices of those who've been allowed to continue to phoenix while this government's twiddled its thumbs. This government kicked the issue to the states and abdicated its moral responsibility to look after homeowners, refusing to work collaboratively with states to ensure that a disaster like Grenfell doesn't happen again.

Labor supports a statutory review into phoenixing that will provide evidence for future reforms to phoenixing law and additional support for the regulator's enforcement processes. We cannot just chip away at the sides of the issue and announce 'job done' like this bill, apparently, wants to convey. What we need to do is give ASIC the
powers to tear dodgy directors out of the system, root and branch. Every year that we delay a fulsome, robust and honest response to this problem facing Australian small business is another $5 billion out of the pockets of taxpayers and contractors. That's $5 billion not moving around in our economy, because this government is too lazy and distracted by its own internal problems to get on and do the job of governing in the interests of the Australian people. We need to continue the fight against the black economy, certainly, and we need to keep the ball going on reform. The director ID number reforms have been kicked into the weeds too many times and I'm glad that we're finally getting some movement on this issue from those opposite.

Labor will continue to take the lead from opposition—and that's a pretty hard thing to do—against dodgy directors and we will continue to drag this very lazy and distracted government kicking and screaming with us until they crack down on shonky operators and other lurk merchants. We must do better. These commonsense measures are about protecting business, protecting workers and protecting the Australian taxpayer from being short-changed, from being ripped off by those who care nothing about the interest of the community in which they operate.

We stand with industry groups. We stand with hardworking Australians. Labor stands by people who play by the rules. Finally, this government moves slowly towards cracking down on those who would rip off Australians. Well, we're watching, we're pushing and we will not let this government off the hook. Small business knows Labor is standing with them for fairness in the workplace.

Senator WHISH-WILSON (Tasmania) (11:24): The Greens support this bill, the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019, but we wholeheartedly agree with the Labor Party that it doesn't go far enough. We know phoenicing is emerging as a significant issue in the building industry, and a huge part of that has been around the cladding crisis—the flammability and the dangers around dodgy cladding. For those who aren't following the debate in detail, phoenixing activity quite simply is when a new company is created to continue the business of a previous company that has been deliberately liquidated by its owners to avoid paying its debts or meeting its liabilities. Those liabilities and debts can relate to creditors, can relate to payments to subcontractors and can relate even to wages to staff and to workers.

Nationwide, phoenixing across the board has been estimated to cost $5.13 billion a year in unpaid bills to trade creditors, in lost employee benefits and in unpaid taxes, all of which affects the economy in this country—even the parliament in this country, the laws we pass and how we operate. The best example that's probably brought this to the public's attention—and I have no doubt has led to this federal legislation that we're seeing today—has been the crisis in Victoria, where this has been a huge issue for at least 12 months now. The Hickory Group is a prime example. Twenty-five properties built by Hickory Group have been identified by the Victorian Statewide Cladding Audit as being non-compliant or having non-compliant cladding. At least 17 of the company's non-compliant buildings, some of which have hundreds of apartments, have been rated at high risk or extreme risk of fire.

As of September 2019, Michael Argyrou of the Hickory Group had been a director and/or secretary of 40 companies which are now deregistered. Two more of those companies of which he was a director are in administration, and three are in the process of being struck off the company register after the company sought voluntary deregistration. George Argyrou, the Hickory Group's joint managing director, is a former director and/or secretary of 27 deregistered companies.

The Hickory Group is winding up three of its companies, while two more remain in administration. One, H Buildings Pty Ltd, was wound up, owing its secured creditors $100 million and paying out its unsecured creditors just 0.4 cents in the dollar. H Buildings was facing up to 13 claims for rectification works in the Victorian Civil and Administrative Tribunal, four of which were cladding related, when it was placed into voluntary administration in August.

People who buy these apartments in good faith are tearing their hair out dealing with these dodgy building companies and the cladding crisis. These companies are essentially shirking their responsibility and forcing desperate people living in apartments covered, effectively, in highly flammable materials like petrol to start an expensive pursuit of these companies and their directors through the courts.

We have an opportunity, especially after the Victorian government brought it to the federal government's attention last year. They looked at Victorian state laws, and Daniel Andrews is on record as saying that he needed federal government assistance to take a federal approach to this issue. That no doubt has led to the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019, which is before us today.

The Greens will be moving an amendment in the committee stage, and our amendment effectively does two things. The first is to look at, essentially, a chain-of-custody approach to materials that are either illegal and have been installed illegally or potentially dodgy and present a threat or are dangerous to owners of these buildings. We

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would like to create a duty for directors and officers of corporations that design, manufacture, import, supply or install external wall cladding products to take all reasonable steps to keep up to date with new cladding products and standards and to understand the safety risks, and to take appropriate steps to minimise and remove those risks. This, we believe, will help stop directors like we've seen with the properties built by Hickory Group.

The second, and I think most important, part of the amendment gives the courts the power to disqualify a person from managing corporations for up to 20 years if they are a director who engaged in phoenixing activity, and that can be determined using the existing framework of the act; the company, at any time, designed, imported, supplied or installed wall-cladding products that were non-conforming according to the National Construction Code; or the court is satisfied that the disqualification is justified with regard to their conduct or any matters the court considers appropriate.

I understand Labor have put up their own amendments, which, of course, take this bill and the punitive measures in this bill further. If we're going to bother with federal legislation, we want federal legislation that's got teeth and will provide a disincentive to dodgy behaviour. We don't want to see companies that have installed non-compliant cladding getting away with it, as they have been. This amendment could be prospective looking forward, but then what do we do about the thousands of people and apartment owners seeking justice against directors and companies that may have, in some cases, knowingly put cladding on a building when they knew it wasn't fit for purpose? They may have well done that for their own reasons around their own profitability and costs, so we would prefer to see retrospective legislation with regard to these increased penalties.

If you look at the behaviour of the building industry itself and some of the public statements that have been made, they're happy to see this kind of activity crackdown, but notice that they don't want it to be retrospective, particularly in Victoria. On 26 November last year a story appeared in The Age about how the Master Builders Association wants an amnesty for builders to come forward and report potentially deadly flammable cladding without fear of prosecution. So, instead of facing the music, the peak industry body wants every single building company that has installed this dodgy stuff to get a free pass. We shouldn't allow that to happen. The parliament, we believe, needs to give the courts and ASIC the ability to go after these dodgy building companies fearlessly. Retrospective legislation is one important way to short circuit this phoenixing crisis in the building industry, and we believe, if we're going to have legislation here today—just to reinforce this point—it needs to have teeth, it needs to be a disincentive for dodgy behaviour and there needs to be consequences for breaking the law.

We believe, with the bill before us today, this is a very unique opportunity to have a strong, all-of-government response to the cladding crisis around this country. We don't know how deep that's going to go or how many companies haven't come forward, but we suspect that we're going to need billions of dollars to fix this colossal market failure, much of which, we believe, should come from a levy on the companies responsible. In the absence of that, or even with that, regular people, indeed the courts, require the ammunition and the toolbox to go after these dodgy builders, and we believe our amendment provides a simple way to give that to them. I would urge that all senators consider the Greens' amendment. I think my colleague Senator Faruqi will be talking to that further in the committee stage. So I urge all senators and all parties to consider supporting the Greens' amendment, and let's bring these dodgy directors of building companies to justice.

Senator PRATT (Western Australia) (11:33): Today we're of course debating the very important legislation before us that combats illegal phoenixing, the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill. This is an issue that costs everyday Australians a great deal of money. There's a big cost to the Australian economy, but, when you drill down to an individual level, subcontractors, creditors and workers are out of pocket and, in many cases, unpaid. We know that this is a process where a company director transfers assets from one company to another, disposes of them or just has them disappear privately, but when these assets transfer from one company to another, usually a related entity, the original company can be left with debts and no assets when the liquidators come in and wind up the old company.

We see that contractors, employees and creditors aren't paid. We see that subbies take a significant hit, and this can mean lost wages and lost superannuation.

I note, for example, that the government some time ago put in place the Fair Entitlements Guarantee. That is an important initiative that has seen many workers' entitlements protected. However, it doesn't protect subcontractors, and it doesn't take the stress off subcontractors who have to pay their own workers when they've missed out on their own payment from a company that they've been contracted by. So the Fair Entitlements Guarantee is not a panacea to these kinds of issues, and it leaves a significant liability to the taxpayer, when we know that these assets and the assets that should be there to pay these entitlements and to pay subbies have been moved around.
We know that workers are forced to line up behind secured creditors, meaning that they're often unlikely to recover entitlements like superannuation, which aren't covered by the Fair Entitlements Guarantee. As other speakers have highlighted, it also means that, with building faults and abandoned contracts—where someone's been contracted for a new build or a new kitchen—consumers are left considerably out of pocket. Consumers can move into a new building and find that there is no way for building faults to be addressed. This has happened to many people that I know—tenants in a building where the landlord is struggling to fix the issues with the building because the builder of that building has gone broke. This leaves tenants and landlords and owners of the building really in a very difficult place, because, if a building needs major reparations or reform to meet building standards, then they've got nowhere to go. That's despite the fact that the company which delivered that product that really didn't meet standards has moved their assets elsewhere and is still building homes or doing other activities that repeat the cycle over and over again.

I'm going to touch on ACTU's submission to the inquiry into this bill. It really brought home the impact of phoening on workers. Sadly, the clothing, textile and footwear industry in Australia does see these kinds of issues arise. The secretary within the CFMEU said: 'It was the hardest part of my job when I had to walk out of creditors' meetings and address groups of textile workers and tell them there's nothing left, "Your wages and superannuation are gone." These are working-class people, sometimes people who'd worked 10 years or more on low award wages, and I had to tell them that there's no money.' This is a significant issue in the clothing, textile and footwear industry and was raised by the union in Australia.

I want to say that the capacity of companies to have this kind of bad behaviour, where they've left behind their own workers, also undermines the competitiveness of Australian-made companies in the clothing and textile industry who do the right thing.

It's an incredibly negative thing to see this kind of phoening take place in Australia's clothing and textile industry—where they will pick up again and create new products and continue to underpay workers in the industry.

I'm delighted to say today—and it's just by coincidence, though I do wear a lot of it—that the dress I'm wearing, which I think is fantastic, is made by Cue. Cue is one of those companies that has high ethical standards in their wages and labour in Australia and does in fact employ Australians and has been recognised for their labour sustainability. The job of companies like Cue is made much harder when there are phoening activities, particularly activities where companies don't pay their tax and don't pay the superannuation of their staff. They make significant savings but they take the profits of that, they cut it out of the company and they move it into a phoex company. This is not fair on other companies that do the right thing. It's the same in building. It's the same in clothing and textiles. These are important issues that really must be addressed.

It's one of the reasons that Labor has put forward the need for all company directors to have a number that is connected to their personal identity irrespective of whether they turn up in a new company at a later date. People really do need transparency around these issues so that other subcontractors and workers can see that it's the same dodgy people behind these practices.

As evidence before the inquiry showed, PricewaterhouseCoopers suggested that the cost to the Australian economy of illegal phoening could be more than some $3 billion a year. It's clear in that sense that it costs all of us. We're very proud in the Labor Party that we think these are key issues and that we've been on the forefront of driving action on them. We want to see company directors that wind up these companies, leaving workers, tradies and suppliers up the creek without a paddle, held to account.

We believe the government has been very slow in coming to the table on these issues and has been sitting on its hands for too long. We are very supportive of the legislation that is before us, but we very firmly believe that it doesn't go far enough. Like I said before, we want to see a commitment to act on director identification numbers. Directors should have to provide 100 points of ID. Give the regulators the information that they need to properly tackle this problem at its very heart. Today it takes less ID to start a company than it does to open a bank account.

There are a great many stakeholders that support this reform: the Institute of Company Directors, the Small Business and Family Enterprise Ombudsman, the Productivity Commission, the Tax Justice Network, trade unions, the Australian Restructuring Insolvency and Turnaround Association and the Australian Chamber of Commerce and Industry. The government has in the past refused to vote for this policy. We are appalled that the government would deem it to be appropriate that it is possible for these shonky operators to continue to be able to rip off small businesses and their employees.

Some have also suggested that the bill in its current form won't be a silver bullet that solves the problem of illegal phoening activity. Indeed, Australia's foremost expert on phoening, Professor Helen Anderson of the Melbourne Law School, highlighted these issues to the Senate inquiry: ASIC already has the powers to prosecute
these issues, but the key issue has been about the resources that ASIC has and the need to amend the existing legislative framework, not to introduce new legislation and the new framework that we see here.

The Australian Restructuring Insolvency and Turnaround Association highlighted that existing legislation contains the tools to address illegal activity. Chartered Accountants Australia and New Zealand also expressed this view. They expressed very clearly that it could be better addressed via amendments to existing law rather than the new legislation we have before us. They said:

... we support reforms to combat illegal phoenixing activity, however we consider that this could have been achieved via amendments to existing laws rather than new, highly complex legislation.

It is, in that sense, a shame to see this legislation described as 'highly complex' at the same time as we have existing regimes sitting alongside it. It makes it very clear that the government should have given some attention to amending the existing regime. This was a very common theme. We in the Labor Party acknowledge these significant concerns. We believe it's appropriate to assess whether these reforms are working, and we will be moving an amendment to this end within the legislation before us.

The lack of focus on enforcement that currently exists and that this legislation doesn't fix means that there is very little deterrent effect on those operators who engage in this kind of activity. We want to see the resourcing of ASIC improved. They have limited resources to address these issues and to go after all the different kinds of misconduct reports that they receive. The ACTU highlighted this before the Senate committee. They said:

Whilst the proposed amendments may make ASIC's task in prosecuting illegal phoenixing behaviour easier, they will be of little value without a significant increase in ASIC's resources and willingness to deploy them forcefully.

So, with these scarce resources to prosecute its current remit, it is very difficult to see how ASIC will be able to fully utilise its new powers. We want to see the government focus on resourcing the corporate watchdog so that it is able to work through prolonged and difficult cases without draining its resources.

So we on this side of the chamber, in the Labor Party, are looking forward to making sure that these reforms are resourced and that the instruments are properly implemented by this government to ensure corporate integrity and good behaviour in our country. It is simply not right that creditors, contractors, tradies and workers are the victims of illegal phoenixing in this nation. We must act to protect them from dodgy operators.

Senator BILYK (Tasmania) (11:47): Labor welcomes the government's legislation to combat illegal phoenixing, the Treasury Laws Amendment (Combatting Illegal Phoenixing) Bill 2019. We have been calling for action on this issue for some time, and we're pleased that the government is finally coming forward with a bill that will strengthen the powers of regulators.

The practice of phoenixing involves stripping the assets of a company to avoid paying debts. The assets are then transferred to a new company which continues the same business activity, usually under a new name, while the creditors of the old company are left out of pocket. This practice is unlawful and is a form of theft. It robs legitimate businesses who do the right thing of their income, and it robs workers of their entitlements. It also robs the Australian Taxation Office of GST, income tax and other revenues to which they are entitled, placing an unfair burden on public services and other taxpayers. PricewaterhouseCoopers estimates that phoenixing cost the Australian economy at least $5 billion just in 2016-17. This includes $3.2 billion in unpaid bills, $300 million in unpaid employee entitlements and $1.7 billion in unpaid taxes and compliance costs.

While robbing the Australian economy of $5 billion a year is unconscionable, what is even more tragic is the individual stories of creditors who have been impacted by this crime.

Workers are no doubt amongst some of the most vulnerable creditors, as they rely on their fair entitlements for day-to-day living. In their submission on the exposure draft of this bill, the Australian Council of Trade Unions talked about the impact of phoenixing on workers. Their submission quoted Vivienne Wiles, an industrial officer with the CFMMEU, who recounted having to break the news to textile workers that their entitlements had been stolen. Ms Wiles said:

It was the hardest part of my job when I had to walk out of creditors' meetings and address groups of textile workers and tell them, 'there's nothing left, your wages and superannuation are gone'. These were working class people, sometimes who'd worked ten years or more on low award wages, and I had to tell them that there's no money.

This would be devastating news to any worker and their family. I ask those on the other side to imagine how they would feel if all of a sudden all their superannuation was just gone and they weren't able to access it.

We've heard numerous examples this morning from a lot of other speakers about the broad range of areas impacted by illegal phoenixing, like building and construction and textile workers; Senator Sterle gave some examples in the trucking industry. It is very, very broad ranging. It's particularly galling to know that practitioners of illegal phoenixing can carry on in another business, having stolen the entitlements that workers and their families rely on to pay the rent, put petrol in the car and put food on the table.
Fortunately, there have been some successful prosecutions of this crime. I'm aware, for example, of a case of illegal phoenixing in my home state of Tasmania that was brought to court by the Australian Securities and Investments Commission. Amy Timko was the sole director of a business called, ironically, A Twisted Little Company, or ATLC for short, which operated noodle-box franchises in northern Tasmania. She sold the plant and equipment of ATLC to another company for $30,000 and authorised the transfer without receiving payment. ATLC then went into liquidation, and its franchise lessees were reassigned to a new company, contrary to franchising agreements between ATLC and the franchisor. Ms Timko received a two-month suspended sentence and was disqualified from being a company director for five years.

An Australian Taxation Office crackdown on 340 companies which were audited for phoenixing activity in 2018 resulted in $270 million in tax bills being issued. While some people who engage in phoenixing are successfully caught and prosecuted, it is a practice that has persisted despite attempts over decades to crack down on this bad behaviour. Sadly, if the PwC report is accurate, the successes that our agencies achieve are really only scratching at the surface of the issue. But even when criminals are caught and prosecuted, this does not mean creditors automatically receive their money; they have to take action separately.

The bill before us now includes a new phoenixing offence that will catch directors who make creditor-defeating dispositions, defined as the transfer of assets from a company when the company was insolvent, became insolvent because of the transaction within 12 months, or enters into administration within 12 months of the transaction. This will allow ASIC to make orders to recover company property in phoenixing cases. Also included in the bill are new measures preventing directors from improperly backdating their resignations. This is a little trick that a number of them use—they backdate their resignation to avoid personal liability. The bill also provide new powers for the ATO in relation to GST liabilities in tax refunds, which will improve their ability to pursue tax cheats who seek to defeat the ATO through the use of illegal phoenixing.

Labor welcomes these measures, but we do believe that the government can and must go further. Professor Helen Anderson of Melbourne Law School is Australia's foremost expert on phoenixing. She stated that this bill will not solve the phoenixing problem. It's worth noting Professor Anderson's comment, in her submission to the exposure draft, that part of the problem with cracking down on phoenixing is the lack of enforcement by ASIC of existing provisions.

Labor will be moving amendments to strengthen this bill, and we urge the government and the crossbench to support them. We are going to move an amendment to require a statutory review to be conducted. This approach is supported by stakeholders and will provide better evidence for any future reforms to phoenixing law and additional support for ASIC's enforcement processes. We are also going to move detailed amendments to implement director identification numbers, DINs. Implementation of DINs would require company directors to be registered with a unique identification number on a government registry following an identification check.

They would make it easier to track directors who regularly engage in phoenixing activities, because, right now, it's far too easy to register as a director. You don't need 100 points of identification. In fact, it's easier to register a company than it is to open a bank account. Given the lax system of identifying directors, it's also easy to register someone else as a director without their knowledge or someone who has died, or a fake name or even your family pet. On top of this, there are real cases of peoples' names being used by criminals for directorships without their consent, and the consequences for those victims have often been disastrous.

Labor made a commitment to implement DINs in the lead-up to the last federal election. This measure should be easy for the government to support given they previously moved legislation to implement DINs legislation, which has now lapsed. The government's commitment to DINs was made as far back as the 2018-19 budget—that's 21 months ago. And what have we seen them doing in between? They've been attacking unions and the people who represent these workers—unions that often go in to represent workers when a company has been illegally phoenixed, in fact.

We've had numerous hours of the government taking every possible opportunity they have to attack the unions that support the workers who are going to lose their entitlements, but they can't have done this in the last 21 months. For a third-term government, you would think by now they would know what they were doing and would be able to get a bit better organised. So we're giving the government a belated opportunity to finally deliver on this commitment. If they're true to their promise, they will greet that opportunity with open arms.

The implementation of DINs has the support of several stakeholders, including the Australian Council of Trade Unions, the Australian Institute of Company Directors, the Australian Chamber of Commerce and Industry, the Small Business Ombudsman and many others. Professor Anderson said in her submission to the exposure draft of the bill:
A properly implemented director identification number that makes it clear to the would-be director that ASIC and the ATO can see their present and previous corporate dealings is vital.

I'll conclude my contribution to this bill by making some further observations about the impact of phoenixing on workers. The ACTU, in their exposure draft submission, noted that the Fair Entitlements Guarantee is a limited scheme. It does not cover all entitlements and it still leaves workers out of pocket. One of the common entitlements not paid by directors who engage in phoenixing is a superannuation guarantee, which is not covered by the FEG and, in many cases, has not been paid over the course of the workers' employment. Who loses when the employer hasn't paid the superannuation? It's the workers, again. It's the workers who rely on the unions, once again, to go to bat for them to get their entitlements. Unfortunately, the ATO has a poor record of recovering these entitlements as well, and more needs to be done to crack down on superannuation theft.

The FEG is a welcome measure to protect employees' entitlements. It was only ever meant to cover entitlements in the event of genuine corporate failure. The rapid growth in the funds paid out under the FEG indicates that some companies are deliberately restructuring their arrangements to avoid paying employee entitlements and relying on taxpayers, through the FEG, to pick up the tab. Effective measures to combat phoenixing will not only reduce the burden on taxpayers through the FEG but also ensure that more workers are able to receive 100 per cent of their entitlements, which is how it should be.

For the sake of workers, taxpayers and other creditors who are unfairly impacted by the crime of phoenixing, Labor does support this bill. I urge the government to go even further in combatting phoenixing by accepting our straightforward and sensible amendments.

Senator HUME (Victoria—Assistant Minister for Superannuation, Financial Services and Financial Technology) (11:59): Firstly, I would like to thank those senators who have contributed to the debate this morning. I think for the most part it's been very constructive and supportive of the government's position. This bill, the Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019, amends the Corporations Act 2001, the A New Tax System (Goods and Services Tax) Act 1999 and the Taxation Administration Act 1953 to address illegal phoenixing activity.

Illegal phoenixing has been a problem for successive governments over many decades. Illegal phoenix activity hurts all Australians, including small businesses and individual contractors and suppliers that are left unpaid and out of pocket; customers who get scammed by not receiving their paid goods and services; and employees who haven't been paid their entitlements. Ultimately, all Australian taxpayers are the ones who bear the burden of unrecovered tax debts left behind by phoenixing activity.

This bill will give our regulators additional enforcement and regulatory tools to better detect and disrupt illegal phoenix activity, and to prosecute and penalise directors and others who engage in or facilitate this illegal activity. There has been broad consultation with stakeholders on the policy and legislation. There is a parliamentary amendment put forward by the opposition that seeks a review of the operations of schedules 1, 3 and 4 of the bill five years after the act receives royal assent. The government, I should flag to the chamber, has agreed to this review after a five-year period. Five years, we believe, is an appropriate period for insolvency and tax law reform and should ensure there is sufficient data to support the review, so we will be supporting that amendment.

This bill was previously considered by the Senate Economics Legislation Committee, which recommended that the bill be passed. The Morrison government is committed to tackling illegal phoenixing activity to protect honest and hardworking Australians and small businesses, employees and taxpayers. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator PATRICK (South Australia) (12:02): I have a question for the minister in relation to the main bill. It relates to the tax liability—that is, GST liability that is assigned to a director. I understand the reasoning behind that, and Centre Alliance are supportive of that. However, as I said in my contribution to the second reading debate, it's always been the intention of the corporate veil not to act as a barrier to dealing with misconduct or breach of regulations. The intent of that was to apply to people who start up a company operating in good faith and who come across some misfortune that was unintended and end up in a situation where they bear the liability. That can be a disincentive to investment. In that context I'd like to ask a question, and perhaps give an example. I'm trying to understand how the tax office will deal with situations where you have an unintended consequence. I'll start by saying that a scenario might involve a company, 'Our Perfect Company Pty Ltd'. They are doing work with an overseas company that is providing services. The company employs three subcontractors—small businesses. They might each do $100,000 worth of work, and of course the company is waiting on a $500,000
payment to cover off on the work done by each of the three subcontractors and, obviously, some work that the company themselves have done.

The company has the ability to pay their own tax liabilities. As is often the case, they may be working on other projects. They have cash in the bank and can meet the liabilities, but suddenly the overseas entity indicates to them that they can't pay the bill, that they are not going to be able to pay the bill for another month or month and a half. That leaves the director in a position where he has to go to the subcontractors. I have personally been in this sort of situation where a subcontractor is new in business and doesn't have cash reserves and is struggling. So the director is now faced with a choice—'Do I use the reserves of cash to pay my GST liabilities or my tax liabilities, or do I pay my subcontractor with the hope that I eventually get paid from overseas, knowing full well that if I don't pay the subcontractor they'll go under and I like the subcontractor; they do good work? That's the sort of situation that you can confront. I personally confronted that exact situation in relation to business. I just want to understand how the tax office will deal with those sorts of circumstances. What measures are in place to make sure that the tax office is going to be reasonable in those sorts of circumstances?

Senator HUME (Victoria—Assistant Minister for Superannuation, Financial Services and Financial Technology) (12:06): The aim of this bill is certainly not to have a negative impact on honest directors that are potentially affected, whether it be by illegal phoenixing by other organisations that owe them money or by late payment, which affects cash flows. We are very aware of this, though. The government understand the effects of illegal phoenixing generally are very widespread and that's why we are committed to stopping it.

There are certainly some circumstances where a director who is doing the right thing is unfairly impacted by the actions of other companies and whose business may well be left unable to pay what it owes to creditors, and that includes the ATO if they themselves have not been paid and might be left out of pocket. That's not a new problem for all businesses, particularly small businesses. In circumstances where a business is clearly doing the right thing and cannot meet its tax obligations, the ATO will of course work with those businesses to set up a payment plan and to find a way to repay the debts in a timely manner.

Senator PATRICK (South Australia) (12:07): That's a very helpful answer. I am just wondering: will there be formal procedures put in place to recognise that sort of circumstance and guide tax officials when confronted with those circumstances?

Senator HUME (Victoria—Assistant Minister for Superannuation, Financial Services and Financial Technology) (12:07): Those processes are already in place now, so they don't necessarily need to be formalised as part of this particular bill.

Senator PATRICK (South Australia) (12:07): I'd be grateful if you wouldn't mind perhaps tabling those processes that are already in place at a later stage on notice.

Senator HUME (Victoria—Assistant Minister for Superannuation, Financial Services and Financial Technology) (12:08): They are just general rules and there should be publicly available information on how to go about that, so that's not part of this bill. I think that simply going to the ATO website would probably be a good start as to how you go about setting up a payment plan.

Senator PATRICK (South Australia) (12:08): I've been to the ATO website. It is a massive site and can lead you down all sorts of pathways. If you could direct me or someone in my office to the particular area, I'd be most grateful.

Senator HUME (Victoria—Assistant Minister for Superannuation, Financial Services and Financial Technology) (12:08): We can certainly take that on notice. I can't direct you to exactly the right spot right now, but that is something we can certainly do.

Senator McALLISTER (New South Wales) (12:08): by leave—I move opposition amendments (1) and (2) on sheet 8862 together:

(1) Clause 2, page 2 (table item 1), omit "Sections 1 to 3", substitute "Sections 1 to 4".
(2) Page 2 (after line 11), after clause 3, add:

4 Review of operation of amendments

(1) The Minister must cause an independent review to be conducted of the operation of the amendments made by Schedules 1, 3 and 4 to this Act.

(2) The review must start as soon as practicable after the end of 5 years after this Act receives the Royal Assent.

(3) The persons who conduct the review must give the Minister a written report of the review.

(4) The Minister must cause a copy of the report to be tabled in each House of the Parliament within 15 sitting days of that House after the report is given to the Minister.

CHAMBER
I note that the minister has indicated that the government intends to support those amendments. We appreciate the support. Essentially, as I flagged in my speech in the second reading debate, these amendments seek to ensure that these laws are reviewed after five years to allow us to assess whether or not they are working as intended. Question agreed to.

Senator FARUQI (New South Wales) (12:09): by leave—I move Greens amendments on sheet 8840 together:

(1) Clause 2, page 2 (table item 3), omit "and 4", substitute ", 4 and 5".

(2) Page 40 (after line 12), at the end of the Bill, add:

Schedule 5—Other provisions relating to directors

Corporations Act 2001

1 After section 184

Insert:

184A Duties in relation to building products

(1) A director or other officer of a corporation commits an offence if:

(a) the director or officer has a duty under this section; and

(b) the director or officer fails to comply with the duty.

(2) A director or officer of a corporation that designs, manufactures, imports, supplies or installs external wall cladding products has a duty under this section to take all reasonable steps:

(a) to acquire, and keep up to date, knowledge of matters about the safe use of external wall cladding products; and

(b) to gain an understanding of:

(i) the nature of the corporation's business activities relating to external wall cladding products; and

(ii) safety risks and non-compliance risks associated with external wall cladding products; and

(c) to ensure the corporation has, and uses, appropriate resources to remove or minimise the risks mentioned in paragraph (b)(ii); and

(d) to ensure the corporation has, and implements, appropriate processes:

(i) to remove or minimise the risks mentioned in paragraph (b)(ii); and

(ii) for receiving, considering, and responding in a timely way to, information about the risks mentioned in paragraph (b)(ii) and any incidents arising from the risks; and

(e) to verify the resources and processes mentioned in paragraphs (c) and (d) are being provided, used and implemented.

2 Section 185 (heading)

Omit "184", substitute "184A".

3 Section 185

Omit "184", substitute "184A".

4 Section 186 (heading)

Omit "184", substitute "184A".

5 Section 186

Omit "184", substitute "184A".

6 Subsection 200E(4)

Omit "or 184", substitute ", 184 or 184A".

7 After section 206EAB

Insert:

206EAC Court power of disqualification— involvement in certain creditor-defeating dispositions

(1) On application by ASIC, the Court may disqualify a person from managing corporations for up to 20 years if:

(a) the person is a director of a company; and

(b) there is:

(i) a creditor-defeating disposition of property of the company; or

(ii) a disposition of property (whether before or after the commencement of this subsection) of the company that would have been a creditor-defeating disposition if the amendments made by the Treasury Laws Amendment (Combating Illegal Phoenixing) Act 2019 had been in force at the time the disposition was made; and

(c) the company, at any time (whether before or after the commencement of this subsection):

(i) designs, imports, supplies or installs an external wall cladding product for a particular use; and

(ii) the external wall cladding product is a non-conforming building product for that use; and
(d) the Court is satisfied that the disqualification is justified.

(2) For the purposes of subparagraph (1)(c)(ii), a building product is a **non-conforming building product** for a particular use if one or more of the following apply:

(a) the product is not safe for the use;

(b) the product does not comply with the National Construction Code (as in force or existing from time to time);

(c) the product does not perform, or is not capable of performing, for the use to the standard it is represented to perform by the company.

(3) In determining whether the disqualification is justified, the Court may have regard to:

(a) the person's conduct in relation to the management, business or property of any corporation; and

(b) any other matters that the Court considers appropriate.

8 Sections 230 and 260E

Omit "and 184", substitute ", 184 and 184A".

9 Subsections 420A(2) and 442CB(3)

Omit "or 184", substitute ", 184 or 184A".

10 Paragraph 579(2)(a)

Omit "or 184", substitute ", 184 or 184A".

11 Paragraph 1274AA(1)(a)

After "206EAB," insert "206EAC,"

12 After paragraph 1274AA(2)(aba)

Insert:

(abc) every court order referred to in section 206EAC; and

13 Schedule 3 to the Act (after the table item dealing with subsection 184(3))

Insert:

<table>
<thead>
<tr>
<th>Subsection 184A(1)</th>
<th>15 years imprisonment</th>
</tr>
</thead>
</table>

As already indicated by my colleague Senator Whish-Wilson, the Greens do support this bill, but we also realise that what this bill does not do is specifically crack down, and crack down hard enough, on building companies who are phoenixing to avoid paying their debts and avoid taking responsibility. Builders who declare bankruptcy to avoid sanctions for their shoddy works are constantly resurfacing as new businesses in the building industry.

We know that phoenixing is rife in the building industry, and a huge part of that could actually be linked to the cladding crisis.

Everyone in this chamber is well aware of the fire in the Lacrosse building in Melbourne, which was directly linked to the external building's flammable cladding. The Melbourne Metropolitan Fire Brigade concluded in their investigation of the Lacrosse fire that the rapid vertical spread of the fire was directly associated with the external cladding. This is a terrible issue on its own, and it's actually made much worse and is further exacerbated by the issue of phoenixing in some of the cases.

One of the most egregious examples of phoenixing being a huge issue in the building industry is happening in Victoria with the Hickory Group. Twenty-five properties built by this group have been identified by the state-wide cladding audit as having non-compliant cladding. At least 17 of the company's non-compliant buildings, some of which have hundreds of apartments, have been rated at high risk or extreme risk of fire. As of September 2019, Mr Michael Argyrou has been a director and/or secretary of 40 companies which are now deregistered. Two more companies of which he was director are in administration and three are in the process of being struck off after the company sought voluntary deregistration. Mr George Argyrou, the company's joint managing director, is a former director and/or secretary of 27 deregistered companies.

These amendments effectively do two things. Firstly, they create a duty for directors and officers of corporations that design, manufacture, import, supply or install external cladding products to take every single reasonable step that they can to keep up to date with cladding products, to understand what the safety risks are, and to take appropriate actions and steps to minimise and remove these risks. This will help stop the dodgy directors of these dodgy companies. Secondly, and this is the most powerful part of these amendments, these amendments give the courts the power to disqualify a person from managing corporations for up to 20 years if (1) they were a director; (2) they engage or engaged in phoenix activity, and that uses the current framework of the act as it exists; and (3) the company at any time designed, imported, supplied or installed wall cladding products that were nonconforming according to the National Construction Code. Lastly, these amendments require that the
court is satisfied that the disqualification is justified with regard to the person's conduct and any other matters the court considers appropriate.

I'll say in conclusion that it is really important that companies who have installed flammable, non-compliant cladding must be brought to justice. These dodgy companies cannot be allowed to get away, and the courts as well as ASIC should pursue them relentlessly. Of course, this issue of cladding, which has hurt so many people, needs to be addressed by a whole-of-government response to this crisis. I knew that New South Wales and Queensland have already called on the federal government to take more responsibility and to act on this issue. But I think today we have an opportunity to make a real change on this issue. This is exactly what these amendments do. I urge my colleagues to support these amendments.

Senator PATRICK (South Australia) (12:14): I rise in support of the amendments that have been moved by the Greens. Senator Faruqi mentioned the Grenfell fire and the fire in Melbourne. It's a terrible situation that we've got. Around the country, we've got a number of buildings that are clad with flammable material. 'Wrapped in petrol', I think, is the phrase that is often used because of how flammable this cladding can be. When the Senate looked at this through the non-conforming building products inquiry, chaired by then Senator Ketter, which did a fantastic job of examining this, one thing was really clear in relation to cladding, and that was that there was a lack of responsibility. Whether it was the builder who falsely making declarations about the nature of the cladding, whether it was the builder who had selected a particular type of cladding because it was a couple of dollars per square metre cheaper or whether it was the building surveyor who simply wasn't in a position to work out post facto whether the cladding was flammable or non-flammable, there was finger pointing: 'Anyone but me.' What this amendment does is assign responsibility to the people who are in direct control of their activities and are in a position where they can stop this from occurring. So it's great. It's not about government regulators who might be distant. It's not about the person who's acquired the building having to do their own due research. It places responsibility right where the control is, and as such it's a good measure. I thank the Greens for introducing these amendments to the bill, and Centre Alliance will be supporting them.

Senator HUME (Victoria—Assistant Minister for Superannuation, Financial Services and Financial Technology) (12:16): The government definitely agrees that non-conforming building products are a very important issue. It was an issue that was well examined by the Senate Economics References Committee over the last couple of years. This particular bill was designed to capture directors who illegally phoenix a company, and that includes property developers who strip assets after building shonky buildings. However, phoenixing is certainly not limited to property developers, and as such this bill is intentionally industry agnostic. So we will not be supporting the amendments proposed by Senator Faruqi. I do want to emphasise that the safety and security of fellow Australian will always be a priority of the Morrison government. However, issues related to combustible cladding are more appropriately dealt with through the National Construction Code, implementation and regulation of which remains a matter for states and territories. The National Construction Code is the appropriate place to deal with these matters, not the illegal phoenixing legislation.

A significant achievement for Australia's building and construction industry has been securing agreement from the states and territories to work together on a national framework to restore confidence in the quality and safety of Australia's built environment. In fact, the Building Ministers Forum, the BMF, which is chaired by Karen Andrews, the Minister for Industry, Science and Technology, has actually tasked the Australian Building Codes Board, the ABCB, with delivering a national framework that ensures a nationally consistent approach to implementing the Building confidence report recommendations. Significant progress has already been made by the ABCB implementation team in delivering on that national approach. In fact, building ministers received an update from the ABCB on this work at the last Building Ministers Forum in December 2019, just a couple of months ago, and a key milestone will be the release of an amendment to the National Construction Code next month, which will take steps to address several recommendations of the Building confidence report. That amendment will include a far more robust approach to documentation to strengthen design, consistency and quality. Indeed, this is intended to address the concerns that you have about the safety of high-rise buildings through greater safeguards for the design, construction and certification of these buildings. The government believes that this is a really terrific step forward, and it has been heralded by industry and by the community as the only way to improve compliance and trust in Australia's building and construction sector.

Senator McALLISTER (New South Wales) (12:19): Labor of course supports action on dodgy builders and improvements to building safety and quality. A number of contributions so far have referenced the committee process. It ran over two parliaments, it was led and driven by Labor senators, it took 164 submissions, it had 10 hearings all over the country and it was a very important piece of policy work achieved by the Senate that illuminated the very complex set of changes that needed to take place to bring accountability to this sector.
Unfortunately, as Senator Faruqi will know, in our home state of New South Wales there are still very substantial problems. There are a range of current issues where investors and owners associated with very substantial infrastructure projects, particularly the towers, have been left in a very uncertain situation, and this remains a very serious and urgent policy problem for governments, state and federal, to tackle.

Our concern with these Greens amendments is that the provisions to add new, specific directors’ duties in relation to building materials seem unlikely to be effective in tackling this problem. As the Shergold and Weir report points out and as the Senate inquiry pointed out, it is a much more complex problem than this. Directors are in fact already required to act in good faith, they can already be found personally liable for breaches of the law in a range of circumstances and it’s our view that these new specific provisions around building materials are not what will make directors behave any better. As the contributions to the Senate inquiry on this legislation made clear, what is most needed is focused regulatory activity by ASIC, properly resourced to do its task.

So we won’t be supporting the amendments, but it remains the case that we consider this a priority and we are happy to work closely with the Greens or any other interested parties in this place to progress legislation that will make Australian buildings safer, more fireproof and simply better.

The CHAIR: The question is that Greens amendments (1) and (2) on sheet 8840, as moved by Senator Faruqi, be agreed to.

The committee divided. [12:26]

(The Chair—Senator Lines)

Ayes .....................11
Noes .....................46
Majority ..................35

AYES

Di Natale, R
Griff, S
McKim, NJ
Rice, J
Steele-John, J
Whish-Wilson, PS

Faruqi, M
Hanson-Young, SC
Patrick, RL
Siewert, R (teller)
Waters, LJ

NOES

Antic, A
Ayres, T
Bragg, A J
Canavan, MJ
Ciccone, R (teller)
Dodson, P
Farrell, D
Green, N
Henderson, SM
Kitching, K
Lines, S
McCarthy, M
McKenzie, B
O’Neill, D
Paterson, J
Polley, H
Remnick, G
Roberts, M
Seselja, Z
Smith, DA
Sterle, G
Urquhart, AE
Walsh, J

Askew, W
Bilyk, CL
Brockman, S
Chandler, C
Davey, P
Duniam, J
Gallagher, KR
Hanson, P
Hume, J
Lambie, J
McAllister, J
McDonald, S
Molan, AJ
O’Sullivan, MA
Payne, MA
Pratt, LC
Reynolds, L
Scarr, P
Sheldon, A
Smith, M
Stoker, AJ
Van, D
Watt, M

Question negatived.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.
Third Reading

Senator HUME (Victoria—Assistant Minister for Superannuation, Financial Services and Financial Technology) (12:31): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

National Vocational Education and Training Regulator Amendment Bill 2019

Second Reading

Consideration resumed of the motion:

That this bill be now read a second time.

Senator FARRELL (South Australia) (12:32): I rise to contribute to the debate on the National Vocational Education and Training Regulator Amendment Bill 2019. Labor will not oppose this amendment bill. The bill seeks to reform the operation of the Australian Skills Quality Authority, ASQA, the national VET regulator, to strengthen its powers, enhance protections for students and improve transparency to assist RTO compliance. The proposed reforms largely implement recommendations of independent reviews that have been supported by the sector.

The key amendments will impose a new condition of registration that requires RTOs to demonstrate a commitment and a capability to deliver quality VET, and to strengthen and clarify existing ASQA powers with stronger civilian penalties and powers to make directions. It will require the production of audit reports and enable public sharing of information on RTO performance to improve transparency; it will expand ASQA's scope to adopt a more educative approach to lifting quality in VET; and, finally, it will shift ASQA to a full cost-recovery model.

Stakeholders in the sector support the intention of the bill but have noted their frustrations with the lack of consultation about the legislation. There remains some uncertainty as to how many of the changes will actually work in practice. Of particular concern to Labor is ASQA moving to a minister-directed full cost-recovery model. It may mean that some providers pass the cost of ASQA services onto students. The change contradicts the recommendations of the Joyce review, which stated:

It is important that ASQA be adequately resourced to perform the guidance and educative role and to perform its role more generally. In many jurisdictions there is an understood difference between parts of the regulator's activity that should be directly funded by the regulated through cost recovery arrangements versus what are broader activities for the 'public good', and should therefore be government funded.

The Joyce review specifically noted that ASQA should be resourced to provide broad education and guidance to the VET sector. We will monitor the ongoing adequacy of the funding of ASQA to ensure that it can perform regulatory and educative tasks. Labor has always backed, and will continue to back, a strong and comprehensive regulatory compliance and education framework for ASQA. Following the widescale rorting of the VET FEE-HELP program, ASQA's work is crucial in attempting to rid the sector of low-quality and unscrupulous providers. Labor supports a fair and considered approach to ASQA reforms. We will support changes that improve ASQA's capacity to ensure responsiveness to students, communities and employers but will reject changes that attempt to weaken ASQA's regulatory framework.

More broadly, this is just another tweak from a third-term government who simply refuse to deliver a genuine reform package that overhauls the vocational training sector. The Liberals have in fact slashed funding to TAFE and training, let apprentice numbers fall and preside over a national shortage of tradies, apprentices and trainees. More than seven years of Liberal government has left Australia facing a crisis in skills and vocational training. If the Liberals don't do something serious to fix the skills crisis that they have created, we could be looking at the extinction of Australian tradies. Under the Liberals, there are 150,000 fewer apprentices and trainees and a shortage of workers in critical services, including plumbing, carpentry, hairdressing and motor mechanics. The Liberals have cut TAFE and training by over $3 billion. The number of Australians doing an apprenticeship or traineeship is lower today than it was a decade ago. There are more people dropping out of apprenticeships and traineeships than finishing them. There has been a nearly 10 per cent increase in the number of occupations facing skills shortages. I can see you're very concerned about that, Madam Acting Deputy President Askew, and so you should be.

While the Australian Industry Group says 75 per cent of businesses surveyed are struggling to find the qualified workers they need, there are about 1.9 million Australians who are either unemployed or underemployed. We are simultaneously experiencing a crisis of youth unemployment and a crisis of skills shortages. One of these crises is
bad enough, but to be faced with both at the same time is hard to imagine. But here we are confronted with both. While businesses are struggling to fill the skilled positions they have on offer, we have young people desperate for work who cannot fill those positions because they haven't been given the chance to gain the skills that the roles require. Why isn't Scott Morrison training these people for jobs in industries where there is a shortage of workers? The answer is: because the Liberals have cut funding to TAFE training. Even though this is the case, and it's plainly obvious that it is, the government refuse to properly fund the sector. They refuse to give the proper reform that is so desperately needed.

Young people have been clear about what they need. They need a skills training sector that is properly funded, properly resourced and has educators who are properly trained and able to skill them up with the pathway to meaningful employment. The government hasn't delivered on a single element of those requests. The Liberal government doesn't care enough or doesn't have the capacity to do the hard work that needs to be done to build a better post-school system. Fiddling at the edges of the current system will not address the profound problems that undermine vocational education and training and, consequently, the productive performance and international competitiveness of our economy.

Unlike Labor, the government does not understand the critical role of TAFE as the public provider, the value in skills and apprenticeships, or the value of hardworking and passionate public TAFE teachers. If we continue down this path we will severely jeopardise our future economic growth, undermine the opportunity of individual Australians to meet their full potential and—very importantly—compromise our ability as a nation to compete with the rest of the world using the skills, knowledge, discovery and invention of our people.

We know that nine out of 10 jobs created in the future will need a post-secondary school education, either TAFE or university, so we need to increase participation in both universities and our vocational education sector to make sure that our young people are prepared for the world of work, which is changing so very quickly. We need to value the role of an appropriately funded VET sector for the training, skills and apprenticeships it provides to so many Australians and its vital role in driving the economy and enhancing industry.

This third-term government simply refuses to deliver a genuine reform package that overhauls the higher education sector and that properly funds both vocational training providers and universities to deliver the services that students need. So, while Labor will not oppose the bill, we remain deeply concerned for the management of skills and vocational education under this third-term Liberal government.

**Senator FARUQI** (New South Wales) (12:41): I rise to speak on the National Vocational Education and Training Regulator Amendment Bill 2019. This bill implements recommendations of the Braithwaite and Joyce reviews of vocational education and training and makes additional amendments to the act. The Greens will not be opposing this legislation. We note, however, that this bill does nothing at all to reverse the government's malicious underfunding and undermining of public vocational education and training through our public TAFE system. It's a good measure of how slow this inept government is in conducting its business that its response to the Braithwaite review has been public for 18 months yet we're just now seeing legislation to enact it.

We need a strong, independent regulator in ASQA to hold dodgy private providers to account and prevent them from ripping off students and defrauding the government of public funds. Many of the changes in this bill are welcome, including a stronger threshold for provider registration and options for increasing transparency. This will help students navigate the world of competition-driven, privatised vocational training that the Liberals and Labor have built and watched fall to ruins.

ASQA's ability to operate effectively relies on it having the resources it needs and strong independence. I am concerned that this bill's expansion of the scope of directions that the minister can give ASQA opens the door to ministerial interference akin to Minister Birmingham's meddling in the Australian Research Council's recommendations or to recently departed Minister McKenzie's sorting of sports grants. It leaves the door open to the misuse of powers by ministers. Time and again we've seen that those opposite are willing to compromise the independence of public services and regulators to their own political ends. You can be sure that I will be watching closely to ensure that the government's mates in the for-profit education sector don't get a free regulatory ride.

What is wholly missing from this legislation, however, and indeed from any vocational education and training legislation the government has on its agenda, is any sign that it intends to cease its slow put purposeful destruction of our public TAFEs. As Anna Hush, a PhD student from UNSW, writes:

TAFE trains over half a million people each year to do some of the most socially important work, like nursing, plumbing, construction, childcare and community work. However, the TAFE system in Australia is woefully underfunded, the federal Coalition government having cut $3 billion from the sector since 2013.

Skills and training are incredibly important for the future, a future where we set ourselves up to be a renewables powerhouse, with a just transition from polluting fossil fuels to long-term-sustainable and life-making work. Skills
and training will also be vital for the resurgence and recovery of Australian manufacturing, which is fundamental to this new future, as it becomes part of addressing the twin challenges of growing inequality and climate degradation. Just and sustainable manufacturing with decent jobs that value workers, where participation and inclusion are fundamental—

Debate interrupted.

STATEMENTS BY SENATORS

The ACTING DEPUTY PRESIDENT (Senator Askew) (12:45): Senator Faruqi, it is 12.45 and we will proceed to senators' statements.

Paradise Dam

Senator McGrath (Queensland—Deputy Government Whip in the Senate) (12:45): Last year, I along with other members of the Liberal and National parties raised concerns about the biggest infrastructure fail in Australia's history—that is, the scandal of Paradise Dam.

Senator Rennick: Shame!

Senator McGrath: Thank you, Senator Rennick; it is shameful. Today I note with some concern and exasperation that the Queensland state Labor government have all but confirmed this status—that Paradise Dam is a national disgrace. And it is a hidden national disgrace. Late yesterday afternoon, the Labor government in Queensland rammed laws through state parliament to allow the government to lower the dam wall by five metres. Commissioned in 2005 by then premier Peter Beattie, this $200 million dam now stands to be condemned to a significantly reduced capacity, sitting at just 42 per cent. When Labor premier Peter Beattie commissioned the dam in 2005, he said:

The dam has the potential to increase net wealth in the region by up to $800 million a year and create more than 7,000 new jobs over time as industrial and agricultural businesses get better access to water and expand their activities.

The people of Bundaberg and the broader Wide Bay-Burnett region took Peter Beattie and the then Labor government at its word—big mistake, because we all know that when Labor speaks, Labor lies. The locals invested in farms, they employed workers, they purchased equipment and they built a food bowl of fruit and veggies and nuts, such as the macadamia nuts that Australia is rightly proud of. Not for the first time, the people of Bundaberg were let down by a state Labor government.

Both I and the LNP fully appreciate the need to ensure the safety of the Bundaberg community, particularly after the flood events of 2013. But, rather than outline the safety issues in any detail, in September last year the Palaszczuk Labor government had the audacity to announce their plans to release 80,000 megalitres of liquid gold from this dam by dressing it up as 'free water'. In the same press release, the chairman of the dam's operator, Sunwater, said they would seek tenders by November 2019 with a view to works starting by May 2020 to lower the dam spillway by five metres. Since then, the Palaszczuk Labor government has reportedly flushed away 105,000 megalitres of water from this dam during one of the worst droughts on record. They flushed water out to sea during one of the worst droughts in the history of Australia.

In the face of such difficult news, the local farmers of the Bundaberg Fruit & Vegie Growers didn't undertake mass demonstrations on George Street, they didn't glue themselves to pedestrian crossings and they didn't riot in the streets; they sought out an international expert with more than 50 years experience in geotechnical and civil engineering, safety evaluation and rehabilitation of dams, Dr Paul Rizzo, to provide an independent report into future options for the dam. Bundy Fruit & Vegie Growers managing director, Bree Grima, is pleading with Labor politicians in Brisbane to make decisions about Paradise Dam that will keep the community safe and will allow the dam to remain at full capacity. Bree told the local newspaper, the Bundaberg NewsMail:

We need Paradise Dam to remain at full capacity to support future growth and economic development of this thriving regional community.

But, yet again, it appears that the Queensland Labor government is determined to shift the goalposts and condemn Bundaberg's agriculture industry.

Yesterday, Queensland Labor's Minister Lynham said the works to reduce the wall would commence in March-April 2020. Evidently, the Labor Party in Queensland has no time for expert reports, no time for public consultation, no time for the committee process to examine these laws, and no time for the openness or accountability that the people of Queensland were promised. I have to agree with the sentiments expressed by the member for Burnett, Stephen Bennett, who said:

It is absolutely disgraceful that the Palaszczuk Government is still moving forward with their plans to chop five metres off the top of the dam wall. We should be looking at every other possible option before such destructive measures proceed.
The state Labor government's handling of this matter has simply raised more questions than it answers. In announcing these measures in September, Labor Minister Lynham said:

Work to lower the spillway can then start after the wet season. Importantly, none of this will affect water supply for irrigators or the town of Bundaberg.

Yet days ago the same minister told the Bundaberg NewsMail that Sunwater is also investigating alternative water supply options, especially for irrigators. In September Mr Lynham said Building Queensland would 'assess and report by February on options to ensure water security for the region for future economic growth and to maintain community safety'. Mr Lynham seems to be saying a lot of things and they certainly aren't consistent. Yesterday Bundaberg Mayor Jack Dempsey said he was 'bewildered by the rush' of the state government to lower the spillway in the next few months. He asked: 'Why can't the government wait for the findings of their own inquiry and advice from Building Queensland?' A sensible question to ask.

Last year I joined my federal colleagues Keith Pitt, Ken O'Dowd, Senator Scarr and Senator Rennick in supporting Deb Frecklington, the leader of the Liberal National Party, and local MPs Stephen Bennett, David Batt, Colin Boyce and Ted Sorenson in their call for a full parliamentary inquiry into Paradise Dam, to establish how this monumental failure occurred in the first place. Remember, this is a $200 million infrastructure fail. It is the biggest infrastructure fail in the history of Australia. In late November, the Palaszczuk Labor government was dragged kicking and screaming to establish the inquiry.

The Queensland government's record on protecting threatened species is well established and it would appear that these efforts are ongoing. There are reports in today's The Australian newspaper that Graeme Newton, the general manager of Burnett Water, which was engaged to build the dam, now heads construction of the $5.4 billion Cross River Rail project in Brisbane. There is a protected species racket going on here. I am not talking about hairy three-legged blind frogs or gender-neutral slugs, I am talking about Peter Beattie and I am talking about Graeme Newton. There is a massive cover-up going on here. Someone who oversaw Australia's largest infrastructure failure is now managing a $5.4 billion infrastructure project in Brisbane.

Worse still, in light of the laws rushed through the Queensland parliament yesterday, it appears that by the time fruit and vegie growers and local residents impacted by the decisions will have the chance to front the Palaszczuk government's inquiry, in Bundaberg in March, works will already be underway to tear down the dam wall. The Palaszczuk Labor government needs to stop insulting Wide Bay's farmers and start listening to them. Labor are not only not building dams in Queensland, they're reducing dams—like Rookwood, in a proposal to reduce it by 25 per cent—or they are tearing down existing dams, like the Paradise Dam.

Two-thirds of Queensland is drought stricken, yet we have a state Labor government who are not building dams and they're tearing down walls. Paradise Dam is the greatest infrastructure fail in the history of Australia. But, because it's in Queensland, because it's in regional Queensland, the people in Sydney, the people in Canberra, the people in Melbourne and the press gallery upstairs don't notice it. If this were in the magic triangle of Sydney, Melbourne and Canberra it would be on the front page of every newspaper in the country. There's not a peep from the Labor Party or anybody else about this. It's only the Liberal National Party that is standing up for regional Queensland about this terrible waste of taxpayers' money, standing up for the fruit and vegie growers of the Wide Bay-Burnett region and standing up for those who pay their taxes for this. They're standing up for the quiet Australians who live in Queensland. Shame on Palaszczuk. Shame on Labor. Build the dam, and stop tearing down dams.

McKenzie, Senator the Hon. Bridget

Senator BILYK (Tasmania) (12:53): If Senator McGrath wants to talk about a scandal, he wants to be listening to me. What's the biggest scandal to happen in this parliament in the past—at least—decade? That's the sports rorts affair. The minister for sports, Senator McKenzie, has resigned. But her resignation has come several weeks too late, and it was for the wrong reason anyway. Even after her resignation she still refuses to accept responsibility for the widespread rorting of $100 million in taxpayers' funds, despite the finding of the Auditor-General's report.

I know the Prime Minister, Mr Morrison, would like to think this matter is closed with Senator McKenzie's resignation, but, sadly, the rot goes much further than the former minister and her office.

The Community Sports Infrastructure Grants program was supposed to be awarded on merit. Instead, it was hijacked by those opposite to become a brazen exercise in pork-barrelling to marginal electorates, a slush fund paid for by the Australian taxpayers to finance the re-election of the Morrison government. Many, many Australians are outraged, as am I. I wish I could say I was shocked, but, after seven years of those opposite in power, seeing politics put ahead of public interest is exactly what I've come to expect. The ANAO report revealed that Senator McKenzie, as then sports minister, took a merit based program and overrode it with a brazenly
political allocation of funds. CSIG projects that were assessed by Sport Australia as being highly meritorious, some with scores of 90 per cent or more, were overlooked in favour of projects with scores as low as 40.

Furthermore, the minister's office demanded projects in marginal electorates be included, despite their applications being submitted after the closing date. They assessed the projects using a spreadsheet that colour coded them according to the party that held their electorate and whether it was a targeted seat or not. Elected non-government members in marginal seats were denied information on successful grants, or it was sent to them by snail mail, while Liberal candidates made announcements about them, having been of course emailed the information, often armed with giant prop cheques.

Senator McKenzie reportedly ignored advice from Sport Australia that the agency was being compromised by her political interference. A whistleblower from the minister's office told Sky News that they had raised concerns about the way the program was being administered. The whistleblower revealed that they were not the only staff member in the minister's office to raise concerns about the process, only to be told by her chief of staff that this was how it would be done. The minister received multiple warnings about the propriety of her pork-barrelling, yet she went ahead anyway.

The ANAO said there was no legal authority evident under which the minister was able to approve the grants. I think it is worth dwelling on the words 'no legal authority'. Given the government's flawed robodebt system was found to be illegal, despite them insisting for three years that it wasn't, we have good reason to question whether the government's conduct was legal in relation to these grants. Every time the former minister was questioned about this scandal, she batted away the questions by asserting that every project that was funded was eligible for funding under the guidelines. This may be true, but it completely misses the point.

In defence of the government's handling of the program, Mr Morrison said at the National Press Club:

... let's remember why we were doing it, because we didn't want to see girls changing in cars or out the back of the sheds rather than having their own changing facilities. That's why we did it.

Well, Mr Morrison's explanation does not stack up. It was reported in The Guardian that 12 applications for grants to build or upgrade female change rooms were rejected. One of those applications was from a club where women and girls have been changing in tents. All of those applications received excellent scores through the process, run by Sport Australia, including one which scored 94 out of 100, one of the highest scores in the country. Despite presenting a strong case, women and girls in these clubs are still changing in cars and toilet blocks or having to wait for male players to vacate their change rooms.

Senator Farrell: Shame!

Senator BILYK: But it does get worse, Senator Farrell, as I know you're so aware. While these 12 worthy applications were rejected, $500,000 was given to an Adelaide Rugby Union club in the electorate of Sturt for female change rooms—and guess what?

Senator Farrell: How many women players have they got?

Senator BILYK: The club didn't have any female members—no joke, Senator Farrell.

The outcome in Tasmania, the state I represent, also illustrates how skewed these grants were. Seventy-five per cent of the $3.1 million in grants went to the marginal electorate of Bass, Braddon and Lyons. The safe Labor electorate of Franklin received a poultry $240,000. Sports clubs and councils across Australia deserve an apology, at a minimum, from this government, especially those which put time and resources into applications that should have, on merit, been funded but were overlooked for political reasons.

Even the Liberals' former opposition leader John Hewson believed that Senator McKenzie should've resigned from the ministry immediately following the release of the Auditor-General's report. In an opinion piece for The Age, Mr Hewson told the story of how in 1984 he hounded Labor sports minister Ros Kelly, resulting in her resignation. Here's what Mr Hewson had to say about the current scandal:

The sports rorts scandal involving the current Sport Minister, Bridget McKenzie, is worse.

... ...

In Ros Kelly's case, at least, there was no doubt that she had the power to make the allocations of the sporting grants that she made.

There is serious doubt that McKenzie had such power. Sport Australia had been empowered by the Parliament to run the program, independent of government. It is now clear, from documents obtained by the ABC, that McKenzie ignored the pre-election warnings of Sport Australia that her interference was compromising its independence.

Mr Hewson also said in his column that he was staggered that it took Mr Morrison so long to deal with Senator McKenzie and that the scandal was 'an open-and-shut case of the abuse of her position for political gain'. Former
New South Wales Auditor-General Tony Harris seems to agree. He said that if this issue had come across his desk, he would've passed it immediately to the Independent Commissioner Against Corruption.

Mr Morrison has absolved himself and anyone other than the former minister of responsibility, and it's the height of arrogance that Mr Morrison clears himself and his government and expects everyone else to drop the matter on the basis of a secret report—a secret report, mind you, that was prepared by the secretary of his department, who is also his former chief of staff. Even if we accept Mr Morrison's word about what Mr Gaetjens found, why should we accept his findings over those of the Auditor-General?

The finding in Mr Gaetjens's report that there was no evidence the allocation of grants was 'unduly influenced by reference to marginal targeted electorate's absolutely defies credibility. Does Mr Morrison really think that the Australian people accept that Senator McKenzie's only breach of ministerial standards was not declaring a conflict of interest in the Wangaratta Clay Target Club? Does he really think that you guys up in the gallery are that gullible?

Mr Morrison cannot brush aside the findings of the Auditor-General so easily, especially if he refuses to release the full report from his departmental secretary. The bottom line is that the program was used not to fund the sports but—as the member for Nichols, Mr Drum, candidly admitted—to improve the electoral performance of Liberal and Nationals members.

Now, there's a reason why Mr Morrison, of course, will not accept that there was any wrongdoing by Senator McKenzie in relation to the overall administration of these grants, and that's because his political survival depends on it—because, adhering to the same standards, he should also be shown the door. His office was also involved in these rorts. His grubby fingerprints are all over the crime scene, figuratively speaking, alongside Senator McKenzie's.

There are so many questions about this scandal that remain unanswered, which is why Labor will be moving to establish a select committee inquiry. Among other things, we need to find out more about the details of grant applications that were rated highly by Sport Australia but were rejected by the government in favour of political picks. We need to know the details of late applications that were considered by the government and how long after the due date for applications had passed that these late applications were entertained. We also need to find out who else was involved in the process of rorting these grants and how, including the—(Time expired)

Environment

Senator WHISH-WILSON (Tasmania) (13:03): Nearly eight years ago, in my first senators' statement in this chamber, I talked about the need to tackle plastic pollution in our oceans. This is one of the key reasons I wanted to be a senator, and it surprised me at the time that this issue hadn't even been raised in the Australian Senate at that time. I'm very pleased to announce today that Victoria has now committed to a container deposit scheme, the last state in this country to do so. Back then, eight years ago, it was only South Australia. I want to thank the thousands of community members and campaigners around this country who have pushed for container deposit schemes and other action on plastic pollution.

We still have a long way to go. The Greens have a bill before this Senate to ban single-use plastics and to make the Packaging Covenant, the targets that have been put in place by industry, mandatory so that we can get on with this job and protect our oceans and the marine life that is so profoundly impacted by not just plastics that we can see but microplastics in our ocean.

Amongst some other good news in the doom and gloom that a lot of Australians are seeing at the moment is the announcement just yesterday that the Queensland government, working with the federal government, have now introduced smart drum lines on the Great Barrier Reef. For too long now the Queensland government have been using lethal drum lines to kill sharks—drum lines that don't make people safer and that have been weapons of mass destruction for our precious marine life. I want to congratulate Humane Society International, the Australian Marine Conservation Society and a whole bunch of campaigners in this country who have been working hard to protect our marine life. I initiated and chaired a Senate inquiry into this, the first one of its kind in the world, looking at shark mitigation. I urge the Queensland government, when they roll out these smart drum lines that give us more information about sharks and largely protect marine creatures, to take the next step, remove their shark nets from Queensland beaches and put smart drum lines in place across the rest of the state. Smart drum lines are not a long-term solution, but they're a very good next step and interim solution to protecting marine life, helping protect surfers, swimmers and ocean-goers, and getting the balance right.

I note with great interest, and I'm very happy to say, that, while Greta Thunberg is known around the world for her climate action, conservationists in Tasmania have now named a number of the state's largest eucalypts after her and a number of other climate campaigners. These trees are mountain ash, and some of them are many metres in diameter. These giant eucalypts are in the Huon Valley, and they've been documented by state conservation...
groups who've been monitoring these trees for some years as some of the biggest on the planet. Of course, the reason these trees have been named after prominent climate campaigners such as Greta Thunberg is that they play such a critical role in sequestering carbon and reducing the greenhouse gases that are warming our planet. Tasmania has some of the most carbon-rich forests on the planet, and it's highly symbolic that these trees that we want to protect, which thousands of tourists go and visit each year, are promoted to the rest of the world.

On that point, I note with much sadness that, just in the last 48 hours, police, Forestry Tasmania and contractors have gone into some of the most beautiful, magnificent rainforests we have left in this county, in the Tarkine. I was there just last week. In fact, I've been there three times over the summer break, visiting the forest protest camps, taking my family and last week taking one of the country's best pro surfers and a documentary filmmaker through the Tarkine. When you walk into these spectacular rainforests, it has a profound physical effect on you. The light changes. The air temperature changes. With the colours and scents, it has a very enchanting effect on you. These rainforests in the Tarkine are some of the most carbon-rich forests on the planet.

It's particularly galling to see the spin being put out today by timber barons and logging companies, including Britton Timbers, that somehow logging some of the most precious unprotected rainforests left on the planet is going to be good for climate change. That's not what the IPCC says. The IPCC clearly says that protecting high-conservation forests is one of the most important things we can do if we're going to reduce emissions globally. These forests are visited by hundreds and thousands of tourists every year. It is insanity — in fact, it's criminal — in this day and age to be logging these forests.

I want to give a shout-out to the forest protesters. Six earth defenders were arrested yesterday, standing in front of a tree peacefully protesting, saying it is insanity in this day and age to be logging these rainforests. I'm disappointed with the editorials that I have seen in both The Examiner and The Advocate newspapers in Tasmania this week helping peddle the misinformation of the logging companies, that somehow this is good for climate change. On what planet is logging some of the most carbon-rich forests that we have left—not just in this country but around the world — going to be good for climate change? It's insanity.

I know that a lot of tourists visit other parts of Tasmania and not the Tarkine. The Tarkine is unprotected. It is not promoted. But there is so much we could do to help bring in new industries and new jobs to Tasmania. It's heartbreaking that after years of peace in our forests in Tasmania that the new Premier of Tasmania, Peter Gutwein, the climate change minister, who only two weeks ago said we need to do more to act on climate change, is allowing these age-old myrtle trees, sassafras trees, Huon pines and celery top pines to fall. They are falling as we speak in the Senate today. Even though these brave defenders have tried to slow it down—they have now been arrested— these trees are falling, and the world is watching. These trees are owned by all Tasmanians—indeed, all Australians and everyone around the world. They are of global significance. The Tarkine is some of the last remnants of the Gondwana rainforest and country on this planet. It is the largest track of cool temperate rainforest left in the world, and it is almost totally unprotected. We have hundreds of thousands of hectares of high-conservation forests in Tasmania that are unprotected and that are available for logging. We have a government that is hell-bent on logging some of these precious rainforests in a time of climate emergency. It is utter madness.

I tell you what: something has changed in this country in the last month. Australians have seen the tangible impacts of this climate emergency—a drier Australia, a hotter Australia—and they understand the simple link between saving trees and allowing trees to do their job to take carbon out of the atmosphere and breathe the life-giving oxygen that we all need on this planet. It's not that hard. In fact, it's very simple. We need to leave these rainforests alone. We need to protect them. We need to do everything we can to make sure that fire, the biggest risk to our World Heritage forests in Tasmania, to our forests right across the eastern seaboard and in fact all around this country, is reduced. We act on climate to reduce the risks, and we do everything we can to protect the biosecurity and the wildlife that's been so tragically and devastatingly impacted by these fires in Australia in the last six months.

In Tasmania, in three out of the last six summers we've had devastating fires in areas that have never seen fire before. This is the backdrop: 11 million hectares of Australia burnt, including some magnificent areas of biodiversity and forest. This is the backdrop: a cynical state government—a Liberal government in Tasmania—logging some of the most precious rainforests left on the planet as we speak. It is insanity, it is criminal and it's got to stop.

**Australian Bushfires**

*Senator VAN (Victoria) (13:14):* Yesterday I rose in this place to express our condolences to those who suffered loss in the recent devastating bushfires and to thank those who have done so much and worked so hard to combat them. That was not the time for partisan debate or expressing outrage on the circumstances surrounding such tragedy but rather a time for sombre reflection or for rolling up our sleeves for both. There was a time, and
there still is, to lean in, to lend a hand, to do what you can to help your neighbour, whether that is through volunteering, donating or, at the very least, not getting in the way of those doing their job.

Yet it seems the first instinct of many was simply to take to social media and have a whinge. To use a time of tragedy for political purposes is not what I think of when I think of the Australian spirit, a spirit so gallantly shown by our first responders, those supporting them and the victims.

I've been deeply saddened since these bushfires started by the ill-informed commentary around the cause. This statement is my part to set the record straight. Bushfires are, and have always been, an intrinsic part of the Australian environment. As numerous scientific sources point out, including Geoscience Australia, our natural ecosystems have evolved with fire. The landscape, along with our biological diversity, has been shaped by both historic and recent fires. Many of Australia's native plants are fire-prone and very combustible, while numerous species depend on fire to regenerate. Indeed, as part of my university studies in horticulture, we did a study on the regeneration of the Australian bush post the Ash Wednesday bushfires and the blackwood forests that burnt as part of the Trentham East complex. The recovery was amazing, and I saw similar recovery near Buchan last week.

Recent commentary from many quarters, including some in this chamber, seems to forget this very nature of the Australian environment and the long history of bushfire in it. Simply put, our landscape, almost no matter where you are, is prone to bushfires—indeed, we are more prone to significant bushfires in south-eastern Australia, where my home state lies. For centuries, fire has been created in Australia's landscape through acts of nature such as lightning strikes, through acts of people such as our First Nations people clearing the undergrowth, or through accidental means such as machinery failure. We have had significant fires in Victoria, including the Black Thursday fires in 1851, Black Friday in 1939, Ash Wednesday in 1983 and Black Saturday in 2009. They have tested us before.

The bushfires this summer have spread over seven states and territories, burnt over 19 million hectares and, sadly, claimed 34 lives. So, when I hear these fires being described as unprecedented, the worst ever, or the most destructive in Australia's history, I ask: how can they be any worse than the tragedy of 173 lives lost in Black Saturday or the 117 million hectares burnt across Central Australia that were lost in the 1974 bushfire season? Life, regardless of the number lost, is always precious.

As I reflected yesterday, in each of these fires, Australians have suffered significant personal and community losses. The stories of anguish and heartbreak are not dissimilar to the ones we're hearing now from around the nation. I believe we should ensure that, by comparing these past tragedies with current events, we do not discount what has happened, either in the past or recent weeks. Rather, we should understand in a measured way the context in which they occur—that context being, as I said earlier, that Australia is prone to bushfire. Some of the ill-informed commentary seems to forget this. They claim climate change was the sole cause of these fires or that most of these fires were deliberately lit. Others claim that poor land management practices led to a lack of hazard reduction burning or that there was some conspiracy to make Australia burn. So let us be clear when we examine these claims.

Firstly, conspiracy theories are an absolute nonsense. They're amplified by the contagion of poor social media commentary. Secondly, arson did not start these fires. In fact, arson is behind only approximately 10 per cent of bushfires annually. The majority of this season's bushfires have been started by natural causes, mostly lightning. Thirdly, climate change is a contributor to these fires but not the cause of them. Rather, the challenges it creates for our environment and the weather can exacerbate the occurrence, extent and nature of fire in the landscape.

Fourthly, land management practices have evolved over a very long period of time. A mixture of efforts needs to be undertaken to reduce bushfire threat. These are not just hazard reduction burning but also managed grazing, clearing land to create fire abatement zones, the use of Indigenous burning practices, and the removal of weed and pest species that can exacerbate fire risk. Other strategies might include learning to live with new conditions by building homes in the right areas and ensuring towns have more than one road in and out. These, I should note, were recommendations of the Black Saturday royal commission. As the Prime Minister has said, hazard reduction is as important as emissions reduction, because it has an even more direct, practical impact on the safety of a person going into a bushfire season.

It saddens me that, instead of focusing on the needs of our citizens, people have sought to capitalise on people's loss and pain purely for political gain. To me, it reflects wilful denial of our federal system, how the federal government best supports states and territories in times of disasters, and how quickly it can move in the event should circumstances warrant it. Under the Commonwealth Constitution the states and territories have the responsibility for responding to various disasters. The action taken by the Morrison government to initiate a comprehensive federal response was actually unprecedented in Australia's history.
For the Twitterati to criticise this Prime Minister and this government for not acting is completely ludicrous. They are holding this government to a standard that has never been expected of a federal government before in the history of this great nation. People who have built fear and anger in the community by politicising the bushfires should be ashamed of themselves. Times of disaster and crisis should be when leaders should be standing shoulder to shoulder to bring the country together, not to tear it apart. I'm pleased to say that the federal and state leadership teams did stand shoulder to shoulder and did what was needed to be done at this time of need.

We're a government that does rather than just talks. This government has been actively supporting the states and territories in bushfire response through Emergency Management Australia since the fires occurred in Queensland and New South Wales during September last year. The ongoing support provided has been measured and responsive to the individual needs of state and territory. Across affected areas of Australia our Defence Force personnel have been embedded to ensure that support from the Commonwealth is appropriately targeted to local areas.

Finally, throughout these fires, there have been countless stories of heroism and sacrifice, people's selflessness, and the community's commitment and generosity in supporting those impacted by the fires. Lessons will be learnt. A new generation of volunteers will emerge, and the resilience of Australians will be strengthened from this experience. It is one of the strengths of our people and it should never be dismissed, nor should it be shouted down by those who seek to take advantage of such events.

Tasmania: Emergency Food Relief

Senator CAROL BROWN (Tasmania) (13:23): On 5 December last year, the Senate passed the motion I moved that called on the government to ensure that Tasmanian emergency food relief providers received the financial support they needed so that vulnerable Tasmanians did not go hungry. As it is now exactly two months on, I thought it would be timely to update the Senate on what action the government has taken since the passage of that notice of motion. Unfortunately, the issue has not been resolved. This lack of action on the part of the Morrison government is not new. I moved the motion we passed last year after a year of inaction on the part of the government. At the time, I pointed out that Tasmania was not being treated equally with every other state; that vulnerable Tasmanians were excluded from federal government assistance for emergency food relief; and that Tasmania was the only state in Australia that did not have on-the-ground operations from all three emergency food relief providers.

Of the three providers that received funding support from the Commonwealth Department of Social Services, only one operates in Tasmania. That gap is filled instead by a local organisation, Loaves and Fishes Tasmania. Loaves and Fishes meet 70 per cent of the demand for emergency food relief in Tasmania. However, Loaves and Fishes have been excluded from receiving federal government funding support because they are a Tasmanian organisation, not a national organisation. Without federal government funding of $150,000 a year, Loaves and Fishes are on the brink of closing their operations in southern Tasmania. Those operations provide fresh, nutritious food to 134 community food programs in the south of the state alone. When it comes to the federal funding of a vital, critical and essential service for people in desperate need, $150,000 per annum is a drop in the ocean.

On 6 December last year, Loaves and Fishes announced at the close of business that they would suspend their emergency food relief operations in southern Tasmania. Neighbourhood Houses Tasmania immediately pointed out that, of the 35 member houses in Tasmania, 18 are in southern Tasmania, and most of them rely on Loaves and Fishes. Can you imagine the impact of this situation? It would have been terrible for Tasmanians doing it tough, especially at that time of year—right before Christmas. Thankfully, action was finally taken. The announcement, I think, was made right on the knock of the door, on 18 December. A bandaid solution—unfortunately—was announced of $35,000 to fund Loaves and Fishes, provided by the federal and state governments—just enough to keep the operations going over the Christmas festive season. This funding represented a long overdue recognition by the federal government that the crisis was real, that the services weren't being delivered by anyone else and that the federal government had a responsibility to act. While this bandaid, last-minute fix was welcome, it did not address the key facts: that the crisis was avoidable and that the federal government could have prevented it.

Along with the funding, there was an undertaking by the office of Minister Ruston to hold a round table with stakeholders in January to arrive at a permanent funding solution. That round table took place on 15 January, with Minister Ruston phoning in. I understand that Loaves and Fishes received no guarantees but were told that there would be a response outlining a solution within days. That undertaking was given on 15 January. My understanding is that the request was for a few days, and that has now turned into weeks with no response outlining a solution from the minister's office, and still, to date, no permanent funding solution has been offered.
Last year, I wrote to the former Premier of Tasmania, Mr Will Hodgman. Last week I wrote to his successor, the new Premier, Mr Peter Gutwein. I have asked the Premier to contact the Prime Minister to seek a solution. I've written to Minister Ruston. I've written to the Prime Minister. I received a letter dated 29 January from Minister Ruston. The letter outlined the facts and figures of national funding arrangements for emergency food relief—the same facts and figures known to all the stakeholders involved in trying to sort out this crisis, and the same facts and figures that the minister has already provided, ignoring—I must say—the situation we face in Tasmania.

Loaves and Fishes have been raising their concerns for over a year. It was crunch time in December. Even with four weeks funding to get through the Christmas period, those at the round table in January were told that it was indeed crunch time. But still there is no proper ongoing permanent funding solution. The January meeting did not lead to real, meaningful, urgent action. Vulnerable Tasmanians deserve better than this from the government. A financial commitment of $150,000 a year is what is required.

The services Loaves and Fishes provide are so important. They are relied on by people in need in the Tasmanian community. Tasmania deserves an ongoing commitment. Last year's hunger report showed 18 per cent more Tasmanians will seek food assistance in 2020 and 40 per cent more food is needed to meet that demand.

Colleagues would also be aware that rental stress in Tasmania is the worst in the nation. No wonder vulnerable people are missing meals to feed their kids. Our vulnerable people face terrible choices: pay the rent or pay the power bill; pay the rent or buy food; feed the family, but fall behind in rent. I repeat: this emergency food relief funding saga has a real impact on Tasmanians in desperate need. It's gone on for far too long. The federal government seem determined to wash their hands of this matter.

As of last week, we've had another bandaid solution. This time from the state government. Their involvement is welcome, as is the short-term funding that they are now providing. The state announced two months of funding to keep Loaves and Fishes' southern Tasmanian operations afloat through February and March. By providing this funding, the state government also recognises that these critical services are not being delivered by anyone else, nor will they be. While this support is welcome, we still need a permanent solution from the federal government. Loaves and Fishes have an essential role providing food for families and children in dire circumstances.

Today, I again call on the Minister for Families and Social Services, Senator Ruston, to please find a permanent funding solution for Loaves and Fishes. Please find a solution now. Loaves and Fishes have been waiting for over a year for the government to act. If the minister is not prepared to act, I call on the Prime Minister to intervene and find a solution. This crisis is real. It has a real impact on Tasmanians in desperate need. The solution has to be a financial commitment. That is the solution. That is what the minister heard, I'm sure, from the roundtable: it has to be a financial commitment. If that commitment is not made and that money is not forthcoming, then Tasmanians in desperate need will go hungry. Families and children will go hungry.

We now have two months, thanks to the announcement of the Tasmanian government. Loaves and Fishes now have some funding for two months to keep this operation going. Firstly, the operation was funded with a small amount of money from the state government to get through the festive season and now there has been recognition by the Tasmanian government that this is a critical service that needs to be continued and they have two more months. I think it is recognition that it's a critical service and the federal government does indeed have responsibility to fund it. We need to use these two months to focus on a permanent ongoing funding commitment.

**Climate Change**

Senator GRIFF (South Australia) (13:33): I want to use my first senator's statement of the year to urge the federal government to get real on climate change. Why? Because: how good is clean air; how good is it to have a home, a town and a family that wasn't decimated by bushfires? Australians have had a reality check this tragic summer. We've experienced firsthand the devastating conditions that scientists have warned us about for years. At times over the last couple of months, it felt like the apocalypse was very much upon us. But, instead of accepting that ignorance and inaction won't save the planet, the government's takeaway appears to be that we all just have to accept a new reality.

In his so-called agenda-setting speech at the Press Club last week, the Prime Minister simply spoke about building our resilience and the need to prepare for and adapt to the climate we are going to be living in.

He made token references to mitigation but was silent about what practical action the government will take to cool our planet's raging fever. Government is hounding the states on gas supplies when the states are already on track to a carbon-neutral future. Securing more domestic gas will certainly be good for prices, and I agree gas is needed as a transition fuel, but it is not the only option the government should be focused on when renewable energy technology is advancing incredibly rapidly. Battery storage, in particular, is taking variability out of the renewables equation. We need much more. We need serious action.
The lack of a carbon price or a carbon tax, which economists view as the best means of quickly reducing emissions, effectively provides an ongoing subsidy to fossil fuel emitters. Fossil fuel emitters don't carry the costs for their environmental damage and there is no incentive to clean up their act. If the government doesn't tackle this bigger issue, the Commonwealth will arguably be just tinkering around the edges. Meanwhile, every state and territory is committed to becoming carbon-neutral by 2050. They have so far been doing it alone, because the federal government has refused to do any of the heavy lifting. In my home state of South Australia, we're already well on this path, and so is the ACT, where we all stand today.

There is no shortage of good examples of progressive action around the nation, and I acknowledge that the Australian Renewable Energy Agency and the Clean Energy Finance Corporation have played a very important role in this. But I caution the government not to take a set-and-forget approach to ARENA and CEFC's good work. These agencies back green tech projects that might, at an early stage, not be commercially attractive. I know that the Clean Energy Finance Corporation does an excellent job with the $10 billion in capital it has, and it will have another $1 billion to invest in grid stability projects. However, its level of funding keeps us constrained. An extra $2 billion to $3 billion into its capital fund would give it more investment certainty and enable it to invest in much bigger projects, something Australia very much needs. Is the government listening? I suppose we'll see in the forthcoming budget.

The Commonwealth made a step in a positive direction last week when it struck an agreement with New South Wales in which the federal government will kick in cash for emissions reduction initiatives in exchange for the state unlocking more of its gas reserves. As I say, it's a good step, but we need more than just state-by-state agreements. We need a national plan that provides investment certainty and which embraces short- to medium-term transition and ongoing mitigation, not a mishmash approach.

Under the Paris Agreement, Australia has committed to reducing its emissions by at least 26 per cent on 2005 levels by 2030. We should be far more ambitious. The European Union has pledged to cut emissions to 40 per cent below 1990 levels by 2030. Even New Zealand has committed to an emissions reduction target of 30 per cent below 2005 levels by 2030. The aim of the Paris Agreement is to keep the average global temperature rise under two degrees Celsius and preferably no more than 1.5 degrees. Global average temperatures have already risen above one degree, and we have seen firsthand what that means for Australia—not just through this horrible, horrific bushfire season but also through record-breaking heat across the nation. Drought has ravaged farms in the south-east, there have been fish die-offs and, at the other end of the scale, there have been storm events such as the monsoon that created devastating floods in Townsville. What will our future world look like if we can't stem these temperature increases?

To play its part, Australia will need to get its annual emissions down to at least 462 metric tonnes of carbon dioxide equivalent.

Emissions for 2020 are predicted to be 534 metric tonnes of CO2 equivalent and, at current rates, are expected to fall only slightly over the next decade to 511 metric tonnes by 2030. So it's obvious that there really is nothing to crow about, and much more work needs to be done.

Australia has been banking on the Kyoto credits to claim progress. The government has tried to use this to argue it is on track to meet its Paris target, but the numbers from the Department of the Environment and Energy's latest emissions projections really make that questionable, and it will be impossible to achieve if government doesn't do some heavy lifting on greenhouse gas abatement. As more than one person has noted, the environment doesn't work on dodgy accounting and spreadsheets; either we are actively, absolutely reducing our emissions every year or we are not. The federal government needs to get its head in the game on carbon emissions. There's no point arguing we're only a minor player on the global stage; we all have to be part of the solution. This is especially the case in a world where the US is backing out of its climate agreements and heading in the wrong direction on the environment, and, in my view, in many other areas. When I first heard Donald Trump tell the World Economic Forum a few weeks ago that 'now is a time for optimism,' while he denounced climate change activists as 'prophets of doom.' I thought, what planet is he on? Then I even heard a government minister complimenting the president's ridiculous statement, saying it was 'a great speech'.

I truly can't believe that there is anyone left in Australia who thinks that now is a time for optimism or who thinks we can ignore the need for solid action on climate change. Australians around the country are experiencing the effects of climate change. They are suffering through record bushfires, floods and droughts. From farms to country towns to our major cities, people are living the reality. Many have lost homes and lost their livelihoods, and some have lost their lives. Over summer, the air in the south-east of the country regularly became the most toxic in the world. Who would have thought we'd see a time when we couldn't go outside and just breathe without endangering our health? The quiet Australians of which the Prime Minister now speaks—by which I assume he means the silent majority—know climate change is real. They know we have to do something about it.
The Prime Minister once took a lump of coal into parliament, in what he thought was a clever response to blackouts and the use of renewable energy in my home state. It was stupid then, and it's come back to haunt him now. We have wasted a decade in pointless partisan debate on whether and why we should address climate change. Now the debate must be about how we will actively achieve a carbon-neutral future and how fast we can make it happen. While the states get on with the heavy lifting, the federal government needs to show leadership to put Australia on the path to a carbon-neutral future, sooner rather than later. It's time: may 2020 be the year that the federal government finally acts decisively on greenhouse gas emissions. Quiet Australians deserve it.

**Perth: 2019 School Awards**

**Senator DEAN SMITH** (Western Australia—Government Whip in the Senate) (13:43): I rise this afternoon to recognise the recipients of 2019's school awards across Perth's northern suburbs. Attending school graduations is a highlight of the end of the year. Not only do I get to participate in a milestone moment of a student's life but it is also personally inspiring to be part of the celebration of the student's achievements, particularly after a sitting fortnight. As the school year came to an end, it was a privilege to donate awards to a number of schools across Perth's northern suburbs, including Carmel School, Emmanuel Christian Community School, Good Shepherd Catholic Primary School, Illawarra Primary School, Mary McKillop Catholic Community Primary School, Nollamara Primary School and Tapping Primary School. I'd like to highlight the achievements of the following students who received accolades from their local school communities based on a range of exemplary behaviours, including academic performance, sporting prowess—of which I didn't possess any at school!—and community service.

I congratulate these award winners from Emmanuel Christian Community School: Selihom Kifletsion, who received the design and technology award; Lauren Eddy, who received the information technology award; Joy Owuor, who received the Christian studies award; and Annabelle Sein, who received the primary school campus all-rounder award. I also recognise and congratulate the recipients of the Good Shepherd Catholic Primary School physical education awards, Aryan Gomes and Zeke Beros; and Mary MacKillop Catholic Community Primary School junior school citizenship award recipient, Alessio Georgiades.

While there were many inspiring students across the northern suburbs of Perth, I'd like to particularly highlight two enthusiastic young students from Illawarra Primary School in Ballajura who received the Spirit of Illawarra: Caring for People award. It's my pleasure to read their citations, as they are outstanding examples to other students and to our community as a whole. The first says:

This caring and supportive young person displays a consistent interest in helping others. They are thoughtful, kind and always respectful to their teachers.

Her demeanour truly reflects the Illawarra Primary School motto of Caring for People and she can always be relied upon to volunteer assistance for others, both within the classroom and around the school.

This young lady is always approachable, listens empathetically and shows a genuine interest in assisting fellow students at school. She advises, consoles and comforts those needing a little extra care.

It was an honour to present the Spirit of Illawarra award to Keely McTear on the night.

The second spirit of Illawarra award went to this young student:

This polite and caring young person is a very worthy recipient of this award. This person displays a genuine interest in the well-being of others and possesses a kind, caring and thoughtful nature.

This person is respectful to all of her peers and teachers. She can be relied upon to be the first to volunteer assistance, both in the classroom and playground environments. Her caring nature is reflected in her role as Peer Mediator. She has kindly volunteered at Breakfast Club and is always punctual, organised and a great asset to this club.

Her demeanour truly reflects the Illawarra Primary School motto of Caring for People.

Again, it was an honour to present the other Spirit of Illawarra award to Gabby Versace at the awards night. I congratulate all the recipients of many of the 2019 school awards across Perth's northern suburbs and its many primary and secondary schools, and congratulate them all for their pursuit of excellence inside and outside the classroom.

Australia Day is known for barbecues, fireworks, time with family and friends, and welcoming new citizens to our great country. I was delighted to join the Attorney-General and federal member for Pearce to welcome more than a thousand new citizens at the City of Wanneroo's Australia Day citizenship ceremony. Western Australia is the most multicultural state in the nation, with more than one in three Western Australians born overseas. The state's cultural diversity was on display for all to see as we celebrated our special day, again in Perth's northern suburbs.

I'd like to recognise the deserving recipients of the City of Wanneroo Australia Day awards 2020, including the Charles Searson Australia Day Youth Award, the Australia Day Award and the Australia Day Community Group...
or Event Award. These extraordinary people serve their communities with distinction in environments as diverse as clubs, schools and temples.

The Charles Searson Australia Day Youth Award winner, Jayda Feifar, is a young Aboriginal leader. Jayda, who graduated from Girrawheen Senior High School in 2019, devotes her time to coaching, umpiring and coordinating sporting events and matches. Jayda supports people from disadvantaged communities with meal preparation and is a key driver behind a literacy program which mentors primary school students to enhance their literacy skills.

The City of Wanneroo Australia Day Award winner, Daniel McEvoy, is an education support mentor. Daniel guides, motivates and inspires students from lower socioeconomic and refugee communities with limited access to education support. Daniel is President of the Achievers Club WA, which supports more than 20 children with their studies. Daniel's dedication and leadership has ensured the Achievers Club can provide the quality support its students need to aspire and prosper.

The City of Wanneroo Australia Day Community Group or Event Award winner, the BAPS Shri Swaminarayan Mandir, is a Hindu community group. The passionate members of this group, Dylan Wadia, Hasmukh Wadia and Yogesh Shah, enrich the City of Wanneroo through the delivery of a suite of community programs.

In 2009, BAPS Shri Swaminarayan Mandir supported causes like Clean Up Australia Day and the Salvation Army Disaster Appeal whilst driving grassroots projects like the Red Cross blood donation drive. Moreover, BAPS, as it's commonly known, promotes cultural harmony via the Diwali and Annakut celebrations. It's my distinct pleasure to congratulate Jayda Feifar, Daniel McEvoy and the BAPS Shri Swaminarayan Mandir for their deserving recognition in the City of Wanneroo Australia Day Awards of 2020.

Finally, just last week, I had the honour of again participating in the WA Vietnamese community's Lunar New Year celebration. The annual Tet Festival, organised by the Western Australian chapter of the Vietnamese Community in Australia, has cemented for itself a proud position on Western Australia's rich calendar of multicultural celebrations and is another demonstration of the prominence and success of the Vietnamese community in Western Australia and, I suspect, the success of the Vietnamese community across our country.

Tet, short for Tet Nguyen Dan, which means 'feast of the first morning of the first day', symbolises the coming of spring in the Vietnamese calendar. Perth's Vietnamese community marked the commencement of the year of the rat with a string of games and performances, including fire walks, human chess, lion dancers, music and some of the best pop-up cuisine we've seen in Perth thus far. Well over 10,000 people descended on Wanneroo Showgrounds on 31 January and 1 February to celebrate the festival.

It was my pleasure to once again host an interactive display at the Tet Festival, sharing in the excitement of this New Year celebration. The Vietnamese community shares my anticipation for their planned cultural centre, made possible thanks to the coalition's commitment of $750,000. The coalition government committed $750,000 to support the long-held aspiration of Western Australia's Vietnamese community to have their own cultural centre.

I'd also like to acknowledge my colleagues who, along with myself, made a financial contribution to make the festival the success it was. I thank and congratulate my parliamentary colleagues Ben Morton, the Assistant Minister to the Prime Minister and member for Tangney; Celia Hammond, the member for Curtin; Mr Ian Goodenough, the member for Moore; the Hon. Tjorn Sibma MLC, a member of the state's upper house for the North Metropolitan Region; and my Senate colleagues Senator Slade Brockman and Senator Matt O'Sullivan from Western Australia for their generous financial support in making the event a success.

Again, I congratulate the Vietnamese Community in Australia and its Western Australian president, Dr Anh Nguyen, for the wonderful work he and his management committee have done for sharing the colour and the vibrancy of Vietnamese culture with other Western Australians. I wish the Western Australian Vietnamese community a happy new year and, if I might dare, chuc mung nam moi.

Tuxworth, Mr Ian Lindsay

Senator DODSON (Western Australia) (13:52): I rise today to acknowledge the late Ian Tuxworth, whose recent passing has been mourned in the Northern Territory with a state funeral. Ian, of course, had been a chief minister of the Northern Territory. Tuxy, as he was known—and most people called him by that name—was a Territorian who came from Tennant Creek.

I first met him in the mid-1980s over a lunch at the motel his family ran in Tennant Creek. The invitation to lunch was a fine gesture, but it occurred during a period of leadership change in the Country Liberal Party, which had ruled the Territory since self-government in 1978. Tuxy was being lobbied during the course of the meal. Of course, it mattered little to me—I was not a member of the CLP—but I thought someone like Tuxy would bring a
Territorian view as to how the Northern Territory ought to function under self-government. He went on to be the second Chief Minister of the Northern Territory, so our dealings became more political rather than social from that time on. Over the period of his chief ministership, there were numerous debates over land rights, statehood for the Territory and a better economy that was less dependent on the Canberra dollar.

It was the result of the High Court ruling in Mabo that saw a retired Ian Tuxworth play a very different and constructive role—a role probably not known to many who've known him. Very few people would know how important and central Ian's role was in helping to guide a very diverse group of people to come together in good faith and goodwill to try and find a practical solution to the challenges which the country faced back then, given that native title was a reality in the common law of Australia. This group of conservative politicians and high-profile First Nations leaders came together with the assistance of Ian Tuxworth and the late Mr Ron Castan QC. We called ourselves the Bennelong group, not to be confused with the Bennelong Society, the conservative think tank. We kept our meetings secret and beyond the scrutiny of the public and the news media. The Mabo decision was generating tension, fear and hostility, and we wanted to find common ground amongst ourselves and to get a common position before our group became known to the public.

Native title was not seen as some narrow impost upon the land administration acts or property laws. It was seen as something that had been created in the political environment, which really was about the question: could Indigenous peoples and the settlers agree on a new relationship? Mabo appeared to recognise the sovereign position of the First Nations, yet the enjoyment of their position was still somehow subject to the Australian Crown. It offered a chance for a better relationship to be established and to get beyond the classic ‘Captain Cook dispossession’ debilitating arguments.

We in the Bennelong group were prepared to bring an open mind to settling the legacy issues of colonisation and settlement. In good faith, we wanted to find a contemporary response to big questions like sovereign risk, land regulation and governance. These were complex matters that had to do also with questions like compensation, treaty, governance and wealth sharing into the future. Our group explored these complex matters collectively but within our own comfort levels, which meant some never went very far. Ian Tuxworth, of course, was always very optimistic we could break through, but I think that was founded more on hope than on his usual pragmatic political insights.

The recognition of First Peoples was not a problem. At one stage, it was thought that, if the First Nations traded away their right to negotiate whilst achieving acceptable concessions, this might be the basis for resolving native title as an issue that seemed to impact on development with the regularisation of land use, as well as the need for compensation on a project-by-project basis. The burden of exploring such propositions with the industry groups and the government fell to Mr Don McDonald and me. You'll get an idea of the diversity of the Bennelong group when I tell you that Don was a former Queensland president of the National Party. His daughter, Sue, joined us in the Senate last year. It wasn't a new perspective for me to be told by powerful people to get on my bike, but then to find the leader of the National Party riding alongside me was something else.

Settlement by way of treaty will come one day, and reconciliation will have a meaning for all who labour in the hope of it. The role of Ian Tuxworth and Mr Castan in this nation-building process should not be forgotten. They strove to achieve a different reality from the 10-point plan and even the first legislative response to native title. It’s good and deserved that the Northern Territory government, under the Chief Minister, Mr Gunner, has honoured Ian Tuxworth and his family with a state funeral for his known deeds and for his courage in trying to achieve a better and fairer place for us all. Vale Tuxy.

MINISTERIAL ARRANGEMENTS

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:00): For the information of senators, I table a revised ministry list reflecting the updated ministerial arrangements advised yesterday. Further announcements about the revised ministry arrangements will be made in due course. I seek leave to have the document incorporated into Hansard.

Leave granted.

The document read as follows—

SECOND MORRISON MINISTRY
5 Feb 2020

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<td>Senator the Hon Manse Payne</td>
<td>The Hon Sussan Ley MP</td>
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<td>The Hon Paul Fletcher MP</td>
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<td>The Hon Alan Tudge MP</td>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there can be two departments in one portfolio. The title of a department does not necessarily reflect the title of a Minister in all cases. Ministers are sworn to administer the portfolio in which they are listed under the 'Minister' column and may also be sworn to administer other portfolios in which they are not listed. Assistant Ministers in italics are designated as Parliamentary Secretaries under the *Ministers of State Act 1952*.

Updated 5 February 2020
QUESTIONS WITHOUT NOTICE

Community Sport Infrastructure Grant Program

Senator FARRELL (South Australia) (14:00): My question is for the Minister for Youth and Sport, Senator Colbeck. I refer the minister to the now infamous colour coded spreadsheet of applications under the corrupt sports rorts scheme, prepared by the former Minister McKenzie's office, focusing on marginal electorates held by the coalition as well as electorates to be targeted by the coalition. Has the minister seen the spreadsheet?

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (14:00): Thank you, Senator Farrell, for the question. It gives me a very good opportunity to extol the virtues of a program that's provided important support to communities across Australia. It's provided support to 684 grant recipients for facilities that they wouldn't have if Senator McKenzie had not made—

The PRESIDENT: Senator Farrell, on a point of order?

Senator Farrell: Direct relevance—I've asked a specific question: has the minister seen the spreadsheet?

The PRESIDENT: Senator Farrell, the specific question that you point out was proceeded by a substantial number of assertions. I believe the minister is being directly relevant by using the opportunity to address those assertions, as he is entitled to do. I've allowed you to restate that part of the question. Senator Colbeck, continue.

Senator COLBECK: As I said, this program will provide sporting facilities across Australia to 684 grant recipients that desperately need those projects. It's not a surprise that there was such strong demand for this. Over 2,000 applications were received, and almost a third of them were able to be funded by the decisions that Senator McKenzie made in that program. There was very, very strong demand, and I'm sure that, as we work towards opportunities in the future, there will be future—

The PRESIDENT: Senator Wong, on a point of order?

Senator Wong: Mr President, I accepted your first ruling because I recognised there was a preamble—

Abetz interjecting—

Senator Wong: Good to see you too, Eric; we can talk about that too! We recognise there was some preamble. This is a matter of great public importance. This is a matter that is well known to the public and to the media. We're asking a simple question of whether this minister, who took over from Senator McKenzie, has seen the colour coded spreadsheet.

The PRESIDENT: I'll take Senator Cormann on the point of order.

Senator Cormann: Mr President, as you already noted in your previous ruling, the question included a number of assertions—false assertions, we would submit—which the minister, in a directly relevant fashion, is explaining. For example, the first assertion is about favouring marginal seats, when the Auditor-General's report clearly shows that the proportion of Labor seats under Senator McKenzie's decisions increased compared to the Sports Australia decisions.

The PRESIDENT: It's our first question time; it's not even five past two. On the point of order, I can't instruct a minister how to answer a question, as long as the minister is directly relevant to a question, or to part of a question. I cannot instruct him to answer a preferred part of a question. Senator Cormann, you got into a bit of debate there; I'm sure the minister is able to do that. Senator Colbeck, continue.

Senator COLBECK: Thank you, Mr President. Can I join with Minister Cormann in absolutely rejecting the assertions made by Senator Farrell about the program. The Auditor-General made a number of recommendations with respect to this particular program, which the government has responded to. I'm very pleased with the work that Sport Australia has already done to address the issues that the Auditor specifically made with respect to the program. There were four recommendations in the report. The government initially noted the fourth recommendation, which was specifically relating back to government, and the other three were acted on and initiated. (Time expired)

The PRESIDENT: Senator Farrell, a supplementary question?

Senator FARRELL (South Australia) (14:04): Has the minister seen the spreadsheet?

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (14:04): There are a number of documents that relate to this particular program. I haven't seen all of them. I don't know which particular document—

Opposition senators interjecting—

The PRESIDENT: Order on my left! One of your colleagues is on their feet seeking to raise a point of order.

Senator Wong: Did you get it in the IGB—
The **PRESIDENT**: Senator Wong, order!

**Senator Reynolds**: I did not say that.

The **PRESIDENT**: Order! I didn't hear the first part. I heard one word. I will ask Senator Wong: if she feels that there was a reflection on a senator, she can withdraw it.

**Senator Wong**: I withdraw.

The **PRESIDENT**: Thank you. Senator Farrell, on a point of order?

**Senator Wong**: Does it say the program was corrupt?

The **PRESIDENT**: Senator Wong, Senator Farrell is on a point of order.

**Senator Wong** interjecting—

Honourable senators interjecting—

The **PRESIDENT**: It's going to be a long question time if Senator Farrell can't get to his point of order. Senator Wong! On my right! Senator Farrell, on a point of order?

**Senator Farrell**: On relevance: it was a simple question, a straightforward question, and the minister knows exactly the document we're talking about.

**Senator Rennick**: A point of order.

**Opposition senators interjecting**—

The **PRESIDENT**: Is it on this point of order or another one? Order on my left, please!

**Senator Green** interjecting—

**Senator Polley** interjecting—

**Senator Watt**: It shows us where you priorities are—

The **PRESIDENT**: Order! Senators Green and Polley! Senator Watt! Is it on this point of order or a different one, Senator Rennick?

**Senator Rennick**: It's to do with the process of spending government money.

The **PRESIDENT**: Senator Rennick, that's a matter for debate. I'm going to rule on this point of order from Senator Farrell. On the second point you raised, Senator Farrell, I can't peer into the minister's mind and know what he knows or your assertion about that. I was listening very carefully to the minister's answer. It was, indeed, a very specific question. I believe the minister was talking about 'documents related to the program'—a phrase I think I heard him use. I'm listening very carefully, but I do believe the track he is on at the moment is directly relevant, but, I remind: it was a very specific question.

**Senator COLBECK**: As I said, there are a range of documents that relate to this program. And I have to say, if Senator Farrell is talking about the document that was in the possession of the ABC, I haven't seen that document, because the ABC hasn't published it. I have seen excerpts of the document as published by the ABC, but I have not seen the document that the ABC has. I haven't seen that document.

The **PRESIDENT**: Order on my left! Senator Farrell, a final supplementary question?

**Senator FARRELL** (South Australia) (14:08): I do have one. After the now famous colour coded list was leaked to the media, Minister Colbeck publicly demanded assurances from both the Department of Health and Sport Australia that the spreadsheet did not come from them. Why is the minister publicly threatening his own agencies? Has the minister or his office requested that officials have their phones or IT equipment examined or removed?

**Senator COLBECK** (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (14:08): Thanks, Senator Farrell, for the question, because it is an important question. Unfortunately, I was obliged to ask the question of my secretary and of Sport Australia because there are rules, as the opposition very well knows, around the release of documents by public servants. I'm very pleased to advise the chamber that I have received advice from the Secretary of the Department of Health that they see that there is no issue with respect to the Department of Health. I'm very pleased to be able to say that: that there are no issues with the Department of Health. I've not received any advice at this point in time from Sport Australia. Although, when my office spoke to the then CEO of Sport Australia, they had already commenced a process to satisfy themselves of—

*(Time expired)*
Morrison Government

Senator MOLAN (New South Wales) (14:09): My question is for the Minister for Finance, Senator Cormann. Can the minister inform the Senate—

Opposition senators interjecting—

The PRESIDENT: Order! I would like to be able to hear the question.

Senator MOLAN: Can the minister inform the Senate how the Morrison government's strong financial management has made Australia more resilient and able to deal with challenges facing the country, including drought, bushfires and coronavirus?

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:10): When we came into government, we inherited a rapidly deteriorating budget position—deficits as far as the eye could see. Indeed, in the 11 weeks between Labor's last budget and the Pre-election Economic and Fiscal Outlook, the bottom line deteriorated by $33 million. That was on the basis of assumptions that were completely non-credible. We have been able to turn the situation around. We have worked very hard over the last six years to put Australia on a stronger, more resilient economic and fiscal foundation and trajectory for the future.

That is why we have been able to deal with the challenges that our country has faced in recent months head-on. That's why we have been able to invest substantially more to support drought affected communities. That is why we've been able to put on the table $2 billion immediately to fund the bushfire recovery activities in bushfire affected areas around Australia. That is why we've been able to provide the immediate response that we have in relation to the coronavirus.

It is too early to fully assess the economic impact, particularly in relation to the bushfires and the coronavirus. But let us contrast our capacity to respond with what happened under our predecessors. Remember the Gillard Labor government. In the context of the floods, what did we get? We got a flood levy as well as the carbon tax that we were promised we would never have. We got the mining tax. There were taxes everywhere. Even at the last election, if the Australian people had decided to elect a different government, we would now have higher taxes, a weaker economy, less opportunity for Australians and less resilience for Australia to deal with the challenges that we're currently dealing with. The work we as a nation and as a government have done over the last six years has put us in a stronger position to deal with the challenges that our country is dealing with right now.

The PRESIDENT: Senator Molan, a supplementary question?

Senator MOLAN (New South Wales) (14:12): Can the minister outline how we've maintained this strong economic position while being able to deliver tax cuts to Australian workers and businesses?

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:12): Lowering the tax burden, putting more money into people's pockets, has been a central part of our plan to build a stronger economy where Australians have the best possible opportunity to get ahead. But lower taxes are only a part of our plan, of course. We have been pursuing an ambitious free trade agenda, helping our exporting businesses get better access to markets all around the world. When we came into government, only 26 per cent of our two-way trade was covered by free trade agreements. We've been able to lift that to 70 per cent of our two-way trade, and we're working to lift it further. My friend and colleague Simon Birmingham is working hard to lift that to 90 per cent of our two-way trade, helping our businesses sell more Australian products and services overseas, generating more jobs here in Australia and generating stronger economic growth here in Australia. Our ambitious deregulation agenda, our significant investment in infrastructure and our skills agenda—you name it—are all working to deliver a stronger, more resilient economy in the face of global economic headwinds and domestic challenges.

The PRESIDENT: Senator Molan, a final supplementary question?

Senator MOLAN (New South Wales) (14:14): How has the economy turned around compared to the set of numbers inherited when we came into government?

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:14): Again, under Labor there was rising unemployment and a rapidly deteriorating budget position. Today the big story under our government is more than 1.5 million new jobs.

When we promised in the lead-up to the 2013 election that we would create a million new jobs in the economy in our first five years in government, the Labor Party sneered at us. They said that it couldn't be done, that it was a pipedream. But, of course, we have exceeded and delivered on that commitment before time.

If you look at the performance of our economy in an international context, our economy continues to grow, wages continue to grow faster than inflation, employment growth is strong and the participation rate is the highest it's ever been—in particular, the participation rate among women and older Australians. Yes, we're facing...
challenges. Yes, we're facing headwinds. But we are in a much stronger position than we would have been under Labor's disastrous, high-taxing.—(Time expired)

**Community Sport Infrastructure Grant Program**

**Senator CHISHOLM** (Queensland) (14:15): My question is to the Minister for Youth and Sport, Senator Colbeck. The independent Auditor-General's report on the corrupt sports rorts scheme states:
The award of funding reflected the approach documented by the Minister's Office of focusing on 'marginal' electorates held by the Coalition as well as those electorates held by other parties or independent members that were to be 'targeted' by the Coalition … Does the minister accept this finding?

**Senator COLBECK** (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (14:15): The Auditor-General's report says what it says. You can read it and everyone can look at the statistics in it. The statistics in the Auditor-General's report are quite instructive. In fact, it says that the number of grants that went to Labor seats, under the ministerial discretion exercised by Minister McKenzie, went from 26 per cent to 34 per cent. This is the first time I've heard the Labor Party complaining about more grants going to more Labor seats—26 per cent to 34 per cent. They're the facts from the Auditor-General's report. That's exactly what the report says.

*Opposition senators interjecting—*  
**The PRESIDENT:** Order on my left!  
**Senator COLBECK:** The report confirms—  
**Senator Wong interjecting—**  
**Senator COLBECK:** Mr President, I will take Senator Wong's interjection about spreadsheets with columns. In an Auditor-General's report in July 2010—  
*Opposition senators interjecting—*  
**Senator COLBECK:** This goes to your characterisation of the program.  
*Opposition senators interjecting—*  
**The PRESIDENT:** Order, on my left!  
**Senator COLBECK:** I wonder why Mr Albanese is still the leader of your party, if you're characterisation is as it should be.  
**The PRESIDENT:** Order! Senator Colbeck, please resume your seat. Before I call Senator Cormann—  
*Opposition senators interjecting—*  
**The PRESIDENT:** I am having trouble hearing Senator Cormann. Senator Cormann, on a point of order?  
**Senator Cormann:** I know that the Labor Party doesn't want to hear the damning findings of an Auditor-General's report on the performance of Mr Albanese—  
**The PRESIDENT:** Come to the point of order, Senator Cormann.  
**Senator Cormann:** The point of order is that interjections are disorderly, and those opposite should listen to the damning findings of the Auditor-General in relation to the administration of the department that Mr Albanese—  
**The PRESIDENT:** I would be surprised if anyone in the chamber could have heard anything Senator Colbeck was saying, because I certainly had trouble. Senator Colbeck, please continue.  
**Senator COLBECK:** That Auditor-General's report stated: The awarding of funding to projects also disproportionately favoured ALP held seats … It also said: In addition to the data originally provided by the department—listen to this—two new columns were added to the worksheet to identify the electorate in which the project was located, and the political party that held that electorate.  
**The PRESIDENT:** Order! Senator Chisholm, a supplementary question?

**Senator CHISHOLM** (Queensland) (14:18): I refer to the statement of the new Nationals deputy leader, Mr Littleproud, when he states: 'Obviously I don’t think that necessarily getting as partisan as that is the best way to do it.' Does the minister agree with the new Nationals deputy leader?
Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (14:18): If you look at the numbers in the report—and I just mentioned them a moment ago in my previous answer—Senator McKenzie's decisions actually brought the allocation of grants closer towards the proportion of seats that Labor had to what they would have had had the original process of assessment been carried out. Senator McKenzie's decisions increased the number of grants in Labor seats from 26 per cent to 34 per cent, and Labor held 35 per cent of the seats.

The PRESIDENT: Order! Senator Watt, on a point of order?

Senator Watt: On relevance. The question was whether the minister agreed with the new deputy leader of the Nationals.

The PRESIDENT: Senator Colbeck has concluded his answer. Senator Chisholm, a final supplementary question?

Senator CHISHOLM (Queensland) (14:19): When and how did the minister first become aware that the government was using the corrupt sports rorts scheme to pork barrel marginal and target seats?

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (14:20): I completely reject the premise of the question, because if the program is that way, so is the Leader of the Opposition. In fact, so is Catherine King, because her record is worse than Mr Albanese's. Catherine King actually signed off ineligible projects, projects that were assessed by her department as not eligible.

Opposition senators interjecting—

The PRESIDENT: Order on my left! Please, I would like to hear Senator Colbeck. Senator Colbeck.

Senator Watt: On relevance. When was he first briefed about this program?

The PRESIDENT: There were descriptive terms in the question that the minister is entitled to challenge in his answer and be directly relevant, and I think he is being directly relevant on multiple occasions even if not answering the part of the question that you've highlighted. Senator Colbeck.

Senator COLBECK: My understanding of the Auditor-General's report came at the release of the report, because I didn't have access to that information prior. I received a copy of the report in the usual course of events and that's when I had a broader understanding of the program. (Time expired)

Coronavirus

Senator BROCKMAN (Western Australia—Deputy Government Whip in the Senate) (14:21): My question is to the Minister for Foreign Affairs and Minister for Women, Senator Payne. Can the minister update the Senate on what the government has done, and is doing, for Australians to keep them safe from the coronavirus both overseas and here at home?

Senator PAYNE (New South Wales—Minister for Foreign Affairs and Minister for Women) (14:21): I thank Senator Brockman for his question. The safety of Australians both at home and overseas is, of course, the primary responsibility of any government. The government's decisive actions have all been taken on the advice of health professionals, the chief medical officer, the Australian Health Protection Principal Committee and in the interests of public health.

To Australians, I can say that we are well prepared but this is also an evolving situation, as shown by today's very recent reports that some 3,700 people are currently being quarantined on a cruise ship harboured in Yokohama, Japan. I can confirm that of the Australians onboard that ship, two have tested positive for coronavirus and will be taken to Japanese medical facilities for treatment. We are making inquiries about the welfare of other Australian passengers and any need for consular assistance.

As part of the comprehensive government response, the Department of Foreign Affairs and Trade activated 24-hour-a-day seven-day-a-week comprehensive operations at our own crisis centre. Staff on the phones have taken more than 7,760 inquiries since 23 January. Almost 2,000 people have contacted our embassy and our consulates in China seeking advice or assistance. We have raised our travel advice to level 4 for China: 'Do not travel'.

The work of those staff, and that of other government agencies, has resulted in the assisted departure of 243 Australians this week, including 89 people under 16 and five infants. We have been focused on making isolated and vulnerable Australians our priority. They have entered quarantine to ensure their own health and the safety of the broader Australian population. Our approach continues to be the case as we work with agencies and with Chinese authorities towards a second assisted departure, hopefully later this week.

The PRESIDENT: Senator Brockman, a supplementary question?
Senator BROCKMAN (Western Australia—Deputy Government Whip in the Senate) (14:23): Can the minister outline how Australia has been cooperating with China to help prevent the spread of the coronavirus?

Senator PAYNE (New South Wales—Minister for Foreign Affairs and Minister for Women) (14:23): As China is dealing with the extensive coronavirus outbreak, we have been in regular contact with Chinese officials both here in Canberra and in Beijing and across our posts in China. I have previously acknowledged the cooperative approach of Chinese authorities, including its efforts to control the spread of the coronavirus, and work with international partners and organisations, including of course the World Health Organisation, to share information. Our assisted departure flight on 3 February, and our planning towards a second flight, is greatly assisted by the cooperation of Chinese authorities. I have spoken with my counterpart, Wang Yi, in turn, to continue to offer China our support. We were very pleased to be able to send a supply of personal protective equipment on our first flight to Wuhan, and in consultation with China we'll consider what more we can do in that regard as well.

The PRESIDENT: Senator Brockman, a final supplementary question?

Senator BROCKMAN (Western Australia—Deputy Government Whip in the Senate) (14:24): Can the minister advise how Australia is working with New Zealand and the Pacific island countries to protect the region's people from the coronavirus?

Senator PAYNE (New South Wales—Minister for Foreign Affairs and Minister for Women) (14:25): Australia is working closely with New Zealand, with the Pacific islands and with Timor-Leste to protect our region. I want to thank New Zealand for assisting with the departure of 35 Australians from Wuhan last night as well as a number of Pacific islander, Timorese and other national citizens on that flight. There are no known coronavirus cases in the Pacific or New Zealand, but we are working closely with our neighbours and with the WHO to ensure that coronavirus does not take a hold. That includes Australia placing a Department of Foreign Affairs and Trade officer in the Suva hub of the World Health Organization. We are also providing equipment and supplies, laboratory testing, and information and communication materials to our Pacific neighbours, and we will support the quarantine and the isolation of any positive coronavirus cases from our region.

Australian Bushfires

Senator GRIFF (South Australia) (14:26): My question is to Minister Reynolds representing the Minister for Natural Disaster and Emergency Management. On the last sitting day of last year, I asked the then minister, Bridget McKenzie, if Australia had sufficient aerial firefighting capability. The answer was yes. As we all know, there was not enough capability, and the federal government and states had to substantially boost the aerial firefighting fleet and associated costs by leasing additional planes and sourcing crews from overseas. The delay most certainly hampered the firefighting capability. Minister, given that the economic cost of the bushfires is estimated by economists to exceed $100 billion and that due to climate change we are likely to have more horrific seasonal fires, isn't it now time for government to invest in a fleet of permanent large air tankers owned and operated by Australia?

Senator REYNOLDS (Western Australia—Minister for Defence) (14:26): I thank Senator Griff for the question and also for his passion and commitment on this very important issue for our nation. The first point to make is that the Australian government doesn't specify the type or number of firefighting aircraft for professional fire and emergency services representatives in the states and territories. However, what we do is take advice, and we work extremely cooperatively with the states and territories, through the National Aerial Firefighting Centre, which advises the Commonwealth and state and territory governments every year about the assets that are required.

Traditionally, firefighting assets—aircraft in this case—have been leased for a number of reasons. The first one is the very high cost of purchasing and maintaining these specialist aircraft. There's the fact that the Australian bushfire season, while growing longer, generally mirrors the Northern Hemisphere's bushfire seasons. But also, and really importantly operationally, is that leasing them gives us much greater flexibility in terms of the aircraft that we need to lease every year to meet the particular demands of the bushfires then. It also allows us to make better use of technology, as it is emerging quite rapidly in this area.

I reject the part of your question that says we didn't have enough this year. According to the experts, we did. We were asked for support for one additional large aerial tanker, and we provided funding straight away for four as soon as we were asked for that. Although some firefighting aircraft are shared with the Northern Hemisphere, as I have described, the NAFC will contract 169 specialist aircraft across the country this year. But it's important to note that three-quarters of those already remain here in Australia and are largely contracted and owned by the state and territory governments.

The PRESIDENT: Senator Griff, a supplementary question?
Senator Griff (South Australia) (14:28): After the recent tragic crash of the Lockheed C-130 Hercules, Coulson Aviation grounded all their air tankers in Australia for a period as a safety precaution and a mark of respect. Whilst it was understandable that the company would do this, it demonstrated the risks in outsourcing Australia's ability to protect itself during extreme bushfires. Minister, do you seriously consider outsourcing aerial firefighting to be a wise decision for the country?

Senator Reynolds (Western Australia—Minister for Defence) (14:29): I totally and utterly reject the premise of that question. There is absolutely no evidence that that tragic crash of the aircraft and the loss of three American firefighters—who were also, I note, veterans—had anything to do with the nature of the contracts themselves.

They are a highly professional company. They were highly professional and experienced emergency services personnel.

An honourable senator: They're grounded.

Senator Reynolds: I'll take that interjection. Of course it's grounded. We always do that after any accident to take precautions. But the point is this—and I actually thank and acknowledge all of the air crews, because, as I said, this is a highly specialised skill that very few people globally have. It is dangerous work and the crews and the pilots are very skilled. They are brave and we should be acknowledging more their specialist skills. I entirely reject the premise of that question, Senator Griff. (Time expired)

The President: Senator Griff, a final supplementary question?

Senator Griff (South Australia) (14:30): A number of countries own a core fleet and supplement their capability through times of high fire activity. In the US, the Forest Service, the National Guard and the US Marines all maintain firefighting fleets that are supplemented by other operators. Minister, have you or would you consider the ADF taking on the function of maintaining a core aerial firefighting fleet for Australia?

Senator Reynolds (Western Australia—Minister for Defence) (14:30): Senator Griff, in short, the answer is no, and there are very good reasons for that. Aerial firefighting is, as I've said, a very specialist core expertise which does not in any way reflect what, in this case, the ADF pilots of fixed-wing and rotary-wing air assets are for. Our air crews—Army, Air Force and Navy—have done an extraordinary job supporting the bushfires and supporting the bushfire volunteers and SES by doing what they do best—doing logistics, doing transport—and they are not specialist bushfire pilots. That's why we contract and engage them, mostly here in Australia and some from overseas.

Australian Bushfires

Senator Fawcett (South Australia) (14:31): My question is also to the Minister for Defence, Senator Reynolds. Minister, could you outline to the Senate the role that Defence has played in supporting states' emergency services and local communities throughout this bushfire season?

Senator Reynolds (Western Australia—Minister for Defence) (14:32): I thank Senator Fawcett for that question. Since September last year, the ADF has been making a significant contribution to the bushfire crisis response. The outstanding skills, the dedication and the compassion of our ADF members has shone through during this extraordinarily challenging time for our nation. Operation Bushfire Assist has been the largest mobilisation of the ADF in our nation's history for a domestic crisis. Over 6½ thousand ADF personnel during this time have been deployed. That includes 3,000 reservists. The statistics themselves are absolutely extraordinary: three naval ships; 24 Army and Navy helicopters; 900 Defence vehicles; 75 engineering vehicles; three water purification units; 7,900 personnel and over 2½ thousand tonnes of cargo were moved; 1,500 people, many with their beloved pets, were evacuated by ship and also by air; 500 people were accommodated on Defence bases and 380 have now been transferred back to Mallacoota; there was clearance of 3,000 kilometres of roads, 240 kilometres of fire breaks and also 430 kilometres of fences; delivery of 4.5 million litres of water, 70,000 litres of fuel and 730,000 kilograms of fodder; and 48,000 meals were served to evacuees and emergency services personnel in Defence messes and another 6,000 out in the field for emergency services. These statistics demonstrate the magnitude of the effort, but they do not describe the thousands of acts of compassion and care by our ADF members around the clock every day to communities across the nation. (Time expired)

The President: Senator Fawcett, a supplementary question?

Senator Fawcett (South Australia) (14:34): Minister, could you also outline to the Senate how the government's call-out of the reserve forces supplemented Defence's contribution during this period?

Senator Reynolds (Western Australia—Minister for Defence) (14:34): Thank you again, Senator Fawcett. In November last year, as the Minister for Defence, I requested that the Governor-General authorise a limited call-out as a validation exercise in case the bushfire season required a much larger call-out. Sadly, that came to pass.
On 4 January this year we announced a compulsory call-out of up to 3,000 Army reservists, which allowed CDF to direct reservists to perform full-time service, which was also service that protected their employment.

While reservists have always been part of the nation's response to disasters, their contributions have always been voluntary, at reserve conditions of service. While the call-out will now cease on 7 February, hundreds, if not thousands, of reservists will continue to serve on Operation Bushfire Assist on a voluntary basis. I thank all reservists, and particularly their families and their employers, for making this service possible. (Time expired)

The PRESIDENT: Senator Fawcett, a final supplementary question?

Senator FAWCETT (South Australia) (14:35): Minister, could you outline to the Senate what support the Australian Defence Force, and through them, the Australian community, have received from the armed forces of international partner nations?

Senator REYNOLDS (Western Australia—Minister for Defence) (14:35): The government has been overwhelmed with offers of support from all over the world. In fact, 70 nations of our allies and our partners have offered generous military support and assistance this bushfire season. Today, we still have over 300 international military representatives working side by side with our ADF to support our activities. We've got two Singaporean helicopters and 40 personnel, and three New Zealand helicopters, 30 engineers and a water treatment facility. We've got the PNGDF and the Republic of Fiji Military Forces engineers working with the ADF in East Gippsland. Thirty-five Indonesian engineers arrived this weekend and are working in New South Wales. We have two Japanese Hercules and 80 personnel; 10 United States Air Force members; a Canadian Globemaster delivering fire retardant; and many other aspects of support. To all of our international partners and friends, I say thank you. (Time expired)

Climate Change

Senator WATERS (Queensland—Leader of the Australian Greens in the Senate) (14:36): My question is to the Leader of the Government in the Senate, representing the Prime Minister. After the devastating summer that we've had, does the government accept that we are in a climate emergency?

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:37): The government's position is well known and well understood, and that is that we support effective action on climate change. Indeed, we committed ourselves in Paris to an overall emissions reduction target of 26 per cent to 28 per cent. If you assess and consider that target on a per capita basis, given our relatively small population in a big continent, we are committed to reducing emissions by half. On the basis of emissions intensity in our economy—that is, emissions per unit of GDP—in fact, we are committed to reducing emissions by two-thirds. That is more ambitious than the European Union, than Japan, than Canada, than New Zealand—you name it—and it is an entirely appropriate commitment for us to make. But, of course, our government is focused on an agenda that is environmentally effective and economically responsible.

The PRESIDENT: Order! Senator Cormann, have you completed your answer?

Senator CORMANN: No.

The PRESIDENT: Senator Waters, on a point of order?

Senator Waters: Yes, thank you; on a point of order. My question was very precise. I don't want the waffle that we get every time; I want an answer to whether the Prime Minister accepts that we're now in a climate emergency.

The PRESIDENT: Senator Waters, I appreciate the question was quite specific. As long as the minister's directly relevant to the subject matter of the question—and I can't instruct him how to answer a question, but I believe what he is describing is directly relevant to the question you asked, with respect. So I'll call on him to continue.

Senator CORMANN: Climate change is a global challenge and Australia is doing its bit to help address that global challenge. We are one of just a handful of countries around the world that are not just meeting but beating our emissions reduction targets agreed to in Kyoto. Indeed, we are leading the world when it comes to investment in renewable energy. I was in Germany the other day, and they were stunned when they learnt that, even in nominal terms, in aggregate terms, we are investing more in renewable energy than Germany, even though we have a much smaller population. On a per capita basis, we are investing more than three times as much in renewable energy here in Australia, under our government. I would have thought that you would celebrate our commitment to world-leading investment in renewable energy. But what we won't do is we will not be driven by the politically motivated, opportunistic Greens scaremongering. We will continue to make calm and considered and methodical judgements on how we can best address this issue. (Time expired)

The PRESIDENT: Senator Waters, a supplementary question?
Senator WATERS (Queensland—Leader of the Australian Greens in the Senate) (14:39): Does the government accept that burning Australian coal has contributed to making these bushfires worse?

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:39): If Australia were to produce and export less coal, global emissions would be going up. The world environment would be worse off. That is a rational economic fact that the Greens clearly do not understand. If we were to reduce the level of coal production and coal exports from Australia into markets around the world where there is a demand for coal, emissions would be going up and the world environment would be worse off. So we would be harming our economy and we would be harming the global environment. The reason for that is Australian black coal has got a lower moisture content, lower ash and higher energy intensity. When you have countries around the world, in particular in emerging and developing markets, that have an existing and, for the foreseeable future, continuing demand for coal, to the extent that we don't supply that coal it will be met by coal from other sources which are dirtier and more polluting. (Time expired)

The PRESIDENT: Senator Waters, a final supplementary question?

Senator WATERS (Queensland—Leader of the Australian Greens in the Senate) (14:41): That's nonsense! Does the government accept that even if it met its emissions targets we would be on track for three degrees of warming, making the consequences for all of us at least three times worse?

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:41): What the government accepts is that we are doing our bit to help address the global challenge of climate change, and we're doing so through a policy agenda that is designed to be environmentally effective and economically responsible. What we will not do is ask the Australian people to make sacrifices which we know would harm them while making the world environment worse off.

The PRESIDENT: Senator McKim, on a point of order?

Senator McKim: Senator Waters' question was simple, brief and specifically around tracking towards three degrees of global warming, as the scientists are saying, and asking Minister Cormann whether he accepted that. He's not yet been relevant to that question in his answer.

The PRESIDENT: I don't accept the interpretation that the minister hasn't been relevant. I do accept that it was a very specific question, and I'm listening very carefully to the minister. He was interrupted mid-sentence then. I will call on him to continue, and I have given you the opportunity to remind him of the question.

Senator CORMANN: The directly relevant point I made is that climate change is a global challenge and can only be addressed in an appropriately globally coordinated fashion. Australia is making its contribution to that global effort, and we're making a significant contribution. But we're doing it in a way that is designed to be environmentally effective and economically responsible. We will not be asking the Australian people to make sacrifices which will harm—

The PRESIDENT: Senator McKim, on a point of order?

Senator McKim: It is also on direct relevance, and it's the same point of order I made to you earlier. The question was not, 'Is climate change a global phenomenon?' which is the one Senator Cormann is addressing. It was, 'Does he accept that we're on track to three degrees of warming?' That was the question and, respectfully, he hasn't yet been relevant to that.

The PRESIDENT: I respectfully disagree, Senator McKim. The question, if I recall correctly, referred to if Australia's stated targets were met and then referenced the three degrees of global warming. I think the minister, by responding in this form, is being directly relevant to that question. I can't instruct him on how to answer a question nor to the content of an answer.

Senator CORMANN: Let me make that final point again: what this government will not do is ask the Australian people to make a sacrifice which we know would actually not only harm our economy but also harm the global environment.

Australian Bushfires

Senator DAVEY (New South Wales—Nationals Whip in the Senate) (14:43): My question is to the Minister for Employment, Skills, Small and Family Business, Senator Cash. We all know that the bushfires have had a devastating impact on small businesses throughout the regions. Can the minister please update the Senate on how the Morrison government is supporting small businesses who've been negatively impacted by the fires?

Senator CASH (Western Australia—Minister for Employment, Skills, Small and Family Business) (14:44): I thank Senator Davey for her question. I think one of the most tragic things that occurred during the bushfires was not only, obviously, the loss of life but also the devastating impact that these bushfires have had on the backbone
of so many of these communities, the small and family businesses. I have met with a number of them. I have spoken with so many of them.

I've met with the peak bodies. And, as a result of their feedback, the government has put together a comprehensive suite of measures to support small and family businesses that have been impacted by the devastating bushfires.

In terms of the package, what it is designed to do is make it easier both for those who have suffered direct damage as a result of the fires and for those who've also been, indirectly, economically impacted following the bushfires. It's all about assisting them, the backbone of these communities, get back on their feet. As a result of listening to the communities, listening to small businesses, the package deals with the challenges that we know these businesses are facing at this point in time.

Our immediate priorities include grant funding—including top-up grant funding of up to $50,000 to eligible small businesses and not-for-profit organisations. This was really important, providing the access to concessional loans, up to half a million dollars for businesses that have suffered significant asset loss or significant loss of revenue as a result of the fires. What we have done with the loans is ensure that there is a two-year repayment holiday, and no interest will accrue during this time. This is a comprehensive package and it is designed to get them back on their feet.

**The President:** Senator Davey, a supplementary question?

**Senator CASH** (Western Australia—Minister for Employment, Skills, Small and Family Business) (14:46): We're also providing them with much-needed tax relief, by deferring the lodgement and payment dates of business activity statements, income tax returns, through to 28 May. This was something that the small businesses told us that they needed. We're also allowing them, though, to vary their PAYG instalments for the December quarter and claim refunds for the September quarter instalments. We're also providing them with much-needed financial advice, and small businesses can contact 132846 for information, in terms of what is actually available to them.

Ultimately, we need them to get back on their feet and we need to help these communities build back better. What we're doing in that regard is putting in place local economic recovery plans. These local economic recovery plans are going to be led by the community. We're going to work directly with those communities so that they can build back better.

**The President:** Senator Davey, a final supplementary question?

**Senator DAVEY** (New South Wales—Nationals Whip in the Senate) (14:47): Finally, what can we all do as individuals to help support Australian small businesses in this time of need?

**Senator CASH** (Western Australia—Minister for Employment, Skills, Small and Family Business) (14:47): As Senator Payne has just said to me: go to the regions; they are open for business. And that is exactly the feedback we are getting from small businesses in those affected regions. We heard from Pierre from Kangaroo Island. He said, 'Yes, there have been bushfires on Kangaroo Island,' but, as Senator Ruston and Senator Birmingham know, they are open for business. I recently visited Bilpin. They make the most fantastic apple pies and apple ciders. They were also impacted by the bushfires. And guess what? They are open for business.

I have to say, I received an email from Senator Bragg today, as so many of us would. Tomorrow, the Empty Esky campaign is coming here to Parliament House, so we can all go and have that opportunity to meet some of the small businesses that have been impacted by the fires. You can also go online. If a small businesses is not necessarily up and running yet, guess what? They may have a website and you still might be able to go online and actually do some business with them.

**Community Sport Infrastructure Grant Program**

**Senator WONG** (South Australia—Leader of the Opposition in the Senate) (14:48): My question is to the Minister representing the Prime Minister, Senator Cormann. What was the role of the Prime Minister's office in the awarding of funding under the community sport infrastructure program?

**Senator CORMANN** (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:49): The Prime Minister has directly addressed that precise question on a number of occasions. The role of the Prime Minister's office is the same role as that of the Prime Minister's office since time immemorial, and that is that they pass on representations to relevant ministers in relation to grants programs. That is the role that his office played and that prime ministerial offices before this have played. The Prime Minister said at the National Press Club just last week:
What prime ministers have always done is supported their colleagues and when matters are raised with them. And that has been done since time immemorial with prime ministers to relay those positions on to the relevant ministers in those programs. The Prime Minister's office provided information based on the representations made to them, including information about other funding options or programs relevant to project proposals received.

The decision-maker in relation to this was Senator McKenzie, and she did a great job. The sports grants program is a great program. It's very popular. It's very successful. And you know what? The Labor Party should be very grateful to Senator McKenzie, because the original recommendations received from Sport Australia, the independent Sport Australia decisions, would have seen only 26 per cent of the approved projects going to Labor electorates. Senator McKenzie lifted that to 35 per cent, through her discretion—from 26 per cent to 35 per cent. You should have been grateful. And some Labor MPs were quite grateful, in fact, as I am reading here:

Sport Australia is managed by The Minister for Sport, Bridget McKenzie, whom I thank for campaigning for further investment in this precious asset.

That is from one Anthony Albanese, thanking her for half a million dollars more to save Dawn Fraser pool. Here was the Leader of the Opposition thanking her.

\[\text{Opposition senators interjecting—}\]

\text{The PRESIDENT: Order, Senator Cormann!}

\text{Senator CORMANN: Back then, of course—}\]

\text{The PRESIDENT: Order, Senator Cormann! Order! There was a lot of noise. I was calling the minister to order. Senator Wong, a supplementary question?}

\text{Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:51): An email from Senator McKenzie's office to Sport Australia on 7 December 2018 states:}

\text{We have just been advised by the PM's office that there have been some projects on the list funded under another grants program. So we have been asked to make a slight adjustment.}

\text{What was the 'slight adjustment'?}

\text{Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:51): What I would say to Senator Wong is that what she's just read out is 100 per cent consistent with my previous answer. I'm not aware of the specific circumstance at hand because I didn't have visibility of the specific decision-making. But what I would say to you is that, at any one point in time, there are a number of grants programs that are operating across government, and from time to time there is the opportunity for overlap. What I would also point out from an Auditor-General's report, which I will just talk about, is this: 'In one instance, ministers explicitly decided to waive the project eligibility criteria for an application they wished—'}

\text{The PRESIDENT: Senator Wong on a point of order?}

\text{Senator Wong: A point of order on direct relevance: if he wants to read from the Auditor-General's report, how about he reads from the one we're asking questions about? But, more importantly, I asked a specific question about what the 'slight adjustment' was. The minister has dismissed that. If he doesn't know, I ask that he take it on notice.}

\text{The PRESIDENT: On the point of order, Senator Wong, I do accept the first point you raised. Another Auditor-General's report is not directly relevant to this particular question. On the second point you raised, I can't instruct the minister how to answer a question. You've made the point. The minister was being directly relevant, other than that brief observation. I call the minister to continue.}

\text{Senator CORMANN: I'm just going to the hypocrisy of this line of questioning. That is why I was about to point to a previous Auditor-General's report, on the portfolio of the now Leader of the Opposition, a damning report—}

\text{The PRESIDENT: Senator Wong, on a point of order?}

\text{Senator Wong: Direct relevance.}

\text{The PRESIDENT: I ask the minister to return to the question—and, before he started talking about the alternative report, he was being directly relevant—albeit he has only two seconds to continue his answer.}

\text{Senator CORMANN: I already answered the question asked.}

\text{The PRESIDENT: Senator Wong, a final supplementary question?}

\text{Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:53): When asked at the National Press Club whether there was anything wrong in using public funds for private political interests, Mr Morrison responded:}
... that's not why I did it.
'That's not why I did it.' What exactly did the Prime Minister do?

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (14:54): We have been very, very clear all the way through, and we completely reject this proposition that somehow the decision-making in relation to this grants program was driven by the sort of private political considerations that you are asserting. We reject that. We reject that.

Senator Wong: Accept the Auditor-General's report!

Senator CORMANN: We accept the four recommendations, which—

Opposition senators interjecting—

The PRESIDENT: Order, on my left!

Senator CORMANN: You clearly didn't listen to the Prime Minister's speech at the Press Club last week. We've accepted all four recommendations and are acting on them. But we are elected to make decisions. Whether you like it or not, we are the elected government of Australia, and right now it is this government that makes decisions on the allocation of grants and the like, and that is what happened here. It was done appropriately—and, indeed, Labor electorates did way better than they would have under the independent decision-making of Sport Australia.

Tourism

Senator SCARR (Queensland) (14:55): My question is to the Minister for Trade, Tourism and Investment, Senator Birmingham. Can the minister update the Senate on the challenges that Australia's tourism industry, including in my home state of Queensland, is currently facing?

Senator BIRMINGHAM (South Australia—Minister for Trade, Tourism and Investment and Deputy Leader of the Government in the Senate) (14:55): I thank Senator Scarr for his question. I note his interest in relation to the impacts on the tourism industry in his state of Queensland and that of many, many colleagues who have engaged in relation to the challenges that our tourism industry is facing as a result of the combined effects of the bushfire crises that we've faced over the summer and the coronavirus outbreak and its impact on travel—globally but in particular from the crucial market of China.

Australia's visitation from China is the most significant of all of our international markets. In terms of expenditure, Chinese markets contributed to around 10 per cent of total visitor spend in Australia as part of our tourism industry over the last year. A significant part of that relates to the international education sector, but it also relates to all other aspects of the visitor economy—tourism travel, in groups or individually, and those travelling for business and event purposes.

In relation to the coronavirus, it's important to note that this downturn that we're feeling began prior to decisions that we made in relation to border security aspects for Australia. The Chinese government had already made decisions to suspend group-travel and had already cautioned its citizens against undertaking unnecessary international travel. We have engaged deeply with Australian industry over these last couple of months, in responding to the bushfires and coronavirus. I pay credit to my colleague, Senator Duniam, who has worked closely in this space both with affected tourism businesses and with other China-trade-exposed businesses, such as the seafood sector, in terms of engagement there, as indeed have many others.

Our visitation figures are coming off a significant high. In the September quarter, tourism figures showed record levels of tourism spend and visitation for Australia. That helps to provide resilience to the industry, but we certainly appreciate that these are tough times for many.

The PRESIDENT: Order, Senator Birmingham. Senator Scarr, a supplementary question?

Senator SCARR (Queensland) (14:57): How is the government building resilience in our tourism industry in the face of challenges like the bushfire crisis and the coronavirus outbreak?

Senator BIRMINGHAM (South Australia—Minister for Trade, Tourism and Investment and Deputy Leader of the Government in the Senate) (14:57): Following consultation with industry right across the country, we announced a $76 million package to assist the Australian tourism industry to rebuild, to see it through these tough times. We recognise that, first and foremost, getting new bookings into businesses that have seen significant cancellations and sweeping downturns in bookings is essential. That's why we've stood up a domestic marketing initiative, something that Tourism Australia has not undertaken for many, many years. We've stepped back into that space with a $20 million domestic marketing initiative, the Holiday Here This Year campaign, and that is a message I would encourage all Australians to heed and consider. Wherever it's possible to do so, think about making a booking. Just as Senator Cash was saying before, these people are open for business, and the best thing
that Australians who want to help can do is to make a booking in a fire affected region and right across Australia's tourism industry. Make a booking and holiday here this year. *(Time expired)*

**The PRESIDENT:** Senator Scarr, a final supplementary question?

**Senator SCARR** (Queensland) (14:58): My final question is: how is the government responding internationally to ensure that our tourism industry is supported in the long term?

**Senator BIRMINGHAM** (South Australia—Minister for Trade, Tourism and Investment and Deputy Leader of the Government in the Senate) (14:59): The $76 million also includes support for international marketing, which is particularly important for bringing international media, travel trade and others to Australia and ensuring they can fully appreciate the extent to which the Australian tourism experience remains an incredible experience where people will have an amazing time and a positive experience. That's why we have started to use some of the major events hosted around Australia, such as the Tour Down Under in South Australia or the Australian Open and the forthcoming Grand Prix in Melbourne, to make sure that there are positive messages about Australia still being open for business, as Senator Cash was saying. We're also making sure that there is informed and accurate information about the regeneration from bushfires that will take place throughout the year.

This will be a long and intense effort, but the government is determined to stand by our tourism industry, to work closely with them, and to make sure that we protect the many Australian jobs that rely upon tourism.

**Community Sport Infrastructure Grant Program**

**Senator MARIELLE SMITH** (South Australia) (15:00): My question is to the Minister for Women, Senator Payne. In response to a question about the government's sports rorts scandal, at the National Press Club on 29 January, the Prime Minister said:

… we didn't want to see girls changing in cars or out the back of the sheds rather than having their own changing facilities. That's why we did it.

Given women's participation in sport was the key motivation behind the Community Sport Infrastructure Grants Program, what role did the Minister for Women play in the allocation of grants?

**Senator PAYNE** (New South Wales—Minister for Foreign Affairs and Minister for Women) (15:00): I thank the senator for her question. This government is absolutely committed to ensuring and maximising the participation of women and girls in sports of all kinds across Australia, and that is demonstrated in a range of our policies, including the one that the senator has referred to. As Minister for Women, I played no role in the specific administration of the program, but I would not expect to, Senator. I would not expect to because the sport program itself is comprehensive in addressing these issues.

As the Prime Minister has indicated—and, in fact, as I think any of us who seriously look at our communities and who seriously look at the changing levels of the participation of young women and girls, particularly in sport, would recognise—there are countless examples of inadequate facilities across this country. As a government, we took a decision to support those girls, those young women and other women into sport. If you choose not to do that, that's a matter for you, but we choose to support the increased participation of girls and women in sport.

In fact, while we're on the subject of girls and women in sport, I might draw the attention of the chamber to the Women's T20 World Cup, which is coming up very, very shortly. If you can be at the MCG on Sunday 8 March, you can contribute to scoring an international world record for Australia—the largest number of attendees at a women's sporting event in the history of the world: the Women's T20 World Cup. I would encourage all of those opposite, all of those in the other chamber and everyone behind me to be part of that world-breaking event.

*Honourable senators interjecting—*

**The PRESIDENT:** Order! We're not at the MCG at the moment. Can I have some silence, please. Senator Smith, a supplementary question?

**Senator MARIELLE SMITH** (South Australia) (15:02): Does the minister support a rugby club in the marginal seat of Sturt getting funds for female change rooms despite having no female teams, reportedly after a sexism scandal, while dozens of clubs with a growing number of girls and women's teams and a high score from Sport Australia missed out because they were in safe Labor, Liberal or Nationals seats?

**Senator PAYNE** (New South Wales—Minister for Foreign Affairs and Minister for Women) (15:02): I absolutely support the increased provision of facilities for women and girls in sporting facilities across this country. And it would seem to me to beg logic to suggest that women's facilities cannot be provided at clubs that currently don't run women's programs, because I fail to understand how you would then encourage women to participate. But that's a point of logic which may be lost on others. Nevertheless, it is absolutely this government's approach and this government's policy that we will take steps to maximise and encourage the participation of girls and women across all sporting codes. We don't see rugby union as a gendered sport. We see rugby union as a
sport for women and for men, for girls and for boys, and that goes for the vast range of sports across this country, and that is the approach we have taken.

The PRESIDENT: Senator Smith, a final supplementary question?

Senator MARIELLE SMITH (South Australia) (15:03): Minister, given at least—

Honourable senators interjecting—

The PRESIDENT: Order! Senator Smith, I'll allow you to restart, as I couldn't hear a word because of the noise on both sides of the chamber.

Senator MARIELLE SMITH: Thank you. Given at least 12 of the highest-ranked applications the government rejected were for female facilities and projects supporting female participation, can the minister explain the Prime Minister's claim that funding decisions were predominantly focused on supporting women's participation in sport?

Senator PAYNE (New South Wales—Minister for Foreign Affairs and Minister for Women) (15:04): I thank the senator for the supplementary question. I have been absolutely clear in articulating this government's policy about maximising and enabling the participation of girls and women in sports of all natures across Australia. Minister Cormann has been through and Minister Colbeck has been through in detail the nature of the grants that were provided to absolutely outline where our commitments lie. I was not aware that those opposite were not supportive of advancing the engagement of girls and women in sport. That would seem to be the case. I find it very disappointing.

Senator Cormann: Mr President, as much as I would like to keep listening to Senator Payne, I ask that further questions be placed on the Notice Paper.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Community Sport Infrastructure Grant Program

Senator FARRELL (South Australia) (15:05): I move:

That the Senate take note of the answer given by the Minister for Women (Senator Payne) to a question without notice asked by Senator Marielle Smith today relating to the Community Sport Infrastructure Program.

I'd like to take up where Senator Marielle Smith finished off her questions, because what this government has done is an absolute scandal.

Can I talk about the South Adelaide AFL club in the seat of Kingston. It happened to have the misfortune to be in a safe Labor seat. They've got an amazing local member by the name of Amanda Rishworth, and she's turned what was a marginal seat into a safe seat. So, what was the reward for this football club? In the last couple of years, this club has won two women's premierships. They've got 45 female players with three clubs. They're the most successful AFL women's team in the South Australian football league. They applied for a grant to upgrade the facilities for their female players. They've actually got more premierships than they've got female toilets. They've got one female toilet and two premierships. They put in their application and they were the perfect example of what the Prime Minister claims—and we've just heard it from the Minister for Women—that this government was on about: increasing female participation.

This application was rejected but, in a neighbouring seat, which was a marginal seat previously held by Minister Christopher Pyne, they have a rugby team. I have to say that rugby is not a big game in South Australia, but that club got a $500,000 grant for women's change rooms. There is nothing wrong with that, except that that club has no women members. They had fallen out with their women members a couple of years earlier and they had no women members. I might also point out they haven't actually built these change rooms.

Senator Seselja: What about Adelaide Juventus?

Senator FARRELL: Senator Seselja refers to Adelaide Juventus. If this government is serious about restoring some credibility—this afternoon we're going to hear about a sports integrity bill from this government. Senator Seselja and his colleagues are going to try to improve integrity for sports men and women in Australia. What about showing a bit of integrity yourself? Out of those 400 clubs which Sport Australia said ought to be getting the grants—and we've heard this from Senator Smith this afternoon—12 of them were going to help improve the facilities for women sports players in this country. What about this government showing some integrity—the sort of integrity that they're requiring sports men and women to adopt? Why don't they show a little bit of integrity themselves and say to those 400 clubs that Sport Australia recommended get a grant, 'Yes, we're going to give you the money that we should've given you before the last election'?

If this government had any integrity, that's exactly what they would be doing. But no.
When this proposition came up in the lower house, moved by our leader, Anthony Albanese, what did the government do? They shut the debate down. Well, it's too late to do that. There's going to be an inquiry, and we're going to get to the bottom, whether the government likes it or not, of this absolute sports rort. The minister treated public money—$100 million of public money—as if it were her own personal chequebook. This was an industrial-scale pork-barrelling exercise designed to get the government re-elected. It was nothing else. The fact is that Minister Cormann kept adding and adding and adding to the amount of money and, every time they did it, all of the recommendations from Sport Australia were rejected and they were replaced.

Senator Cormann: They didn't give enough to Labor seats!

Senator FARRELL: Well, let's have a look at it. We're going to have a look at those Labor seats. (Time expired)

Senator CANAVAN (Queensland—Deputy Leader of the Nationals in the Senate) (15:10): Well, colleagues, what we've heard today from the Labor Party is a lot of exaggeration, a lot of conjecture and a lot of long bows being drawn but not a lot of evidence and certainly no case based on any evidence. We haven't heard that, because the words that the Labor Party have been using aren't actually from the Auditor-General's report about this project. The words that they have been using are the ones you'd expect from an opposition with a particular interest in attacking a government. So they're throwing around words like 'rort' and 'corrupt'. The Leader of the Opposition had to withdraw at one stage. They went a bit too far. They're desperate to make these points. But the principle here is that we should assess this program on its merits and on the facts, and none of those conclusions that the Labor Party are trying to rely on are actually in this report.

What I'd like to do, in the time I have, is refer back to this report and what it actually says. This report from the Auditor-General is into a sport funding program—not unusual. Auditor-General reports are there for a reason: to look at all of these types of programs. It has made four recommendations. Three of those four recommendations are made to Sport Australia, an independent body in the Commonwealth government, and my understanding is that they've all been accepted by Sport Australia. One of the recommendations was made to the Australian government. I won't read it all out, but in effect that recommendation asks that, when the government advises and makes decisions on reporting requirements, we do so in a way that extends rules on Commonwealth entities to a minister as the decision-maker. The government has accepted that recommendation, and we will implement that accordingly.

It's also important to look at other things that this report says that, of course, the Labor Party would not refer to. The Auditor-General's report says:

Ineligible applications were identified and no applications assessed as ineligible were awarded grant funding.

So all of the funding under this scheme was provided to projects that were eligible for funding. Another quote, from page 33:

Each application assessed as eligible was assessed against the three published merit criteria.

At this point, I will just draw a contrast to an older Auditor-General report, on the third and fourth funding rounds of the Regional Development Australia fund, which was administered, at the time the funding was made, by former minister Catherine King. In that report, the Auditor-General concluded that 56 per cent of applications in these two rounds that were awarded funding had been assessed by the department to not satisfactorily meet one of the criteria. So in that report you had a Labor minister making more than half of the funding decisions on projects which did not meet criteria, whereas in this program every project funded met the criteria.

The issue that the Labor Party is trying to latch onto here, to leap all the way from saying the minister has made decisions and run a process to saying this is somehow a rort, is just the simple fact that the minister has made her own decisions. But I believe that the Australian public expect that we here as elected representatives, and the ministers that are chosen from those elected representatives, are actually put here to make decisions.

We take advice from bodies like Sport Australia and from government departments. They provide worthy advice. They are hardworking officials. But they are not elected representatives and their advice is not there to be rubber stamped, because, if it were, what would we all be here for? Why are we here, then? 'We're not needed! Let's get rid of us! Let's get rid of elections! Let's get rid of all of the crap that the Australian people have to put up with during elections and let's just let the Public Service take charge!'—that is, at its heart, the argument from the Labor Party, that we should do away with the Westminster system and just allow unelected public officials to make decisions.

All that's happened is that the minister has made decisions, using her judgement against criteria that were established under guidelines, about projects which have delivered enormous benefits to sporting clubs all around the country. I don't have time to go through it, but we have already heard in this chamber today how the Labor members of parliament were welcoming those funding recommendations. They were supportive and happy that
the minister had taken up their efforts and lobbied for projects. In fact, the Leader of the Opposition, Anthony Albanese, said that he was thankful that Minister McKenzie had lobbied for a project in his seat. But now, apparently—eight or nine months later—it was a great sin for Minister McKenzie to be lobbying for that project, because it suits Mr Albanese's political purposes to make that claim.

Senator GALLAGHER (Australian Capital Territory—Manager of Opposition Business in the Senate) (15:16): The Australian community has been truly shocked by the brazenness of the sports rorts saga, and I’d like to make a few brief comments today about the role of the Secretary of the Department of the Prime Minister and Cabinet in his approach to handling his involvement in this. The answers given today by members of the government really show the unapologetic arrogance of this crew, of the government of the day. The role of the Secretary of the Department of the Prime Minister and Cabinet is unique in our system. That department is the head of the Australian Public Service. It’s responsible for setting the tone and driving the work of our entire apparatus of government. We've been very fortunate in this country to have a number of very serious, accomplished secretaries of the Department of the Prime Minister and Cabinet. This has been of benefit not only to the Australian people but also to our prime ministers, who have had unvarnished, expert advice on every aspect of public policy independent of politics.

When Mr Gaetjens was first appointed as Secretary of the Department of the Prime Minister and Cabinet, we in Labor were willing to give him an opportunity to prove that he was willing to uphold this principle of independence and to put proper process ahead of political influence from some in this place. Along with many in the Public Service, we had our doubts. Since the election of the Howard government in the 1990s, Mr Gaetjens has spent very little time as a Commonwealth public servant. The majority of his time has been spent as a Liberal staffer, including three years as Mr Morrison's chief of staff. We were concerned when Mr Gaetjens said publicly that he and Mr Morrison were in a 'mind meld'. Mr Gaetjens said at the time: I can tell the rest of the public service what's in the Prime Minister's mind.

This was not a good early sign of his approach to the job, but, as I said, we gave him the benefit of the doubt.

Then came the sports rorts scandal. A few weeks ago the Auditor-General released what can only be described as a scathing report, claiming:

Funding decisions for each of the three rounds were not informed by clear advice and were not consistent with the program guidelines.

Instead the report found decisions to award funding were focused on electorates the coalition was targeting at the 2019 election. This approach hurt some of the most deserving sports clubs. One club missed out despite being rated 98 out of 100 on merit by Sport Australia. Instead of sacking the minister then and there, what did the Prime Minister do? He asked Mr Gaetjens to provide another report into whether there had been a breach of ministerial standards. This second and unnecessary report was an opportunity for Mr Gaetjens to uphold his office independently and to produce a report consistent with evidence provided by the independent Auditor-General. But, instead, the secretary ditched up a report that gave the Prime Minister exactly what he was after: political cover for himself while also providing a basis to sack the minister. According to the Prime Minister, Mr Gaetjens ‘did not find evidence that this process was unduly influenced by reference to marginal or targeted electorates’.

How can our nation's most senior public servant have a completely opposite view to that which we now have? Is Mr Gaetjens responsible for ensuring the Australian government gets the advice it needs to make decisions in the interests of the Australian people? Or is he Mr Morrison's head butler, serving up cooked-up political fixes when the bell rings? Mr Morrison's credibility, Mr Gaetjens's credibility and the credibility of the Australian Public Service hangs on the answer.
Senator SESELJA (Australian Capital Territory—Assistant Minister for Finance, Charities and Electoral Matters) (15:20): Can I just start by responding to that grubby attack on our most senior public servant from Senator Gallagher. That was a grubby, disgusting attack on our most senior public servant we just heard. Let's be clear about what's going on here from the Australian Labor Party and opposition in this place. On the one hand, they're coming in and saying, 'Ministers should do as they're told by public servants.' On the other hand, they're coming in here and launching a grubby, disgusting attack on a senior and distinguished Australian public servant.

This in fact has got nothing to do with what we're talking about today. It's got to do with the fact that the Labor Party, before the election, were absolutely certain that they were going to be coming into government. We all saw the pictures posing and saying, 'We're ready to go,' before their taxation policy was fundamentally rejected by the Australian people. Mr Bowen, who of course contributed to the loss at the 2019 election, hinted strongly that he was going to sack Mr Gaetjens as Treasury secretary if he came in. So don't give us this absolute rubbish. That was a grubby attack. That was beneath you, Senator Gallagher. That was absolutely beneath you. Mr Gaetjens was on your hit list and you didn't get to take him out. You didn't get to take him out because the Australian people rejected your agenda. I think that was a grubby and disgraceful attack.

Turning to the actual questions that were asked, I don't recall a grubby attack in the questions on Mr Gaetjens. But let's go to the attack that the Labor Party launched. We heard from member after member of the Labor Party in statements on their Facebook pages and in their press releases welcoming the investments in their communities. Many of them were in what I would regard, and what most of us would regard, as relatively safe Labor seats. We heard Senator Farrell out there decrying certain investments in South Australia. He seemed to be complaining. The seat of Adelaide, a Labor held seat by a pretty considerable margin—I think, over eight per cent—received $1.5 million in grants. We saw here in Canberra some wonderful investments, some absolutely critical investments under this program. We saw in the seat of Bean, for the Arawang Netball Association, the Molonglo Juggernauts, the Southern Canberra Gymnastics Club, the Southlands Tennis Club and the Woden Valley Gymnastics Club, some really critical investments in infrastructure, which frankly the ACT government, if they were doing a better job, would have invested in by now. But we've had to come in through superior economic management and invest in these critical community facilities.

Let's go through the list. They talked about seats. In the seat of Canberra, we saw $882,000 and some amazing investments in Brumbies rugby, female change room facilities, dragon boats at Lotus Bay and upgrades to the Canberra Netball Association facilities and the Reid Tennis Club. These were some really significant investments.

Then we have Grayndler—that marginal seat which is held by Mr Albanese by, I think, about 15.9 per cent against the Greens and so obviously would have been a clear target seat for the coalition at the last election!

We saw, of course, the investment of $500,000 for upgraded lighting, access and amenities at Dawn Fraser Baths, and we had the Leader of the Opposition going out there and thanking Minister McKenzie for her work in helping to secure this—thanking Minister McKenzie. And we've had member after member of the Labor Party, even while they were referring these issues, going out there and almost trying to claim credit for these investments from the coalition government. These investments are critical, and Senator Canavan has debunked the arguments that have been put forward by the Labor Party.

I want to finish, once again, on this grubby attack from Senator Gallagher on Mr Gaetjens. Don't attack Mr Gaetjens because he was on your hit list and you wanted to get rid of him. There are plenty of senior public servants who have served as staffers in Labor Party offices. We respect their role. You should respect the role of the head of the Australian Public Service and not get into that grubby bashing. *(Time expired)*

Senator GREEN (Queensland) (15:25): It seems to me that the argument the government were trying to make during question time today and in the contributions after question time is that we should thank them for rorting what should have been a merit based program. But I'll give them the benefit of the doubt, because maybe they don't understand how this program was meant to work. This program was meant to be the granting of applications by an independent agency based on merit. The ANAO report found that merit wasn't taken into account and the program guidelines were not followed. So you can cherry-pick what paragraphs you want from that report, but the findings of the report are very clear: merit was not taken into account and the program guidelines were not followed.

Why is that important? It's important because mums, dads and volunteers of sporting clubs spent their time putting grant applications together. They spent hours and hours putting grant applications together and put them in thinking that they were going to be judged on merit, but they weren't. They thought that the program was merit based, but really the government had a colour coded spreadsheet. Why did the ANAO report come back with that finding? Sport Australia provided recommendations based on merit and grant criteria, but, instead of following the recommendations, the government created a spreadsheet and colour coded that spreadsheet based on political

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parties and electorates. That is how they decided who deserved a grant: whether or not it would help them win a seat.

This political interference was so blatant that Sport Australia actually had to warn the minister that her interference was compromising its independence. The government were so blatant that they handed out novelty cheques and had candidates making funding announcements. They didn't even tell the local MPs that the funding announcement was going to be made, and they even made sure that they had a spreadsheet with the electorates that they were targeting colour coded so they could make sure that merit was not going to be taken into account when these grants were given out. But the government have not and will not apologise to the clubs who missed out on this funding, and we know why that is—it's because this went right to the very top.

Now, some of them are trying to backtrack a little and distance themselves. We noticed that Minister Payne wouldn't come clean about her involvement in this scandal, but we've also got the new Nationals deputy leader, the member for Maranoa, admitting that this was a partisan process, and their local members are also backtracking as well. The member for Leichhardt boasted about working to secure a grant for a club in his electorate, but then later backtracked and said that he played absolutely no role in obtaining the grant. They want to distance themselves. If anything, they want to put all the blame on the former Deputy Leader of the Nationals. They want her to hang for this, but everything else is fine. But they can't and won't apologise because leaked emails show that the Prime Minister was looking over the colour coded spreadsheet and making decisions, leading to an adjustment of funding.

That's what that email said: that the funding needed to be adjusted. They were part of the decision-making.

Finally, I just want to clear up the issue around the women's change rooms. The Prime Minister has said that the reason that he was involved in this program was that he wanted to ensure that girls didn't have to change out the back of the shed. But we know that 12 grants for female change rooms were rejected by this politicised process. One of those applications came from the Innisfail Brothers Leagues Club, where women have been forced to change in tents after this government rejected their application for funding for women's change rooms. And do you know why it was rejected? Because it wasn't in a target seat. It wasn't going to win this government an election, so it was ignored. Hundreds of clubs around Australia, run by volunteers, thought that if they had a go, they would get a go. How wrong they were! This government dummied them. They made sure that clubs weren't going to get the funding unless there was a pay-off for the government. Labor will not be thanking the government for this process, because that's not how they should be doing business. The report says what it says’—what a terrible excuse. *(Time expired)*

Question agreed to.

**Climate Change**

**Senator WATERS** (Queensland—Leader of the Australian Greens in the Senate) *(15:31)*: I move:

That the Senate take note of the answer given by the Minister representing the Prime Minister (Senator Cormann) to a question without notice asked by Senator Waters today relating to the climate.

I didn't really get an answer to the actual, very clear, specific questions that I asked. I certainly got a lot of government talking points and a lot of the usual waffle, which I want to take the chance to dissect. I first asked whether, given the absolutely devastating, tragic summer that we've just had, the government now accept that we are in a climate-driven emergency—a climate emergency. The science says that. The experts say that. The community knows that. The last people to get the memo are this government. What I deduced from the series of words that came out at a rapid rate was: 'Essentially, no'. They could have just said that. We didn't get a clear answer, but I think it's very evident from the government's approach that they don't think we're in a climate emergency—because it doesn't suit their corporate donors to actually abide by the science.

The next question that I asked was about whether the government accepts the link between burning our coal and the severity of these fires. Again, all of the commentators and all of the experts—the folk who know this stuff—are saying there is a clear and obvious link. But: 'Oh, no, no, no'—we didn't get a clear answer on that one either, but apparently—this is a global problem, so it's not really, you know, a big deal for Australia. We don't actually have to pull our weight globally. We're just a tiny contributor.' What a convenient rhetorical device. Do you hear them saying that about our sporting aspirations? Do you hear them saying that about our contribution to any other global effort—whether it's, I don't know, signing up to America to send troops to invade somewhere? No. It's a very selective use of the argument, 'Australia can't do anything; we're just small.' Again, it doesn't fly.

The last question I asked was whether or not the government accepts that its policies have us on track for more than three degrees of warming, which will inevitably result in more than three times the devastation that we are already suffering. The science tells us we've already had one degree of warming. If we are on track for more than
three degrees, we're on track for at least three times as much devastation—but no, neither science nor logic will penetrate this government's rhetorical shutters.

What they do accept, though, is money from the polluters. We saw that donations data released on Monday, and what do you know? In an election year, a million bucks from big coal, big oil and big gas was donated to the two political parties that sit on the benches on the two sides of this chamber. The government took almost a quarter of a million dollars from Adani. And you know what? Adani made a donation four days before the government ticked off on the groundwater management plan for Adani. And Adani made another donation—maybe it was a thank-you donation—after that approval was issued. The facts speak for themselves. Our democracy has been sold to the highest bidder, and that bidder is the fossil fuel industry, which is turbocharging these fires and wreaking such havoc on our community.

One of the other excuses that was trotted out on behalf of the Prime Minister was: 'If Australia didn't export the coal, somebody else would. We're actually doing the world a favour. We're helping the environment by exporting our coal.' What an absolute load of nonsense! I'm surprised the minister could actually say that with a straight face. It's the classic drug dealer's defence.

We all know what would happen if Australia reduced and ultimately phased out its coal exports and coal usage, while supporting those communities to transition into well-paid, decent jobs in industries that have a long-term future. If we actually take that step, the coal price would be impacted. Other countries would then see, even more, how affordable and reliable renewable energy is. That trend is already happening. Boris Johnson, for heaven's sake, just made a climate announcement earlier today. If that person can see the global writing on the wall, why can this government not? What a great opportunity for our Prime Minister to have somebody else lead the way, yet again, and for him to then fall in line and finally take some action on the climate. But don't hold your breath, folks.

So in question time today we were again asking about the climate emergency. Hundreds of people are camped outside parliament this week, begging this government for action on the climate emergency, begging this government to show some leadership and to step up and protect our shared future, to protect nature and to protect people. But money talks in this place. We had a question. We got no answers. We hope to finally see some action from this government—and, if we don't, they just need to get out of the way.

Question agreed to.

CONDOLENCES

Tchen, Mr Tsebin

The PRESIDENT (15:36): Senators, it is with deep regret that I inform the Senate of the death on 25 November last year of Tsebin Tchen, a senator for the state of Victoria from 1999 until 2005, and I acknowledge members of his family in the President's Gallery this afternoon. I call the Leader of the Government in the Senate.

Senator CORMANN (Western Australia—Minister for Finance and Vice-President of the Executive Council) (15:36): by leave—I move:

That the Senate records its deep sorrow at the death, on 25 November 2019, of Tsebin Tchen, former senator for Victoria, places on record its gratitude for his service to the Parliament and the nation, and extends its profound sympathy to his family in their bereavement.

We were all deeply saddened when we heard the news late last year that our former friend and colleague Tsebin Tchen had passed away. It was sudden and unexpected. Even at the age of 78, Tsebin had so much more still to give. At the time of his passing, Tsebin was as active in the community and as passionate about multiculturalism as ever. Throughout his life he worked tirelessly to bridge cultural divides. Tsebin was devoted to uniting Australia's many communities, because he believed the cultures that make up our country are stronger than one. And he was of course right. We have lost one of the guardian angels of multiculturalism in Australia, as he was specifically affectionately known as.

I didn't personally have the pleasure of knowing Tsebin, but I wish I had. In a touching tribute after his passing, a Chinese-Australian advocate and writer expressed her gratitude to her dear 'Uncle Bin'. She said his mentoring and support of the next generation of leaders will be remembered forever by her and so many others, which speaks volumes about the vast and powerful impact that Tsebin had on Australia's multicultural community, particularly Chinese Australians. We should all strive to be more like Uncle Bin.

Like many of us—in fact, like both the Leader of the Opposition and I—Tsebin was born overseas. He came to Australia in the 1950s on a student visa with no promise of being able to remain here after his studies because of the then White Australia policy. But he saw a future here and he pursued it. Tsebin graduated with a master's
degree in town planning at the University of Sydney, and, thanks to the efforts of successive governments to dismantle the White Australia policy, he received Australian citizenship in 1971.

As a son of a Republic of China diplomat, he had an innate interest in politics that led him to join the Liberal Party in 1972. He volunteered on the campaign of then Prime Minister William McMahon. As a town planner, he was deeply passionate about community development and bringing people together, but he knew he could make a more significant difference by putting his energies into politics. In 1999, Tsebin entered the Senate, representing Victoria, and in the process became the first Asian-born migrant elected to our federal parliament. His ascension to this place came in the face of growing hostility from some quarters of politics towards Asian Australians. That did not faze him. He often told those he mentored, 'You have to be in it to change it.' Tsebin's presence here undeniably helped create a parliament that better reflected our diverse community, and it wasn't long before my friend and colleague across the chamber Senator Wong joined him as another Asian Australian in our federal parliament. In his first speech, Tsebin highlighted the 'special significance' of his election. He said it served 'as a reinforcing symbol and a call to those who are Australians by choice that they belong'. He said:

'It is also an act of affirmation by the people of Australia that every Australian, regardless of his or her cultural or historic background, stands equal in the eyes of his or her fellow citizens. Tsebin was a symbol of multicultural success in Australian politics and a figure of hope and aspiration for his beloved Chinese Australian community. He gave people who, like him, have come to Australia confidence that they have a role and place in our democracy—the feeling that they belong.

Tsebin performed diligently during his term in the Senate. He played an influential role in migration policy, sitting on several committees, including chairing the government members policy committee on immigration and multicultural affairs between 2000 and 2004. His presence within the Liberal Party provided unique and valuable insights into Australia's engagement with the region, especially East Asia.

After his retirement from politics, Tsebin continued to promote the value of multiculturalism, amplifying the voices of those who are not readily heard. He became a commissioner of the Victorian Multicultural Commission in 2015 and a member of the Australian Multicultural Council in 2018. Tsebin was also made an adjunct professor at Swinburne University of Technology, pursuing his deep interest in Chinese Australian history, which he believed should be treated as an integral part of Australian history. In his life, Tsebin punctured the bamboo ceiling and, through his efforts, he has left behind a more diverse and inclusive Australia. It is fitting that his family has established a foundation in his honour to continue his work and ensure his legacy lives on. The 'guardian angel of multiculturalism' will always be with us. To Tsebin's wife, Pauline, and children Jacinta and Adrian, on behalf of the government and the Australian Senate and in tribute to a much-loved man, I join with my colleagues in offering my sincerest condolences. May Tsebin rest in peace.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (15:43): I rise on behalf of the opposition to express our condolences following the passing of former senator Tsebin Tchen at the age of 78. I convey at the outset the opposition's condolences and my personal condolences to his family and friends. In particular, I extend our sympathies to his daughter, Jacinta, and other family members who are with us in the President's gallery today and to members of the community who have joined us. I also want to express my personal gratitude for their gracious invitation to attend his funeral, which I regret I could not take up.

Bin Tchen and I came from very different political traditions, but we shared an affinity that went beyond party membership. We shared the experience of being Asians in Australia at a time when that was much less common than it is today, and we shared the experience of being the first Asian Australians elected to the Australian parliament.

That meant a great deal to both of us. I think we were always deeply conscious of the responsibility of being the first ones representing, of course, all of the community, but with the additional expectation inherent in representing the parts of the community who hadn't seen their like as political representatives before—because representation does matter: to be it, you have to be able to see it. That was something Senator Tchen understood, as do I. So we knew that, for the many Australians who had never before seen themselves represented in this place, having people in public life and having people in the parliament who looked like them or whose experience mirrored their own could have a huge impact. It could not only change people's lives but also, perhaps more importantly, their perceptions of what was possible. This was a privilege and a responsibility that Tsebin Tchen carried with dignity and with grace.

In this Senate he spoke about how important multiculturalism is to our nation. He saw its nation-building power. He built bridges and changed hearts and minds. He confronted those who were sceptical and helped them find a more understanding perspective. This was particularly important at that time in Australian political history, as my colleague and friend, Senator Cormann, has referenced. This was a period of time where Asian Australians
were very much a public focus. Tchen said, in his own words: 'My preference is to build rather than to pull down.' We could do with more like him today.

That a humble man like Tsebin Tchen was able to achieve election as a senator speaks in part to the power of education. Born in China in 1941, it was education that brought the son of a diplomatic family to Australia in the late 1950s after living in several different international locations. Like my dad, who had come to Adelaide as a Colombo Plan scholar to study architecture in the 1960s, Tsebin Tchen found a place in the Australian tertiary education system, at the University of Sydney. He remained in Australia and made his first contribution to civic life in our nation as a town planner and policy analyst after graduation. Along the way, he would become an Australian citizen and join the Liberal Party in the early 1970s. I heartily endorse the former, but I am more reserved about his judgement on the latter. However, the decision he made would set him on a path to our national parliament.

Tsebin Tchen was elected to the Senate for Victoria in 1998 and served for one term, retiring with the expiration of his term on 30 June 2005. His election spoke to the power of change in our country over the previous three decades, the change in attitudes and change in laws that would dismantle the White Australia framework, a structure that had served to prevent people like us and our families from full participation in Australian society. Accompanying this was also a change in outlook, as we transformed from a monocultural outpost of the British Empire to a diverse multicultural nation engaged in our region. Tsebin Tchen recognised this in his first speech in the Senate, identifying these changes as pivotal to Australia's growth and prosperity. He also spoke about his support for reconciliation with Indigenous Australians. As a senator he served on a number of Senate committees, including community affairs, environment, communications, IT, and the arts, a committee which he was a member of for five years. He also held positions, appropriately, on the joint standing committees on migration and on treaties. In fact, his membership of the treaties committee spanned the entirety of his term of service in the Senate, and it was a time where that was a very busy committee, given the Australia-United States Free Trade Agreement.

After parliament, Tsebin Tchen's unifying work continued, both formally and informally. I particularly make reference to his roles as a member of the Victorian Multicultural Commission and as a member of the ministerially appointed Australian Multicultural Council. Of this latter appointment, his friends and family should be justly proud. The meeting of 20 November 2019 in Sydney was his last official meeting, just days before his tragic death. Tchen was also consistent in his support and encouragement of Chinese-Australian community groups.

Throughout his career as a senator and in his life, Tchen demonstrated that every Australian, regardless of cultural or ethnic background, stands equal in our society—equal in rights, equal in capability and equal in opportunities to contribute to the growth and development of the nation for prosperity and for harmony. Ensuring that this continues to be the case, now and for those who come to call Australia home in the future, from wherever they come, must be our continuing project. As we honour his legacy, it is a project all of us should recommit to. As we mourn his passing, once again, I extend my deepest sympathies to Tchen's family and friends.

**Senator SCARR** (Queensland) (15:50): I only met Tsebin Tchen once, but he left a profoundly positive impression upon me. I had remembered the significance of his election at the time, especially at a time when there were people in my home state of Queensland who were putting quite poisonous ideas into the political realm. His election was of great significance.

I had the privilege of spending an afternoon with him, on 30 March 2019, at the commemoration of the memorial to the Amoy shepherds. I draw the Senate's attention to the fact that Mr Graham Perrett, the member for Moreton, also happens to be my local member. We may be in different parties, but, in matters such as this, we're absolutely on the same page. He had brought to people's attention the issue of the Amoy shepherds in St George in the Balonne region of western Queensland. In 1848, when a region in China was suffering from great famine, shepherds were brought out from China as indentured labour on five-year contracts to work in Queensland. Three hundred shepherds came to Queensland and went west to the St George region to act as shepherds for 450,000 head of sheep. In 1906 the records—their names—were destroyed in a fire at a shire council hall. In the early 1970s the cemetery, which was predominantly wooden gravesites, was destroyed by fire. This came to the member for Moreton's attention, and he thought that the issue needed to be rectified. He was right in thinking that. So the St George Chinese Community Memorial Committee was established to establish a memorial to the Amoy shepherds. It was led by some great Queenslanders and was headed up by a good friend of both of ours, Mr Jack Sun. And with the support of David Littleproud, the member for Maranoa, the memorial was built to the Amoy shepherds.

So it came to 30 March 2019 for the commemoration of the memorial. It took 6½ hours for me to drive from Brisbane to St George for the commemoration. The member for Moreton was there as well. Tchen drove 14 hours
over night from Melbourne to attend the commemoration—14 hours overnight from Melbourne; that is what the significance of that commemoration meant to him. As is probably the tradition amongst lost travellers, we both found ourselves at the St George service station seeking directions to find the St George cemetery, because we were both a little bit early. We looked at each other and immediately recognised our mutual interests and values and said, 'We must be going to the same place,'—which, in fact, we were. So, before the main group arrived, we attended the cemetery, just the two of us, and discussed the memorial. We had two hours prior to the ceremony where we could sit down together.

Can I tell you, Mr President, as someone who at that stage was seeking election to this place, it was a great and deep honour to have that opportunity to sit down with Tsebin Tchen and to receive his wisdom, his guidance and his thoughts about the significance of the role I was about to undertake.

After that discussion, we returned to the cemetery for the commemoration. I want to read to you the words on that memorial, because I think they are significant, especially considering the background of Tsebin Tchen and how he came to this country from China. The memorial states:

In memoriam

To the young men who, around 1850, left the famine in Amoy to become indentured shepherds and those who, in the 1880s, drifted here in itinerant "coolie" gangs after the Palmer River gold had gone.

These sojourners never earned enough to return to the families left behind in their ancestral villages. Here now they lie silent witness to the settlement history of this region.

There's also a poem on the memorial, a 1,300-year-old poem, from Li Bai. It says this:

The moonlight shines bright beyond my bed
I wonder if there's frost on the ground outside
I raise my head to see the moon
I lay down my head and yearn for my ancestral village.

After the ceremony, Tsebin had to return to Melbourne. He had a long trip ahead of him. But it was an absolute honour, a privilege, to share that time and those moments with him.

In his maiden speech he said this:

As we enter the 21st century, the world we are in is, in many respects, a place of even greater uncertainty. In this world, Australia, with the advantage of our geography and our history, has the chance to become a source of hope and an example for all to follow. We have a responsibility to make multiculturalism—that means an equal right and opportunity for every citizen to contribute to the growth and development of our common community—work for Australia and contribute to world peace and prosperity.

Those were Tsebin Tchen's values. Those are my values. Those are the member for Moreton's values. And those are the values of both the Leader of the Government in the Senate and, I'm sure, the Leader of the Opposition in the Senate. His final words in that maiden speech were these—and you can understand the significance of these words in the context of his attending that commemoration and contemplating the plight of the Amoy shepherds, because he himself had come from China. He said in his maiden speech:

I say to my father: when I left home you told me, 'You are going to a new country to live among strangers. Always remember who you are and where you came from; always behave in such a way that those who knew you will not be disgraced because the new people that you live with will judge them by you. You should always realise where you are going and who you can be. Always strive for purpose, so that the expectation of those among whom you will live shall not be disappointed, because they will be judged by your success or not.'

His final words in that maiden speech were:

Father, I hope that I have met your wishes.

I'm sure Tsebin Tchen exceeded the wishes of his father and family. He has done himself, he has done his father, he has done his family, he has done his country and he has done this Senate great honour.

Senator Fierravanti-Wells (New South Wales) (15:59): I rise to make comments and to pay tribute to a gentleman, a real gentleman. Tsebin Tchen was a wonderful person. When I joined the Senate he was leaving, so there was only ever a very short overlap in our time here together. I know that when Tsebin Tchen left this place, he continued his time of service.

With half of us born overseas or having at least one parent born overseas, Tsebin Tchen reflected very much the face of mainstream Australia today. But, as has been said before, at the time when he came to this place, there weren't many people of diverse background serving in this place. In many ways, he laid the path for people, such as myself, from different backgrounds to come to this place and serve one's country.
When you looked at Tsebin Tchen, you would never have thought he was 78, because he was such an active person. I think that there were many years of service left for him before, sadly, he was taken in an accident. I pay tribute to him and the work that he did before he came to this place—the struggles that he and his family went through and the things that have been acknowledged about his service before. Today, as I said, not only do we remember a senator who contributed to the diversity of this place but we well and truly respect the gentleman that he always was.

The PRESIDENT (16:01): I, as a Victorian Liberal senator, take the rare opportunity to make a brief observation from the chair. I had the privilege of joining Tsebin Tchen's family and colleagues at the memorial service held at Melbourne Town Hall. His standing in the community was reflected in the number and diversity of those who attended: public figures; politicians, state and federal; former premiers; ministers of the current state Labor government; leaders of communities; multicultural commissioners; and, of course, family and friends.

Senator Cormann reminded us of Tsebin's election in 1999 as the first Asian-born member of federal parliament. It seems like so long ago in this place and it seems unimaginable, yet it is also oddly recent. It took so long to occur. He was always particularly proud of doing this from Victoria and from the Victorian Liberal Party. He did it at a time when, as Senator Wong outlined, Asian migration was the subject of a particularly unpleasant focus in this country. He was always proud of being able to engage with people and do it in a positive way, seeking to persuade rather than being belligerent. He was proud to repel the arguments forcefully but politely. He was proud to work with people like Jeff Kennett, whom I remember was a particularly aggressive opponent of those views at the time, as he went around the country in 1998 and 1999. In this sense, he was always a particularly proud Victorian Liberal and a particularly proud Victorian, knowing that multiculturalism was part of the fabric of his home state. He was always particularly proud to work with those who shared his values across boundaries of communities, across boundaries of politics and across boundaries of states and nations. I associate myself with the comments outlined by Senators Cormann and Wong. He saw that diversity as a particularly strong building block for this country.

The loss of a family member or friend is always sad, but this was particularly tragic in its swiftness and its unexpected nature. Personally, as a Victorian Liberal, I express, as I did on the day, my condolences to his family and to his friends and colleagues.

Question agreed to, honourable senators standing in their places.

NOTICES

Presentation

Senator DUNIAM (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:04): I give notice that, on the next day of sitting, I shall move:

That provisions of paragraphs 5 to 8 of standing order 111 not apply to the Laws Amendment (2019-20 Bushfire Tax Assistance) Bill 2020, allowing it to be considered during this period of sittings.

I also table a statement of reasons justifying the need for this bill to be considered during these sittings and seek leave to have the statement incorporated in Hansard.

Leave granted.

The statement read as follows:

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2019 AUTUMN SITTINGS

TREASURY LAWS AMENDMENT (2019-20 BUSHFIRE TAX ASSISTANCE) BILL 2020

Purpose of the Bill

The Prime Minister announced on 8 January that Government payments relating to the bushfires will be non-taxable in the same way this has applied in the case of previous disasters such as the recent North Queensland floods.

Reasons for Urgency

Early passage will assure recipients that Government payments will not be taxed. The tax exemption recognises the significant impact of the ongoing and devastating bushfires.

Presentation

Senator Griff to move on the next day of sitting:

That the Senate—

(a) notes:

(i) with deep concern, the Government's decision to privatise aged care assessments from April 2021 with a tender to be held this year, and

(ii) the Government's decision was not made in consultation with State Health Ministers;
(b) recognises that there are eighty aged care assessment teams (ACAT) operating across the nation which include state-employed multi-disciplinary teams of nurses, geriatricians, physiotherapists, occupational therapists, psychologists and social workers who work at public hospitals, to expertly assess the more complex level of care required by individual elderly Australians;

(c) further notes the recent statement by the Chair of the Royal Commission into Aged Care Quality and Safety on ACAT privatisation that:

(i) the Royal Commission's Interim Report did not endorse the Government's position on privatising ACAT, and

(ii) the Commission has not yet made a recommendation about which sector or mechanism will best achieve an integration of Regional Assessment Services and the Aged Care Assessment Teams;

(d) acknowledges that:

(i) health experts argue that no private providers can offer the expertise to adequately assess the often complex needs of hundreds of thousands of elderly Australians, and

(ii) outsourcing assessment teams would have a serious detrimental impact on the delivery of proper care; and

(e) calls on the Federal Government to consult with the state health ministers on the issue of ACAT privatisation, as a matter of urgency.

Senator Dean Smith to move on the next day of sitting:

That the Senate—

(a) notes that 6 February 2020, marks the 68th anniversary of the accession of Her Majesty Queen Elizabeth II, Queen of Australia and Head of the Commonwealth;

(b) recognises the enduring role that Her Majesty has played as a symbol of peace and stability across the Commonwealth; and

(c) extends to Her Majesty, its appreciation for the sense of duty and extraordinary grace in which she fulfils her duties as Queen of Australia and Head of the Commonwealth.

Senator Abetz to move on the next day of sitting:

That the Senate—

(a) notes the Australian citizenship pledge, which in part reads as follows:

I pledge my loyalty to Australia and its people, whose democratic beliefs I share, whose rights and liberties I respect, and whose laws I will uphold and obey; and

(b) calls on all schools to consider having the citizenship pledge recited by students on appropriate occasions.

Senator Ruston to move on the next day of sitting:

That on Monday, 10 February 2020:

(a) the sitting of the Senate shall be suspended from 11 am until 2.30 pm, to enable senators to attend the address by His Excellency Mr Joko Widodo, President of the Republic of Indonesia;

(b) the routine of business from not later than 2.30 pm shall be as follows:

(i) questions without notice,

(ii) motions to take note of answers until 4 pm, and

(iii) consideration of private senators bills until 5.20 pm; and

(c) following conclusion of consideration of private senators bills, the Senate return to the routine of business.

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

That the Senate—

(a) notes a number of recent examples of questionable conduct by Government Ministers that may fall under the purview of an independent anti-corruption commission, if one existed federally, including:

(i) numerous allegations against the Minister for Energy and Emissions Reduction, Mr Angus Taylor, including questions over the $80 million purchase of overland flow water licences and his ties to a company accused of clearing endangered grassland, and claims of document falsification in relation to the Sydney Lord Mayor,
(i) Senator Bridget McKenzie and the 'sports rorts' affair, and
(ii) suspected leaks of classified information from Minister Peter Dutton's office about the costs of medically evacuating refugees, where the confidential information was reportedly de-classified at a time the Australian Federal Police was still investigating the leak; and
(b) further notes that the Government's proposed Commonwealth Integrity Commission (CIC) would not have the ability to make public findings of corruption, and can only refer potentially criminal behaviour, and will fail to expose improper conduct of Members of Parliament and public servants; and
(c) calls on the Federal government to strengthen its proposed CIC and introduce a bill to create a federal anti-corruption commission that will have the power to hold public hearings and to make public findings of corruption.

Senator Siewert to move on the next day of sitting:

That the Senate—
(a) notes that:
   (i) there are over 3 million people in Australia living in poverty including over 700,000 children,
   (ii) Newstart and Youth Allowance have not had an increase in real terms for over 25 years,
   (iii) the Government's continued failure to act has meant that those trying to survive on Newstart are falling even further behind, prompting the Australian Council of Social Service to call for an urgent $95 increase in Newstart, and
   (iv) the Government's position on Newstart is out of step with community expectations; and
(b) calls on the Federal Government to make it a priority to help address poverty in Australia by raising Newstart and Youth Allowance by at least $95 a week.

Senator Griff to move on the next day of sitting:

That the Senate—
(a) recognises transparency and accountability in Government are the hallmarks of a strong democracy;
(b) acknowledges trust in government has reached an all-time low compounded by recent scandals;
(c) notes, with concern, the results of the Australian National University 2019 Australian election study that:
   (i) satisfaction with democracy is at its lowest level (59%) since the constitutional crisis of the 1970s,
   (ii) trust in Government has reached its lowest level on record, with just 25% believing people in government can be trusted, and
   (iii) 56% of Australians believe that the Government is run for 'a few big interests', while just 12% believe the Government is run for 'all the people'; and
(d) further acknowledges that winning back people's trust is among the most urgent challenges facing political leaders;
(e) recognises rebuilding trust with voters involves tightening the rules around political donations;
(f) further recognises that donations to political parties revealed in the Australian Electoral Commission disclosures published on Monday demonstrate the need for urgent political donations reform;
(g) recognises that, ideally, the Government should ban corporate donations from vested interests that seek to influence government policy; and
(h) calls on the Federal Government, as a minimum, to:
   (i) lower the disclosure threshold for political donations to $1000; and
   (ii) for real time disclosures of donations to political parties.

Senator Faruqi to move on the next day of sitting:

That the Senate—
(a) notes that:
   (i) the issue of per- and poly-fluoroalkyl substances (PFAS) contamination has caused significant mental, emotional and financial stress for communities where PFAS have contaminated land and water, including the communities around the RAAF bases in Williamtown and Richmond in New South Wales, the Oakey Army Aviation Centre in Queensland, and RAAF Base Tindal at Katherine in the Northern Territory,
   (ii) it has been more than 14 months since the Joint Standing Committee on Foreign Affairs, Defence and Trade tabled its report, Inquiry into the management of PFAS contamination in and around Defence bases, and the Federal Government has still not issued its response, and
   (iii) communities are waiting anxiously on the Government's response to the key recommendations of the Committee, such as that the Federal Government appoint a Coordinator-General to coordinate the national response to the PFAS contamination issue; undertake measures to improve participation in the voluntary blood testing program for PFAS; and assist property owners and businesses in affected areas for demonstrated, quantifiable financial losses associated with PFAS contamination, including the possibility of buybacks; and
(b) calls on the Federal Government to immediately release its response to the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade report into management of PFAS contamination in and around Defence bases.

Senator Faruqi to move on the next day of sitting:
That the Senate—
(a) notes that:
(i) unprecedented bushfires across Australia have burnt at least 10 million hectares of land, primarily in New South Wales (NSW), Victoria and South Australia,
(ii) an estimated 800 million animals have been killed in NSW, with national impact to more than 1 billion animals, including kangaroos, koalas, bats and reptiles, and
(iii) wildlife carers have been on the frontline, rescuing and caring for injured animals, often at great emotional, financial, physical and emotional cost and sacrifice; and
(b) thanks wildlife carers for their work in saving animals during the recent horrific bushfires.

Senator Waters to move on the next day of sitting:
The Senate—
(a) notes:
(i) the overall national toll for women killed by violence since the start of 2020 already stands at 6, as reported by Counting Dead Women Australia from Destroy The Joint,
(ii) there is no national government reporting program to record the ongoing toll of women killed by violence in real time,
(iii) on average, one woman is murdered every week by her current or former partner,
(iv) according to the Australian Bureau of Statistics Personal Safety Survey 201:
(A) more than 370,000 Australian women are subjected to violence from men each year,
(B) 1 in 3 Australian women has experienced physical violence,
(C) 1 in 5 Australian women has experienced sexual violence,
(D) 1 in 6 Australian women has experienced physical or sexual violence by a current or former partner,
(E) 1 in 4 Australian women has experienced emotional abuse by a current or former partner,
(F) Australian women are nearly three times more likely than men to experience violence from an intimate partner, and
(G) Australian women are 2.5 times more likely to be hospitalised for assault injuries arising from family and domestic violence than men, with hospitalisation rates rising by 23% since 2014-15;
(v) in 2017, young women aged 15-34 accounted for more than half of reported sexual assaults,
(vi) there is growing evidence that women with disabilities are more likely to experience violence,
(vii) Aboriginal and Torres Strait Islander women report experiencing violence at 3.1 times the rate of non-Indigenous women,
(viii) in 2016-17, Indigenous women were 32 times as likely to be hospitalised due to family violence as non-Indigenous women,
(ix) the Fourth Action Plan of the National Plan to Reduce Violence against Women and their Children 2010-22 states that the overall prevalence of violence against women will only start to decrease in the very long term as gender roles change,
(x) the Fourth Action Plan recognises that demand for domestic and family violence services has increased, and will continue to increase; and
(b) calls on the Federal Government to:
(i) recognise domestic violence against women as a national security crisis,
(ii) adequately fund frontline domestic, family and sexual violence and crisis housing services to ensure that all women seeking safety can access these services when and where they need them,
(iii) legislate for 10 days paid domestic and family violence leave so that women don't have to choose between paying the bills and seeking safety,
(iv) ensure that all government funded counselling services for domestic and family violence are delivered by expert family violence service providers in accordance with the National Outcome Standards for Perpetrator Interventions,
(v) implement all 25 recommendations of the 2015 Senate Standing Committee on Finance and Public Administration report, Domestic Violence in Australia, tabled on 20 August 2015; and
(vi) maintain and publish an official real-time national toll of women killed by violence in Australia.

Senator Ruston to move on the next day of sitting:
That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Treasury Laws Amendment (2019-20 Bushfire Tax Assistance) Bill 2020, allowing it to be considered during this period of sittings.
BUSINESS

Leave of Absence

Senator DEAN SMITH (Western Australia—Government Whip in the Senate) (16:04): by leave—I move:
That leave of absence be granted:
(a) Senator Brockman for 4 February 2020, for personal reasons.
(b) Senator McMahon for today, on account of parliamentary business.
Question agreed to.

Leave of Absence

Senator URQUHART (Tasmania—Opposition Whip in the Senate) (16:05): by leave—I move:
That leave of absence be granted to Senator Gallacher from 4 February to 26 March 2020, for personal reasons.
Question agreed to.

NOTICES

Presentation

Senator FIERRAVANTI-WELLS (New South Wales) (16:05): I give notice of my intention at the giving of notices on the next day of sitting to withdraw business of the Senate notice of motion No. 1 standing in my name for 26 February 2020, proposing the disallowance of the Telecommunications (Protecting Australians from Terrorist or Violent Criminal Material) Direction (No. 1) 2019.

Postponement

The Clerk: Postponement notifications have been lodged in respect of the following:
Business of the Senate notice of motion no. 4 standing in the name of Senator Patrick for today, proposing the disallowance of the Aviation Transport Security Amendment (Security Controlled Airports) Regulations 2019, postponed till 12 May 2020.
General business notice of motion no. 363 standing in the name of Senator Gallagher for today, relating to Ministerial standards, postponed till 6 February 2020.

COMMITTEES

Community Affairs Legislation Committee

Legal and Constitutional Affairs Legislation Committee

Reporting Date

The Clerk: Notifications of extensions of time for committees to report have been lodged in respect of the following:
Community Affairs Legislation Committee—Australian Sports Anti-Doping Authority Amendment (Sport Integrity Australia) Bill 2019—from 3 February 2020 to 5 February 2020.

The PRESIDENT (16:06): I remind senators that the question may be put on any proposal at the request of any senator.

Administration of Sports Grants Select Committee

Appointment

Senator WONG (South Australia—Leader of the Opposition in the Senate) (16:06): I, and also on behalf of Senators Farrell and Rice, move:
(1) That a select committee, to be known as the Select Committee on Administration of Sports Grants, be established to inquire into and report on the administration and award of funding under the Community Sport Infrastructure Grant Program, with particular reference to:
(a) program design and guidelines;
(b) requirements placed on applicants for funding;
(c) management and assessment processes;
(d) adherence to published assessment processes and program criteria;

(e) the role of the offices of the Minister, the Prime Minister and Deputy Prime Minister, and any external parties, in determining which grants would be awarded and who would announce the successful grants; and

(f) any related programs or matters.

(2) That the committee present its final report on or before Tuesday 24 March 2020.

(3) That the committee consist of 5 senators, as follows:

(a) 2 nominated by the Leader of the Government in the Senate;
(b) 2 nominated by the Leader of the Opposition in the Senate; and
(c) 1 nominated by the Leader of the Australian Greens.

(4) That:

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

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

(c) a participating member shall be taken to be a member of a committee for the purpose of forming a quorum of the committee if a majority of members of the committee is not present.

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

(6) That the committee elect as chair one of the members nominated by the Leader of the Opposition in the Senate and as deputy chair the member nominated by the Leader of the Australian Greens.

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

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

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

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

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

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

Question agreed to.
BILLS

Commonwealth Electoral Amendment (Donation Reform and Other Measures) Bill 2020

First Reading

Senator LAMBIE (Tasmania) (16:07): I move:
That the following bill be introduced: A Bill for an Act to amend the Commonwealth Electoral Act 1918, and for related purposes. Commonwealth Electoral Amendment (Donation Reform and Other Measures) Bill 2020.

Question agreed to.

Senator LAMBIE: I present the bill and move:
That this bill may proceed without formalities and be now read a first time.

Question agreed to.

Bill read a first time.

Second Reading

Senator LAMBIE (Tasmania) (16:09): I move:
That this bill be now read a second time.

I seek leave to table an explanatory memorandum relating to the bill.

Leave granted.

Senator LAMBIE: I table an explanatory memorandum and seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—
Australians found out who paid for the major parties' 2019 election campaigns this week.

The Liberals finally told the Australian public about the nearly $23 million they received in political donations. The ALP released information about nearly $18 million.

We're only now finding out about where that money came from. We're only now finding out who funded their election campaigns.

Here's a newsflash for anyone who hasn't noticed: it's February. The election was in May.

Money changed hands between the major donors and their favoured parties more than eight months ago. We're finding out about it now.

And that's just the money they've bothered to tell us anything about. According to the Mercury, the Tasmanian Liberals only disclosed 23 percent of the $3.3 million they received in the year. Labor disclosed less than 5 percent of their $1.2 million.

I mean, come on. Are you serious? Is this a joke?

Let's get real here: these disclosures are too late and too limited. You can bet that the big donors have already gotten bang for their buck. They've cashed in before we knew anything about it. There's not much the rest of us can do about it now.

This really isn't good enough. Time to wake up, you guys: voters aren't stupid. Regular people know that something is off.

We might not have all the details; we might not be able to find a smoking gun.

But we know enough by now to wonder: have we been sold out here? Have you sold us out?

Because if you have, we have a right to know.

We have a right to know who you bow to -- and for how much. At least have the guts to tell us the truth. Don't sit on information that's the public's right to know for more than eight months and think everything is fine and dandy here.

Because this is not okay.

Because we're onto you.

Because when the Australian Hotels Association gives over $1 million to both parties, and our parliamentarians let poker machines continue to ruin the lives of gambling addicts, we know something is up.

When both parties take money from Crown and then join together to vote down an inquiry into allegations of corruption centring on the casino, we know something is up.

When the CFMEU donates $1.4 million to Labor, and they turn a blind eye to bullying and corruption in the construction sector, we know something is up.

Wake up!

Australians know that you're selling us out. We know, and we've had a gutful of it.

Quit taking us for a ride.
I mean, what exactly do these companies and unions think they’re buying with all this money? Are you trying to pretend to us that they just throw their money around because they value our democracy that much? Come on.

It shouldn’t be a surprise to you that they aren’t giving millions out of the goodness of their hearts. They don’t usually spend that much money without expecting something in return. Frankly, you’d think their shareholders and members would have something to say about it if they did.

Guess what? I’ve got a surprise for you. The jig is up.

I’m not going to let you get away with this anymore.

I’ve had enough, and so have the Australian people. It’s well beyond time to do things differently.

Today I’m introducing the bill to do it.

My proposal, the Commonwealth Electoral Amendment (Donation Reform and Other Measures) Bill 2020, is an opportunity to get a fresh start.

It’s a big bill, because there are big gaps to fill. It’s got a lot of the things that Australians have been begging for for years: real-time disclosure, a lowered disclosure threshold, more thorough disclosures of parties’ sources of income, and stronger penalties for people or organisations that do the wrong thing.

It’s also got some new ideas, like the AEC Disclosure Portal, which will ensure compliance and help smaller organisations keep track of their new obligations.

All of these changes will work together to make a new disclosure system that will be easy to navigate and hard to avoid.

The bill is a cohesive plan to get the Commonwealth up to speed with community expectations when it comes to donations disclosures.

The first part of this bill tightens the rules on the types of donations that need to be declared.

We’re changing things so that donors can’t buy a table at a fundraising dinner and get away with not declaring the money for what it is—a donation. Membership fees to parties or their fundraising bodies would also have to be declared, so donors can’t sign up for a ‘dinner with the Minister’ subscription service without having to declare it openly.

It’s a long overdue change. I am very sorry to the donors that like to quietly pay thousands for the opportunity to ‘bend the ear’ of our elected representatives at the 500 Club or Progressive Business but if disclosing the cost of their dinner puts them off, I doubt they’ll miss the company or the food.

The bill would also lower the disclosure threshold from $14,000 per year to $2,500 every six months. That means that smaller donations will have to be declared. It is utterly ridiculous that someone can donate $13,500 and the Australian public won’t know anything about it.

Even worse, a donor could split up their donations so that they were all worth less than the threshold, and the parties wouldn’t have to declare source of the income. That means the parties don’t have to declare two 8,000 dollar donations from the same donor, because each individual donation is worth less than 14 grand.

You can bet we’re getting rid of that loophole too.

Under this bill, donors and recipients will keep track of any donations under the threshold over a six month period, and declare them as soon as the total value of the donations is more than $2,500. Any subsequent donation from the same donor would also need to be declared until the end of the reporting period—either in January or July.

Australians won’t be waiting for months and months (if not years) to hear anything about donations that are over the threshold, either. This bill would bring in real time disclosure of donations, so that donors and recipients have seven days to make a declaration when one is required.

We have the technology to do this now—there’s no excuse for making people wait for so long to find out about who’s been donating to whom. Look at Queensland, and look at South Australia. They’ve been doing this for years. There’s no reason why the Commonwealth can’t too.

These are big changes, and I know some of the people in this place won’t like them much. So I’ve had to think about bringing in compliance measures too. We’ve got to ensure everyone plays by the same rules, or the bill wouldn’t be fair to those who do the right thing.

One of the most important compliance measures introduced in this legislation is to introduce electoral expenditure accounts.

Any organisation that pays for electoral expenditure will need to set themselves up with an electoral expenditure account, and provide details about the account to the AEC. If they want to spend money to engage in political debates, they’ll have to take the money—exclusively—from their electoral expenditure account.

And here’s the catch: the only way to get money into the account will be to transfer it to the account through a disclosure portal run by the AEC. When the money goes through the Portal, it will require parties and donors to provide information to the AEC about the source of the donation.

This will give the AEC visibility over the sources of the income that parties are using to pay for electoral expenditure. It will ensure the money that gets used in our election campaigns has been properly accounted for according to the requirements of the Commonwealth Electoral Act.
It will also help donors and donation recipients out, by keeping track of whether they need to make a public declaration and letting them know when it's time to disclose a donation over the threshold.

The Commonwealth Government is more than capable of making this happen. In fact, we're well behind what the States and Territories have already introduced. They've already enacted a bunch of these ideas, and—no surprises—the sky didn't fall in.

Real-time disclosures in Queensland and South Australia are possible thanks to online software that automatically cleans up and publishes the data. It helps weed out stupid spelling mistakes and other issues that get in the way of researchers using the data, and showcases the information to the public in an easy format. It even produces interactive maps to show the electorates where the most money is coming from.

In NSW, parties and other political campaigners have to hold a campaign account, from which all their electoral expenditure is paid. It makes it harder for parties and others to avoid disclosure because it gives the Electoral Commission more information about the income that they're using to pay for election campaigns.

I've got a bit more to tell you about. I warned you this was a big bill.

We're also reforming the annual returns that are currently provided by political parties and other political organisations about their income and donations.

Unfortunately, the annual returns aren't particularly useful right now. They're released well after the money has changed hands, and they don't contain much information about the organisation's income that supposedly isn't from donations—income that the Commonwealth Electoral Act calls 'other receipts'.

These so-called 'other receipts' are often incorrectly declared, so that they don't show up on a political parties' return as a donation.

Worse, there's a lot of money that gets dumped in the 'other receipts' bucket so it's hard for anyone looking at the returns to know what it's there for. Profits from fundraising dinners or returns on an investment get declared the same way as money from a public body like the ATO.

Under this bill, parties and other reporting entities will have to provide returns declaring the sources of all their income every six months. On top of that, other receipts will need to be categorised so that people have some idea where the money has come from.

Regular reports and better information about this money will help stop people from trying to avoid real-time disclosure by categorising more income as an 'other receipt'.

Another compliance measure under this bill is to allow the AEC to appoint inspectors, who will have the power to investigate and monitor serious breaches of Part XX of the Act. In the absence of a strong federal ICAC with teeth, these changes will at least allow the AEC to ensure everyone is following the rules when it comes to disclosing donations.

The bill takes a big whack at large donors who are trying to get in the ear of politicians. But the intention is not to remove people's right to contribute small amounts to their preferred political party.

That's why we've made some exceptions for donations of up to $500. For an anonymous political donation to be permitted, the party or entity that receives the donation will have to provide the AEC with information about the context that the donation was received in.

That means you can still have small fundraising events and stalls in markets—you just can't fail to declare it when you charge people thousands for the privilege of speaking with you.

We've also exempted registered charities from the real-time disclosure obligations, to recognise that they already have strong accountability and disclosure requirements under the Charities Act 2013 and the Australian Charities and Not-for-profits Commission Act 2012. Charities will still be required to disclose the source of any reportable income used to fund electoral expenditure every six months.

These changes will substantially increase public transparency over political donations. They're long overdue, and they reflect best practice in the States and Territories.

To finish off: I'd encourage everyone in the chamber to reflect on how urgently we need this change.

Trust in government is at its lowest level in Australia since 1969. More people than ever think government is run for the benefit of big business instead of the public interest. Aussies are now more dissatisfied with our democracy than New Zealanders, Canadians and Americans.

Money in politics isn't the only reason that people are so fed up, but I'm willing to bet it's a big part of it.

This bill will help give voters a better understanding of exactly what's going on. It will bring a bit more accountability back into this place.

And it will finally force donors and parties to be honest with the Australian people about what's going on behind closed doors.

Senator LAMBIE: I seek leave to continue my remarks later.

Leave granted; debate adjourned.
NOTICES
Withdrawal


MOTIONS
Pensions and Benefits

Senator SIEWERT (Western Australia—Australian Greens Whip) (16:10): I move:

That the Senate—

(a) notes that Newstart is a poverty trap; and

(b) calls on the Federal Government to mark the new decade by immediately increasing the rate of Newstart and Youth Allowance.

Question agreed to.

National Family Violence Prevention Legal Services

Senator URQUHART (Tasmania—Opposition Whip in the Senate) (16:10): Before moving notice of motion No. 367, I wish to inform the chamber that Senator Dodson will also sponsor the motion. At the request of Senators McCarthy and Dodson, I move:

That the Senate—

(a) notes that:

(i) the National Family Violence Prevention Legal Service Forum (the Forum) was established in May 2012, and is the peak body for 14 member organisations across Australia providing services under the Family Violence Prevention Legal Services (FVPLS) Program,

(ii) the FVPLS members provide culturally sensitive assistance to Indigenous victim-survivors of family violence and sexual assault,

(iii) the Forum works with members to develop tools for capacity building, good governance, professional development, training, data collection and evaluation, and

(iv) the Forum provides advice and input to government and ensures a unified FVPLS response to addressing Aboriginal and Torres Strait Islander family violence; and

(b) calls on the Federal Government to acknowledge the important work of the NFVPLS and not to cut funding to the network.

Senator DUNIAM (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:10): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator DUNIAM: The Morrison government is supporting Indigenous Australian victims and survivors of family violence and sexual assault. The government is increasing funding over three years for all 14 Family Violence Prevention Legal Services providers, from $72 million to $75 million. There has been no cut to funding. The National FVPLS will receive an additional $244,000 to support the national forum.

Question agreed to.

Tasmania: Bushfires

Senator POLLEY (Tasmania) (16:11): Before moving general business notice of motion No. 368, I wish to inform the chamber that Senators Colbeck, Chandler, Abetz, Askew, Duniam and Lambie will also sponsor the motion. I, and also on behalf of Senators Brown, Bilyk, Urquhart, McKim, Whish-Wilson, Colbeck, Chandler, Abetz, Askew, Duniam and Lambie, move:

That the Senate—

(a) notes:

(i) the devastating impact of the Tasmanian bushfires during the summer period,

(ii) the burning of land and damage to property, and the impact on the livelihoods and communities of Tasmanians and our natural environment including flora and fauna, and

(iii) the extraordinary character, strength and resilience of these communities and emergency service personnel in responding to fires on the East Coast, Central Highlands and Southern Tasmania;

(b) acknowledges the immense risk taken by our heroic firefighting personnel, both paid and voluntary; and
(c) particularly acknowledges the Tasmanian firefighting personnel from the Tasmanian Fire Service, Parks and Wildlife Service and Sustainable Timbers Tasmania; and the work undertaken by these personnel to keep Tasmanians safe at home and Australians safe in mainland states.

Question agreed to.

**Townsville: Floods**

**Senator URQUHART** (Tasmania—Opposition Whip in the Senate) (16:12): Before moving general business notice of motion No. 369, I wish to inform the chamber that Senator Waters will also sponsor the motion. At the request of Senators Green, Watt, Chisholm and Waters, I move:

That the Senate notes that—

(a) one year ago, flood waters peaked in Townsville in one of the worst natural disasters to have impacted the region;
(b) five people lost their lives due to the flood and 3,300 homes were damaged;
(c) more than 30,700 insurance claims have been lodged, with hundreds of people still waiting to move back into their homes;
(d) Emergency Service personnel, Australian Defence Force personnel and volunteers worked tirelessly during the peak of the flood waters and in the rebuild efforts afterwards;
(e) the Australian Competition and Consumer Commission's (ACCC) inquiry into northern Australian insurance found insurance premiums rose by 130% in northern Australia over the past decade, compared to just over 50% in the rest of the country;
(f) the ACCC found that the number of homes with no building insurance in Townsville has more than doubled from 9% in 2011 to 20% in 2019;
(g) the ACCC has made 28 recommendations aimed at making insurance in north Queensland fairer, and more transparent; and
(h) the people of Townsville urgently need affordable and fair insurance to ensure they are protected from future weather events.

**Senator DUNIAM** (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:12): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

**Senator DUNIAM:** The government has invested $10 million, which has been matched by the Queensland government, in the Household Resilience Program. The program delivers additional funds for homeowners to improve the ability of the premises to withstand North Queensland weather events. The government is currently considering the recommendations coming from the ACCC report.

Question agreed to.

**DOCUMENTS**

**Attorney-General's Department**

**Order for the Production of Documents**

**Senator URQUHART** (Tasmania—Opposition Whip in the Senate) (16:13): At the request of Senator Carr, I move:

That there be laid on the table by the Minister representing the Attorney General, by 10:00am on 10 February 2020, all unanswered and overdue questions that were taken on notice by the Attorney General's Department in the 2019-20 Supplementary Estimates round.

Question agreed to.

**MOTIONS**

**Liberation of Auschwitz: 75th Anniversary**

**Senator GRIFF** (South Australia) (16:14): Before moving general business notice of motion No. 372, I wish to inform the chamber that Senators Van, Wong and O'Neill will also sponsor the motion. I also seek leave to amend the motion.

Leave granted.

**Senator GRIFF:** I, and also on behalf of Senators Van, Wong and O'Neill, move the motion as amended:

That the Senate—

(a) acknowledges that 27 January 2020, marked the 75th anniversary since the liberation of Auschwitz and is universally acknowledged as the International Day of Commemoration in memory of the victims of the Holocaust;
recognises Auschwitz, the largest concentration and extermination camp during World War II, was a world in which people were robbed of their human dignity;

(c) pays its respects to the more than 1.1 million men, women and children killed at Auschwitz and the 11 million people killed during the Holocaust including 6 million people of Jewish faith;

(d) supports Pope Francis' condemnation of a "barbaric resurgence" of antisemitism across the globe, including Australia; and

(e) acknowledges that what happened during the Holocaust should serve as a reminder to all Australians not to be indifferent, to practise acceptance and show compassion for others.

Question agreed to.

Australia Day Awards

Senator GRIFF (South Australia) (16:14): I move:

That the Senate—

(a) congratulates all finalists and recipients of the 2020 Australian of the Year awards;

(b) further congratulates eye surgeon and blindness prevention pioneer, Dr James Muecke AM, for being honoured as Australian of the Year for 2020;

(c) recognises Dr Muecke's work on preventing the leading cause of blindness in adults – type 2 diabetes;

(d) notes that:

(i) type 2 diabetes is a very serious and progressive condition with many serious complications including eye damage and blindness, foot problems and amputations, kidney damage and dialysis, heart attacks, heart failure and strokes,

(ii) there are now over 1.1 million Australians who have been diagnosed with type 2 diabetes,

(iii) Diabetes Australia estimates there could be another 500,000 Australians with "silent" undiagnosed type 2 diabetes, and

(iv) there are about 2 million Australians with pre-diabetes and these people are at high risk of developing type 2 diabetes;

(e) acknowledges that according to Diabetes Australia there is strong evidence that we can help to prevent type 2 diabetes in up to 60% of cases but we are not doing this in Australia;

(f) calls on the Federal Government to develop a National Prevention Program to meet the goals of the Australian National Diabetes Strategy helping to prevent people developing type 2 diabetes that includes:

(i) risk assessment to identify people at high risk,

(ii) evidence-based lifestyle behaviour change programs for those at high risk,

(iii) whole of community change to promote healthy eating, increased physical activity and healthy weight,

(iv) public education campaigns, and

(v) public policy initiatives including reducing marketing and promotion of unhealthy food to children, reducing sugary drink consumption, reducing added sugar, fat and salt in the food supply, and reducing the cost of healthy food options for the poor and disadvantaged.

Question agreed to.

Tasmania: Australia Day Awards

Senator POLLEY (Tasmania) (16:15): I seek leave to amend general business notice of motion No. 376 standing in my name and the names of Senators Brown, Bilyk and Urquhart for today, relating to Tasmanian recipients of Australia Day honours.

Leave granted.

Senator POLLEY: I, and also at the request of Senators Brown, Bilyk and Urquhart, move the motion as amended:

That the Senate acknowledges and congratulates:

(a) the 46 worthy Tasmanians who were recipients of the 2020 Australia Day honours on 26 January 2020 for their outstanding achievement and services to Tasmania, and Australia more broadly;

(b) Officer of the Order of Australia (AO) recipient: Ms Gillian Margaret Groom;

(c) Officer of the Order of Australia (AO) and the Australian Police Medal (APM) recipient: Commissioner Darren Leigh Hine;

(d) Member of the Order of Australia (AM) and the Public Service Medal (PSM) recipient: Mr Robert Harold Annells;

(e) Member of the Order of Australia (AM) recipients; Mr John Charles Batten, The late Mr Daniel Leo Reardon, Ms Constance Kimberly Seagram and Mr Richard Ashton Warner;
(f) Order of Australia Medal (OAM) recipients: Mr Richard Palmer Bennett, Ms Helen Rosemary Connor-Kendray, Mrs Dallas Antoinette Cooper, Ms Susan Margaret Cure, Ms Glenise Gale, Mr Neil Laurence Hirt, Mr Colin Howlett, Mr Gregory Reginald Jackson, Dr Stephen Jeffries King, Dr Thomas William Langston, Dr Robert Lavis, Ms Sarah Jane Lloyd, Mr Peter John McDermott, Dr Jennifer Ann McMahon, Ms Janelle Mary McMillan, Mrs Janette May Miller, Mr James Ingle Nicholson, Mr Ian Mead Paterson, Mr Douglas Alan Renshaw, Dr Kim Frances Rooney, Ms Patricia Noeline Sabine, Mrs Joan Rosemary van Bibra, Mrs Jocelyn Yvonne Watson, Dr John Milton Wettenhall, Mr Paul Clifford Wilson, and Mrs Lexie Eileen Young;

(g) Australian Police Medal (APM) recipients: Detective Senior Constable Sharee Simone Maksimovic and Commander Ian John Whish-Wilson;

(h) Australian Fire Service Medal (AFSM) recipient: Mr Mark Henry McDermott;

(i) Ambulance Service Medal (ASM) recipients: Mrs Lorraine Joy Gardiner and Mr Han-Wei Lee;

(j) Emergency Services Medal (ESM) recipients: Mr William James Folder, Mr Vincent Holthouse and Mr Neil Geard Van Veldhuizen;

(k) Australian Corrections Medal (ACM) recipient: Ms Elizabeth Moore;

(l) Conspicuous Service Cross (CSC) recipient: Lieutenant Colonel Darryl Robert Bridgeman; and

(m) Conspicuous Service Medal (CSM) recipient: Lieutenant Colonel John Charles Sayers.

Question agreed to.

Ovarian Cancer

Senator POLLEY (Tasmania) (16:15): I wish to inform the chamber that Senator Hanson-Young will also sponsor this motion. I, and also on behalf of Senators Marielle Smith and Hanson-Young, move:

That the Senate—

(a) recognises that in Australia:

(i) ovarian cancer is the eighth most common disease, and it is the fifth highest cancer-related death in women,

(ii) ovarian cancer is more common in women aged 50 and over,

(iii) however it is not isolated to women over 50 – ovarian cancer can also affect young women, which is why it is vitally important to raise awareness of the disease in all women and girls, and

(iv) around 1,600 women will be diagnosed with the disease each year, with around 1,047 women dying from the disease;

(b) notes that:

(i) February is Ovarian Cancer Awareness Month, which aims to ensure the voices of women living with ovarian cancer are heard,

(ii) it is important that more action and awareness is given, so that all women can be educated to know the signs and symptoms of ovarian cancer,

(iii) in the past 30 years, other cancers have been able to achieve amazing improvements in awareness, funding and survival rates, and

(iv) this needs to happen for women with ovarian cancer; and

(c) calls on the Australian Government to recognise that more resources are needed to help educate and find a cure for ovarian cancer so we can give hope to women and reduce the number of women who die from this disease.

Question agreed to.

DOCUMENTS

Community Sport Infrastructure Grant Program

Order for the Production of Documents

Senator RICE (Victoria—Deputy Australian Greens Whip) (16:16): I move:

That there be laid on the table by the Minister for Youth and Sport, by no later than 2 pm on 13 February 2020:

(a) all communications from the Australian Sports Commission or Sport Australia to the Prime Minister’s office or the Department of the Prime Minister and Cabinet, in relation to the Community Sport Infrastructure Grant Program;

(b) all communications from the Australian Sports Commission or Sport Australia to the former Minister for Sport or their office, regarding the role of the Prime Minister’s office in relation to the Community Sport Infrastructure Grant Program; and

(c) a comprehensive list of all applications for funding under the Community Sport Infrastructure Grant Program, including the score the applications received, which were assessed by the Australian Sports Commission or Sport Australia as having a score of 74 or above, but which did not receive funding through the program.

Senator ROBERTS (Queensland) (16:16): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.
Senator ROBERTS: We support this motion. After the resignation of Senator McKenzie over matters raised in this motion, one would think that the Nationals would have learned their lesson. However, overnight Minister Littleproud said in an interview with the ABC:

What people have to understand is you might get a warm, fuzzy feeling voting for a micro-party …

… … …

[They] won't be cutting the cheques. We cut the cheques.

What an outrageous thing to say! Senator McKenzie resigned as Deputy Leader of The Nationals for treating the taxpayer's chequebook as the Nationals' own multimillion-dollar slush fund. Minister Littleproud has been elevated to Deputy Leader of the Nationals and has immediately declared business as usual. The lesson has clearly not been learned. Taxpayers expect and deserve better.

Question agreed to.

Order for the Production of Documents

Senator WATERS (Queensland—Leader of the Australian Greens in the Senate) (16:18): I, and also on behalf of Senator Rice, move:

That there be laid on the table by the Minister representing the Prime Minister, by no later than 2 pm on 13 February 2020:

(a) Any communications, advice or reports from the Prime Minister's Office or the Department of the Prime Minister and Cabinet to the office of the former Minister for Sport in relation to the Community Sport Infrastructure Grant Program;

(b) the report or advice prepared by the Secretary of the Department of the Prime Minister and Cabinet in relation to the former Minister for Sport's management of the grants program (the 'Gaetjens report');

(c) any communications, advice or reports from the Prime Minister's Office or the Department of the Prime Minister and Cabinet to Sport Australia in relation to the Community Sport Infrastructure Grant Program; and

(d) any advice received from the Australian Government Solicitor in relation to the Community Sport Infrastructure Grant Program.

Question agreed to.

MOTIONS

Lake Illawarra Accident: 45th Anniversary

Senator CAROL BROWN (Tasmania) (16:18): I wish to inform the chamber that Senator Bilyk will also sponsor this motion. I, and also on behalf of Senator Bilyk, move:

That the Senate—

(a) notes:

(i) that 6 January 2020, was the 45th anniversary of the collision of the ANL vessel Lake Illawarra with the Tasman Bridge, and

(ii) that twelve people lost their lives that day, including seven crew members of the Lake Illawarra and five occupants of the four cars that plunged into the Derwent River following the collision; and

(b) records its thanks to the crew members that lost their lives whilst at work, and sends its condolences to the families and friends of all of those who died as a result of the tragic accident 45 years ago.

Question agreed to.

Australian Bushfires

Senator CAROL BROWN (Tasmania) (16:19): I, and also on behalf of Senator Ciccone, move:

That the Senate—

(a) notes:

(i) the vital role played by Australian coastal shipping and their crews in the provision of relief supplies and emergency evacuation from isolated communities following the bush fires – in particular the emergency assistance provided by the Far Senator, Far Saracen, Kangaroo Island ferries, Eden tugs and the MV Sycamore,

(ii) that the Far Saracen supply vessel, along with its Australian and New Zealand crew, was tasked by the Victorian Government to deliver relief supplies to 4,000 people stranded in Mallacoota – which it undertook 24 hours prior to the arrival of Australian Defence Force (ADF) support and personnel,

(iii) that part of the assistance provided by the Far Saracen was the supply of diesel to power generators and fuel for Country Fire Authority fire trucks,

(iv) the vital role played by the crew and operators of Kangaroo Island ferries in transporting relief supplies, assisting with evacuation and ferrying ADF equipment and personnel assisting with fighting the fires, and
(v) that Eden tugs and their crews provided emergency shelter while moored at Eden Wharf, while pilot boats provided emergency assistance and protection to other vessels throughout the night; and

(b) records its recognition, appreciation and thanks to the crews and operators of all of the civilian vessels that were involved in the emergency relief effort.

Question agreed to.

DOCUMENTS

Report on Ministerial Standards and Sports Grants

Order for the Production of Documents

Senator LAMBIE (Tasmania) (16:20): I move:

(1) That there be laid on the table by the Minister representing the Prime Minister, by no later than 3:30 pm on 6 February 2020, the final report provided by the Secretary of the Department of the Prime Minister and Cabinet, Mr Phillip Gaetjens, to the Prime Minister in relation to the application of the Statement of Ministerial Standards to the former Minister for Sport, the Honourable Senator McKenzie’s, award of funding under the Community Sport Infrastructure Program.

(2) In the event the Minister fails to table the report, the Senate requires the Minister representing the Prime Minister to attend the Senate either immediately prior to government business being called on, or at 3:00 pm, on 10 February 2020, whichever is earlier, to provide an explanation, of no more than 10 minutes, of the Government's failure to table the report.

(3) Any Senator may move to take note of the explanation required by paragraph (2).

(4) Any motion under paragraph (3) shall have precedence over all business until determined, and any senator may speak to the motion for not more than 10 minutes.

Question agreed to.

Community Sport Infrastructure Program

Order for the Production of Documents

Senator FARRELL (South Australia) (16:20): I move:

(1) That there be laid on the table by the Minister for Youth and Sport, by no later than midday on Tuesday 11 February 2020, the spreadsheet colour-coding the over 2,000 grant applications under the Community Sport Infrastructure Program according to the party that held the electorate as referred to in media reports and in the Auditor-General report No.23 of 2019-20.

(2) In the event the Minister fails to table the documents requested in paragraph (1), the Senate requires the Minister for Youth and Sport attend the Senate at 9.30 am on Wednesday 12 February 2020 to provide an explanation, of no more than 10 minutes, of the Government's failure to table the documents requested in paragraph (1).

(3) Any senator may move to take note of the explanation required by paragraph (2).

(4) Any motion under paragraph (3) shall have precedence over all business until determined, and senators may speak to the motion for not more than 15 minutes each.

Question agreed to.

Order for the Production of Documents

Senator FARRELL (South Australia) (16:20): I move:

(1) That there be laid on the table by the Minister representing the Attorney-General, by no later than 12.00 pm on 11 February 2020, advice provided to the Attorney-General, including by the Australian Government Solicitor, in relation to the legal authority of the former Minister for Sport to undertake an approval role for funding decisions under the Community Sport Infrastructure Program.

(2) In the event the Minister fails to table the documents requested in paragraph (1), the Senate requires the Minister representing the Attorney-General, to attend the Senate at 9.30 am on 12 February 2020 to provide an explanation, of no more than 10 minutes, of the Government's failure to table the documents requested in paragraph (1).

(3) Any senator may move to take note of the explanation required by paragraph (2).

(4) Any motion under paragraph (3) shall have precedence over all business until determined, and senators may speak to the motion for not more than 15 minutes each.

Question agreed to.

Senator DUNIAM (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:21): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator DUNIAM: In accordance with longstanding practice of governments of both political persuasions, the government does not release any legal advice it receives.

Question agreed to.
Order for the Production of Documents

Senator FARRELL (South Australia) (16:21): I move:

(1) That there be laid on the table by the Minister for Youth and Sport, by no later than 12.00 pm on 11 February 2020, all communication between the current and former Offices of the Minister for Sport and both the Office of the Prime Minister and the Office of the Deputy Prime Minister in relation to the three grant rounds under the Community Sport Infrastructure Program.

(2) In the event the Minister fails to table the documents requested in paragraph (1), the Senate requires the Minister for Youth and Sport to attend the Senate at 9:30 am on 12 February 2020 to provide an explanation, of no more than 10 minutes, of the Government's failure to table the documents requested in paragraph (1).

(3) Any senator may move to take note of the explanation required by paragraph (2).

(4) Any motion under paragraph (3) shall have precedence over all business until determined, and senators may speak to the motion for not more than 15 minutes each.

Question agreed to.

Economic and Social Impacts of Recreational Hunting and Shooting

Order for the Production of Documents

Senator FARUQI (New South Wales) (16:22): I move:

That there be laid on the table by the Minister representing the Minister for Health, by 12 pm on 11 February 2020, any emails or any other form of written correspondence between the former Minister, Senator McKenzie, or the former Minister's office, in any of her former capacities, and the Department of Health, or any person working for the Department of Health, concerning either of the following matters surrounding the report 'Economic and social impacts of recreational hunting and shooting', released in September 2019:

(a) the funding of the report; or
(b) the commissioning of the report.

Question agreed to.

MOTIONS

New South Wales: Bushfires

Senator FARUQI (New South Wales) (16:22): I move:

That the Senate—

(a) notes that in New South Wales (NSW):

(i) the bushfire crisis has wrought havoc and destruction, with the Bush Fire Danger Period starting early and winter fires plaguing the state's north as early as August,

(ii) since last winter, fires have burnt at least 5.5 million hectares,

(iii) 25 people have lost their lives to bushfires and hundreds of homes have been reduced to ash,

(iv) more than 800 million animals, birds and reptiles have been killed, pushing some species to the brink of extinction,

(v) Regional areas and parts of the state dependent on tourism are experiencing devastating economic impacts,

(vi) 74% of people living in NSW have been impacted by the bushfires and smoke in some way, and

(vii) an estimated 2.8 million adults have had smoke-related health impacts, with shops running out of breathing masks and an increase in hospital visits for smoke-related illnesses;

(b) expresses its solidarity with the people of NSW who have been impacted by the worst of the bushfire crisis; and

(c) thanks firefighters and emergency services for their extraordinary courage, resilience and commitment in the face of this unprecedented bushfire season.

Question agreed to.

Western Australia: Australia Day Awards

Senator DEAN SMITH (Western Australia—Government Whip in the Senate) (16:23): Before moving the motion, I advise that Senator Brockman will also sponsor the motion. I, and also on behalf of Senator Brockman, move:

That the Senate—

(a) acknowledges the following Western Australians who received Australia Day Honours on 26 January, 2020, for their exceptional service to our community:

(i) Officer of the Order of Australia (AO): Emeritus Professor John Bloomfield; Mr Ronald Dullard; Mr Peter Hood; Dr Geoffrey Boughton; Mr Bruce Brown; Mr Lyndon Brown; Mr Shane Colquhoun; Mrs Sara David; Dr Ian Fairnie; Mr Murray Lampard; The late Mr Eric Lumsden; Mr Graham McKenzie-Smith; Ms Patricia Murray; Dr Anthony Mylius;
(ii) Medal of the Order of Australia (OAM): Mr Glenn Baker; Mrs Jahna Cedar; Mr James Clarke; Mr Andrew Coad; Mr Lief Cocks; Mr Simon Cubitt; Mr Ivo Davies; Ms Kira Fong; Mrs Eileen Giles; Mrs Pamela Hamence; Mr David Hicks; Mrs Mary Hutton; Mrs Julie Keamy; Mrs Bronwen Keighery; Mr Gregory Keighery; Mr David Kerr; Mr Richard Kidd; Mrs Daliah Moss; Mr Glenn Musckett; Mrs Margaret Owen; Mr Maxwell Page; Ms Patricia Powell; Mrs Donna Prytulak; Mrs Marjorie Quinn; Mrs Joanna Randell; Mr Graeme Robertson; Mr Malcolm Small; Mr Arthur Stanton; Ms Christine Thompson; Mr John Thornton; The Reverend Dr Jennifer Turner; Mr Adam Voges; Mr Michael Zekulich;

(iii) Public Service Medal (PSM): Ms Pauline Bagdonavicius; Mrs Noelene Jennings; Mrs Lee Musumeci;

(iv) Australian Police Medal (APM): Deputy Commissioner Colin Blanch; Superintendent Dario Bolzonella; Senior Constable Michelle Jesney; Sergeant David Johnson;

(v) Australian Fire Service Medal (AFSM): Mr Mark Bowen; Dr Neil Burrows; Mr Richard Lawrey;

(vi) Ambulance Service Medal (ASM): Mr Christopher Oakes; Mr David Saunders; Mr Austin Whiteside;

(vii) Emergency Services Medal (ESM): Mr Ronald McPherson;

(viii) Australian Corrections Medal (ACM): Mr Samuel Dinah; Ms Cassandra Gilbert; Mr Benjamin Leadbeatter; Mr Gregory Little; Ms Leith Thomas;

(ix) Medal of the Order of Australia (OAM (M)): Warrant Officer Anthony O'Riley;

(x) Conspicuous Service Cross (CSC): Captain Daniel LeRaye; and

(b) acknowledges that these deserving Western Australians have made a significant contribution to their communities and ultimately Australia.

Question agreed to.

Senator URQUHART (Tasmania—Opposition Whip in the Senate) (16:24): I seek leave to amend general business motion No. 381 standing in the name of Senator Wong.

Leave granted.

Senator URQUHART: I move the motion as amended:

(a) notes:

(i) the death on 2 February 2020 of the Right Honourable Mike Moore, the thirty-fourth prime minister of New Zealand, third director-general of the World Trade Organization, and diplomat,

(ii) the significant contribution made by Mr Moore to domestic politics in New Zealand and to the international community,

(iii) that in international trade, both as a minister in New Zealand’s Fourth Labour government and subsequently through the World Trade Organization, Mr Moore promoted the development of multilateral trade, including by:

(A) ensuring the majority of the world’s population came within the rules-based trading system, and

(B) giving particular attention to helping developing nations participate effectively in the multilateral trading system,

(iv) in 2004, Mr Moore was made an Honorary Officer of the Order of Australia for service to the South Australian Government by developing initiatives in economic reform and for service to the education sector, and

(v) that Mr Moore’s legacy of public service will continue to guide others for many years to come; and

(b) expresses its sympathy to his widow Yvonne and all those in New Zealand and across the world who are mourning the loss of this eminent statesman.
Australian Broadcasting Corporation

Senator URQUHART (Tasmania—Opposition Whip in the Senate) (16:26): At the request of Senators Kitching and Hanson-Young, I move:

That the Senate—
(a) notes that:
(i) the Australian Broadcasting Corporation (ABC) has covered more than 850 emergency broadcasting events in the 2019-20 reporting period so far,
(ii) this represents more than double the number of emergency broadcasting events covered by the ABC for all of 2018-19, and triple the year before that,
(iii) in times of crisis, Australians turn to the national broadcaster for trusted news and information, and
(iv) the ABC is a lifeline for at-risk and impacted communities, particularly when other lines of communication are affected by extreme weather events; and
(b) expresses its support for the work of the ABC in providing these essential services to all Australians, especially to those in regional areas;
(c) recognises that:
(i) the whole of agency impact of the unprecedented bushfire season requires a significant commitment from the ABC,
(ii) the cost of the ABC’s emergency broadcasting comes out of its funding, and
(iii) more frequent and intense climate events mean there will be increasing need for emergency broadcasting by the ABC;
(d) congratulates the ABC on the vital role it plays in the daily life of Australians and in Australia’s democracy; and
(e) affirms the indispensable place of the ABC in the fabric of our nation.

Question agreed to.

Australian Broadcasting Corporation

Senator GRIFF (South Australia) (16:26): Before asking that the motion be taken as formal, I wish to inform the chamber that Senator Kitching will sponsor the motion. I, and also on behalf of Senators Hanson-Young and Kitching, move:

That the Senate—
(a) thanks the Australian Broadcasting Corporation (ABC) for its service in delivering vital emergency broadcasts and comprehensive coverage during the catastrophic fires;
(b) acknowledges the dramatic rise in emergency broadcasts, from 256 in 2017-18, to 371 in 2018-19 and close to 900 during this financial year, which have been delivered without additional funding to cover the resources which have been poured into the emergency broadcast effort;
(c) recognises that, since Boxing Day, as bushfires raged across Victoria (VIC), New South Wales (NSW) and South Australia, the ABC handled more than 100 emergency broadcasts in a single week, receiving widespread praise for the practical, life-saving information and the professionalism on display;
(d) notes heavy damage sustained to the ABC’s radio and TV networks during the bushfires, particularly at Bateman’s Bay in NSW and East Gippsland in VIC;
(e) commends the ABC for mobilising with the assistance of the ADF, Broadcast Australia and Commercial Broadcasters to restore local radio stations as the priority because of their critical role in providing information to communities during disasters;
(f) acknowledges the ABC’s funding is decreasing at a time when emergency broadcasting events is increasing; and
(g) calls on the Federal Government to reverse the $83.7 million paused indexation funding, as a matter of urgency.

Senator DUNIAM (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:27): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator DUNIAM: The ABC did an excellent job delivering vital emergency broadcasts during the recent bushfires. The ABC is well resourced, with over $1 billion in funding per year, which has enabled it to do such a good job of emergency broadcasting.

Question agreed to.

Her Majesty Queen Elizabeth II: Christmas Message 2019

Senator GRIFF (South Australia) (16:27): Before asking that the motion be taken as formal, I wish to advise the chamber that Senator Green will sponsor the motion. I, and also on behalf of Senator Green, move:

That the Senate—
(a) acknowledges the sentiment expressed by Her Majesty Queen Elizabeth II in her Christmas message 2019, in which she praised new generations “who have brought a sense of purpose to issues such as protecting our environment and climate”;  
(b) joins with Her Majesty Queen Elizabeth II in praising the efforts of young people across the nation and the globe who are advocating for action on climate change and protecting our increasingly vulnerable environment; and  
(c) recognises that, as Australia is on the frontline of the climate crisis, we must also be a world leader in climate action.  
Question agreed to.

COMMITTEES

Finance and Public Administration References Committee

Reference

Senator URQUHART (Tasmania—Opposition Whip in the Senate) (16:28): At the request of Senator Watt, I move:  
That the following matter be referred to the Finance and Public Administration References Committee for inquiry and report by the last sitting day in 2021:  
Lessons to be learned in relation to the preparation and planning for, response to and recovery efforts following the 2019-20 Australian bushfire season, with particular reference to:  
(a) advice provided to the Federal Government, prior to the bushfires, about the level of bushfire risk this fire season, how and why those risks differed from historical norms, and measures that should be taken to reduce that risk in the future;  
(b) the respective roles and responsibilities of different levels of government, and agencies within government, in relation to bushfire planning, mitigation, response, and recovery;  
(c) the Federal Government’s response to recommendations from previous bushfire Royal Commissions and inquiries;  
(d) the adequacy of the Federal Government’s existing measures and policies to reduce future bushfire risk, including in relation to assessing, mitigating and adapting to expected climate change impacts, land use planning and management, hazard reduction, Indigenous fire practices, support for firefighters and other disaster mitigation measures;  
(e) best practice funding models and policy measures to reduce future bushfire risk, both within Australia and internationally;  
(f) existing structures, measures and policies implemented by the Federal Government, charities and others to assist communities to recover from the 2019-20 bushfires, including the performance of the National Bushfire Recovery Agency;  
(g) the role and process of advising Government and the federal Parliament of scientific advice;  
(h) an examination of the physical and mental health impacts of bushfires on the population, and the Federal Government’s response to those impacts; and  
(i) any related matters.

Senator DUNIAM (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:28): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator DUNIAM: The government does not support this motion. A range of inquiries are already underway at both the state and federal levels which aim to report in advance of the 2020-21 bushfire season. This inquiry would needlessly duplicate the efforts of other inquiries, including the royal commission announced by the Prime Minister in his speech yesterday.

The PRESIDENT: The question is that business of the Senate matter No. 5 be agreed to.

The Senate divided. [16:33]

(The President—Senator Ryan)

Ayes ..................37
Noes ..................33
Majority ..............4

AYES

Ayres, T
Brown, CL
Chisholm, A
Di Natale, R
Farrell, D
Gallagher, KR
Griff, S
Hanson-Young, SC

Bilyk, CL
Carr, KJ
Ciccone, R
Dodson, P
Faruqi, M
Green, N
Hanson, P
Kitching, K

CHAMBER
AYES

Lambie, J
McAllister, J
McKim, NJ
Patrick, RL
Pratt, LC
Roberts, M
Siewert, R
Steele-John, J
Urquhart, AE (teller)
Waters, LJ
Whish-Wilson, PS

NOES

Abetz, E
Askew, W
Bragg, AJ
Canavan, MJ
Chandler, C
Davey, P
Fawcett, DJ
Henderson, SM
Hume, J
McGrath, J
Molan, AJ
Paterson, J
Remnick, G
Ruston, A
Scarr, P
Smith, DA (teller)
Van, D

PAIRS

Keneally, KK
Wong, P

McMahon, S
Cornann, M

Senator Gallacher did not vote, to compensate for the vacancy caused by the resignation of Senator Bernardi.

Question agreed to.

MOTIONS

Climate Change

Senator WATERS (Queensland—Leader of the Australian Greens in the Senate) (16:36): I seek leave to amend general business notice of motion No. 353, standing in my name for today, relating to updating the figures of hectares burnt and the lives lost over summer.

Leave granted.

Senator WATERS: I move the motion as amended:

(1) That the Senate notes—

(a) the Bureau of Meteorology's (the Bureau) 2019-20 severe weather outlook has indicated that 'this summer there's a higher chance of extreme heat developing across our inland with soils so dry and an outlook for clearer skies';

(b) the Bureau has declared that the Murray-Darling Basin is experiencing the most severe drought conditions in 120 years of records;

(c) at the end of the 2019 sittings, more than 2 million hectares had been burnt by bushfires in New South Wales (NSW) since 1 July, including more than 10% of the area covered by NSW’s national parks and reserves;

(d) at the end of the 2019 sittings, more than 170,000 hectares had been lost in Queensland since the start of the bushfire season and more than 50 bushfires continued to burn across the state; and

(e) by the start of the 2020 sittings, the bushfire season has resulted in:

(i) at least 33 lives lost,

(ii) 18 million hectares of land burned across all States and Territories,
(iii) more than 3,000 homes destroyed, and
(iv) more than 1 billion animals killed.

(2) That the State of the Climate 2018 report, authored by the CSIRO and Bureau of Meteorology, indicates that, as the climate crisis continues, Australia will see:

(a) a further increase in temperatures, with more extremely hot days and fewer extremely cool days;
(b) a decrease in cool-season rainfall across many regions of southern Australia, with more time spent in drought; and
(c) an increase in the number of high fire weather danger days and a longer fire season for southern and eastern Australia.

(3) That—
(a) we are in a climate emergency;
(b) the burning of coal, oil and natural gas is the major global contributor to the climate crisis; and
(c) this summer, more Australian lives are at risk from extreme heatwaves, bushfires and drought as a result.


The PRESIDENT: Leave is granted for one minute.

Senator GALLAGHER: Labor will be supporting this motion out of respect to bushfire victims. We do regret, though, the political tone of the motion and the lack of support Labor has received in the past from the Greens for our efforts to implement meaningful policy on climate change. We also reject attempts to direct blame towards resource-sector workers. Taking sustainable and effective action on climate change requires the development of policy which also preserves and grows Australian jobs. This is something that the Greens seem not to understand.

Senator ROBERTS (Queensland) (16:37): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator ROBERTS: One Nation is opposing this. No. 1: arbitrary statements about weather are not indicative of climate. Forecasts of weather are not reliable. On 11 December BOM's forecast told ministers: 'No rain until April.' Today up to 500 millimetres of rain could fall in Queensland over the next 24 hours: 'Australia's east experiences heaviest February rain in 20 years.' No. 2: I've read this State of the Climate 2018 report, to which Senator Waters refers. It contains no evidence of anything unusual. There is no climate crisis mentioned, much less evidenced. No. 3: there is no climate emergency. Science requires solid, empirical data in a logical scientific framework that proves cause and effect. It's now day 149 since I challenged Senator Waters to provide the empirical data and logic proving human carbon dioxide affects climate and needs to be cut. Senator Waters has run from my invitations to debate her on climate. The first was 10 years ago.

The PRESIDENT: The question is that motion No. 353, as amended, be agreed to.

The Senate divided. [16:32]

(The President—Senator Ryan)

Ayes ...............34
Noes ...............34

Majority..............0

AYES

Ayres, T
Brown, CL
Chisholm, A
Di Natale, R
Farrell, D
Gallagher, KR
Griff, S
Lambie, J
McAllister, J
McKim, NJ
Patrick, RL
Pratt, LC
Sheldon, A
Smith, M
Sterle, G
Walsh, J
Watt, M

Bilyk, CL
Carr, KJ
Ciccone, R
Dodson, P
Faruqi, M
Green, N
Hanson-Young, SC
Lines, S
McCarthy, M
ONeil, D
Polley, H
Rice, J
Sievert, R
Steele-John, J
Urquhart, AE (teller)
Waters, LJ
Whish-Wilson, PS
Senator Gallacher did not vote, to compensate for the vacancy caused by the resignation of Senator Bernardi.

Question negatived.

**Education**

Senator FARUQI (New South Wales) (16:45): I move:

That the Senate—

(a) notes that:

(i) the number of children using early learning services has risen over the past 10 years, from just below 35% in 2009 to nearly 45% in 2018,

(ii) there is inequity in access to early learning services—children living in remote areas, children who live in economically disadvantaged areas, children from Indigenous backgrounds, children from non-English speaking backgrounds, and those with disability are under-represented in early learning services,

(iii) Australia's investment in early learning is below the Organisation for Economic Co-operation and Development average, and

(iv) the Australian Government's investment in early learning per child has declined between 2016 and 2019; and

(b) calls on the Federal Government to:

(i) increase investment in early learning, and

(ii) work to close the access gap and ensure disadvantaged children have equal access to early learning.

Senator DUNIAM (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:45): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator DUNIAM: The Australian government is investing record levels of funding in child care of $8.6 billion this year, increasing to around $10 billion a year in the coming years, including a $1.2 billion safety net program supporting disadvantaged and disabled children. The number of Indigenous non-English speaking and low-income families accessing the additional childcare subsidy all continue to increase, with non-English speaking and low-income families having higher proportions in child care than the community average. The OECD now estimates expenditure on all children aged three to five in an educational setting, and, using this measure, Australia's expenditure was the same as the OECD average.

The PRESIDENT: The question is that motion No. 364 be agreed to.

The Senate divided. [16:47]

(The President—Senator Ryan)
Ayes ......................33
Noes ......................35
Majority................2

AYES

Ayres, T
Brown, CL
Chisholm, A
Di Natale, R
Farrell, D
Gallagher, KR
Griff, S
Lines, S
McCarthy, M
O'Neil, D
Polley, H
Rice, J
Siewert, R
Steele-John, J
Urquhart, AE (teller)
Waters, LJ
Whish-Wilson, PS

Bilyk, CL
Carr, KJ
Ciccone, R
Dodson, P
Faruqi, M
Green, N
Hanson-Young, SC
McAllister, J
McKim, NJ
Patrick, RL
Pratt, LC
Sheldon, A
Smith, M
Sterle, G
Walsh, J
Watt, M

NOES

Abetz, E
Askew, W
Bragg, AJ
Canavan, MJ
Chandler, C
Davey, P
Fawcett, DJ
Hanson, P
Hum, J
McDonald, S
McKenzie, B
O'Sullivan, MA
Payne, MA
Reynolds, L
Ruston, A
Scarr, P
Smith, DA (teller)
Van, D
Antic, A
Birmingham, SJ
Brockman, S
Cash, MC
Colbeck, R
Duniam, J
Fierravanti-Wells, C
Hughes, H
Lambie, J
McGrath, J
Molan, AJ
Paterson, J
Rennick, G
Roberts, M
Ryan, SM
Seselja, Z
Stoker, AJ

PAIRS

Keneally, KK
Kitching, K
Wong, P
McMahon, S
Henderson, SM
Cormann, M

Senator Gallacher did not vote, to compensate for the vacancy caused by the resignation of Senator Bernardi. Question negatived.

NOTICES

Presentation

Senator CAROL BROWN (Tasmania) (16:50): Pursuant to standing order 78(1) I give notice of my intention at the giving of the notices on the next day of sitting to withdraw business of the Senate notice of motion No. 2 standing in my name, proposing that Marine Order 47 (Offshore industry units) 2019 made under the Navigation Act 2012 be disallowed.

BUSINESS

Consideration of Legislation

Senator URQUHART (Tasmania—Opposition Whip in the Senate) (16:51): At the request of Senator Gallagher, I move:
That further consideration of the Fair Work (Registered Organisations) Amendment (Ensuring Integrity No. 2) Bill 2019 shall be made an order of the day for the first day of sitting after all of the following have occurred, and the Senate passes a resolution affirming it is satisfied no further legislation is required to meet the requirements of the following paragraphs:

(a) a bill to establish a national integrity commission receives royal assent;

(b) legislation implementing all of the recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry receives royal assent; and

(c) legislation implementing all of the interim recommendations of the Royal Commission into Aged Care Quality and Safety receives royal assent.

Senator DUNIAM (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:51): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator DUNIAM: The Fair Work (Registered Organisations) Amendment (Ensuring Integrity No. 2) Bill 2019 was to ensure the courts were able to take appropriate and effective action in response to the repeated serious contraventions of the law by a militant minority of registered organisations. The bill represents a considered response by the government to multiple royal commissions, decades of court judgements and countless instances of bullying, harassment and intimidation of workers, small businesses and public servants, to name just a few. The bill should not be delayed any further by a Labor Party desperate to continue the shameful protection racket they've run for militant lawbreakers for too long.

Senator FARUQI (New South Wales) (16:51): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FARUQI: The Greens were the first party to call for a national anticorruption body and have long advocated for a national integrity commission. In fact, the Greens' bills to establish a national integrity commission passed the Senate last September, and this government has stopped the bill from getting a vote in the House. We also led the way to the royal commissions into banking and aged care. We are absolutely opposed to this so-called ensuring integrity bill, which is nothing but an attack on workers and their unions. There is no integrity in this bill. In fact, there is no integrity in this government either. The Greens support this motion.

The PRESIDENT: The question is that motion No. 365 be agreed to.

The Senate divided. [16:53]

(The President—Senator Ryan)

Ayes ......................31
Noes ......................36
Majority ...............5

AYES

Ayres, T
Brown, CL
Chisholm, A
Di Natale, R
Farrell, D
Gallagher, KR
Hanson-Young, SC
McAllister, J
McKim, NJ
Polley, H
Rice, J
Siewert, R
Steele-John, J
Urquhart, AE (teller)
Waters, LJ
Whish-Wilson, PS

NOES

Abetz, E
Askew, W
Bragg, A J
Canavan, MJ
Chandler, C

Bilyk, CL
Carr, KJ
Ciccone, R
Dodson, P
Faruqi, M
Green, N
Lines, S
McCarthy, M
O'Neill, D
Pratt, LC
Sheldon, A
Smith, M
Sterle, G
Walsh, J
Watt, M

Antic, A
Birmingham, SJ
Brockman, S
Cash, MC
Colbeck, R
Senator Gallacher did not vote, to compensate for the vacancy caused by the resignation of Senator Bernardi.

Question negatived.

MOTIONS

Arts

Senator HANSON-YOUNG (South Australia) (16:56): moving this motion, I would like to add Senator Bilyk as a co-sponsor to the motion, which relates to the contribution of the arts sector and the gutting of the department by this government. I, and also on behalf of Senator Bilyk, move:

That the Senate—

(a) condemn the Government's continued attack on the arts sector, which contributes $111.7 billion to the Australian economy annually;

(b) calls for the Federal Government to restore funding to the arts, which has been continually devalued and neglected since the Coalition Government was elected in 2013; and

(c) acknowledges the deep and valuable contribution of the arts to the Australian spirit and sense of community, which is in desperate need of repair after this summer of devastating fires.

The PRESIDENT: I remind senators that moving a motion is not an opportunity to make a statement about the motion.

Senator DUNIAM (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (16:57): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator DUNIAM: The arts makes a deeply valuable contribution to the Australian spirit and sense of community, and that's a key reason why the Morrison government is providing arts funding at record levels. Approximately $749 million has been committed through the 2019-20 budget to support artists, art organisations, national collecting institutions, national elite performing arts training organisations and audiences and communities across Australia. The premise of parts (a) and (b) of this motion is wrong.

The PRESIDENT: I remind senators that moving a motion is not an opportunity to make a statement about the motion.

Senator DUNIAM: The arts makes a deeply valuable contribution to the Australian spirit and sense of community, and that's a key reason why the Morrison government is providing arts funding at record levels. Approximately $749 million has been committed through the 2019-20 budget to support artists, art organisations, national collecting institutions, national elite performing arts training organisations and audiences and communities across Australia. The premise of parts (a) and (b) of this motion is wrong.

The PRESIDENT: The question is that motion No. 386 be agreed to.

The Senate divided. [16:58]

The President (Senator Ryan)
SENATE
Wednesday, 5 February 2020

AYES
Di Natale, R
Farrell, D
Gallagher, KR
Griff, S
Lambie, J
McAllister, J
McKim, NJ
Patrick, RL
Pratt, LC
Sheldon, A
Smith, M
Sterle, G
Walsh, J
Watt, M
Dodson, P
Faruqi, M
Green, N
Hanson-Young, SC
Lines, S
McCarthy, M
O'Neill, D
Polley, H
Rice, J
Siewert, R
Steele-John, J
Urquhart, AE (teller)
Whish-Wilson, PS

NOES
Abetz, E
Askew, W
Birmingham, SJ
Bragg, A J
Cash, MC
Chandler, C
Davey, P
Fawcett, DJ
Hanson, P
Hum, N
Grath, J
McGrath, J
Molan, AJ
Paterson, J
Rennick, G
Roberts, M
Ryan, SM
Seselja, Z
Stoker, AJ
Antic, A
Brockman, S
Cash, MC
Colbeck, R
Duniam, J
Ferravanti-Wells, C
Hughes, H
McDonald, S
McKenzie, B
O'Sullivan, MA
Payne, MA
Reynolds, L
Ruston, A
Scarr, P
Smith, DA (teller)
Van, D

PAIRS
Keneally, KK
Kitching, K
Wong, P
McMahon, S
Henderson, SM
Cormann, M

Senator Gallacher did not vote, to compensate for the vacancy caused by the resignation of Senator Bernardi.
Question negatived.

NOTICES
Presentation

Senator HANSON-YOUNG (South Australia) (17:01): I seek leave to put in a notice of motion. I was just a second too late earlier this afternoon, so I was hoping that that's fine.

Leave granted.

Senator Hanson Young: to move on the next day of sitting:
That the Senate—
(a) notes that:
(i) environmental flows are critical to the health of the Murray-Darling Basin, which is home to more than 2 million people and more than 40 Aboriginal nations, and supports over 120 waterbird species and 46 native fish species,
(ii) the continued attack on environmental flows to the Murray-Darling Basin will threaten the overall sustainability of the river, which is needed to support people, plants and animals,
(iii) the river is a national asset, it does not belong to any one single State, and
(iv) the threats by some Basin states to pull out of the Murray-Darling Basin Plan is putting the future of the entire river system in jeopardy; and
(b) calls on the Federal Government to confirm its commitment to protect environmental flows as required under the Murray-Darling Basin Plan.

**MATTERS OF PUBLIC IMPORTANCE**

Prime Minister

The ACTING DEPUTY PRESIDENT (Senator Brockman) (17:01): I inform the Senate that, at 8.30 am today, three proposals were received in accordance with standing order 75. The question of which proposal would be submitted to the Senate was determined by lot. As a result, I inform the Senate that the following letter has been received from Senator Gallagher:

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

'The Prime Minister's ongoing failure to show leadership.'

Is the proposal supported?

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

The ACTING DEPUTY PRESIDENT: The proposal being supported, I understand that informal arrangements have been made to allocate specific times to each of the speakers in today’s debate. With the concurrence of the Senate, I’ll ask the Clerks to set the clocks accordingly.

Senator WATT (Queensland) (17:02): I think everyone in this chamber recognises that the summer we’ve seen has been one of the most dreadful on record, particularly in relation to the bushfires that this country has seen. Yesterday, of course, we devoted the day to a condolence motion to recognise those who lost their lives in these fires—33 Australians, including nine firefighters—and I commend everyone on the speeches that they made yesterday.

During my contribution to that debate, I recognised that a condolence motion was not the place to talk about some of the gross failures of leadership that we saw from the Prime Minister and this government in the lead-up to the fires, during the fires and in their response to the fires, but I did say that it is something that needs to be discussed. This government does need to be held to account for its failures in relation to these fires, and I intend to use this debate to do that today.

The truth is that this Prime Minister, Mr Morrison, displayed an unbelievable lack of leadership before, during and after the bushfires. As has been said by many commentators and many Australians that I’ve spoken to, natural disasters and other significant events tend to be the time when our leaders actually stand up. That’s when leadership tends to come to the fore. Even people who would otherwise be seen as fairly mediocre leaders find an extra gear during national disasters and really demonstrate leadership, pull the nation or their state together and show a way forward. They inspire people, ensure that people have the confidence and the comfort to know that they can get through it, and then forge a path out of those disasters or other significant events afterwards.

Some of the better leaders that Australia has seen have come to the fore during natural disasters. Even just in recent times there was Kevin Rudd during the Black Saturday fires and Anna Bligh during the 2011 Queensland floods. It’s been done on all sides of politics. I will give John Howard credit for the leadership that he showed after the Port Arthur massacre. Even during these fires, we have seen incredible leadership from a number of figures—again, not restricted to one side of politics. The New South Wales Premier, Gladys Berejiklian, I think has been recognised as having demonstrated leadership; the Victorian Premier, Daniel Andrews, I think has been recognised similarly. Of course, some of the officials in charge of the response to the fires, including Shane Fitzsimmons, the head of the Rural Fire Service in New South Wales, and so many ordinary Australians have shown leadership. Whether they be firefighters, volunteers who have fed the firefighters and done other volunteering jobs or people who’ve cared for wildlife, so many ordinary Australians whose names we will never know have shown true leadership through these fires.

But there was one person who the entire nation would have expected to demonstrate leadership during these fires who comprehensively failed to do so. Of course, that was the Prime Minister. If there is one person in this country that you would expect to show leadership during an almost nationwide natural disaster, it’s the Prime Minister. But what did we see from this Prime Minister? In the lead-up to the fires, he did nothing to prevent them. In the planning and the preparation for these fires, as is so often the case with this do-nothing government, he did nothing. When the fires hit, he went missing in action—unseen, unavailable and nothing to say to the Australian people. When he did eventually have to face up to what was happening with these fires, rather than take responsibility, he tried to blame others and, as we have come to expect from this Prime Minister, he was loose with the truth. He demonstrated the very opposite of leadership.
Again, this is not something that has just been observed by people who are political opponents of the Prime Minister. A recent opinion piece by Niki Savva, a former adviser to Liberal governments, said:

Elections are not tests of prime ministers. They are tests of politicians and their campaign skills. Scott Morrison passed that with honours last May. National crises are the true tests of prime ministers and leadership. The sad truth is that Morrison faltered and stumbled, miserably, sometimes seemingly wilfully, at almost every critical point during this rotten summer beginning with his ill–advised holiday to Hawaii.

That was not a Labor person. That was one of the Liberal Party's long-time advisers with an absolutely scathing assessment of this Prime Minister's leadership.

I understand today the Prime Minister was asked what he learned about leadership over the summer. His response was: 'Always to listen, always show up and always put Australians first.' My question is: why did it take a natural disaster for this Prime Minister to learn that leadership involves listening to people? Why did it take a disaster that has claimed the lives of 33 people for this Prime Minister to learn that leadership means showing up? Why did it take the loss of 3,000 homes, one billion animals and over 10 million hectares of bushland for the Prime Minister to learn that leadership means putting Australians first?

This is not just political rhetoric. The Prime Minister's lack of leadership has had serious consequences. His actions, his lack of leadership, placed Australians at risk, placed our economy at risk and placed our environment at risk. The truth is that this Prime Minister comprehensively failed the test of leadership in planning for the bushfires, in responding to the bushfires and, as we are already seeing, in recovering from these bushfires.

Time does not permit me to go through every example of that failure of leadership from the Prime Minister, but I will remind the Senate of some of the more notable ones. When it comes to the planning and preparation for these bushfires, the Prime Minister cannot say that he wasn't warned that this was coming. One of the things that came out over the Christmas break was that the incoming government briefs from the Department of Home Affairs provided to the government after the May election warned about the serious risk this country faced from bushfires. So, if they didn't know about it before the election, they certainly did afterwards. The CRC for bushfire and natural disaster research, which the government hasn't committed funding to into the future, issued its August outlook and warned of an above-average fire risk for Australia this bushfire season.

Then, of course, there were the ex fire chiefs who repeatedly sought to meet with the Prime Minister to inform him of the risk that we faced and provide him with some solutions about what could be done to mitigate that risk. They wrote to the Prime Minister in April, seeking a meeting. They never got a response. They wrote to the Prime Minister again in September—no response. And he still hasn't met with them. Even after these fires, he's not willing to swallow his pride and meet with people, dozens of people, who have decades of experience in fighting these kinds of fires.

Senator Polley: Arrogance.

Senator WATT: It is arrogance, Senator Polley, from the Prime Minister. What would they have told him if he had deigned to meet with people with decades of experience in fighting fires? Just one thing of the many things they would have told him was the need for more water-bombing aircraft in this country. They weren't the first to make this point. The National Aerial Firefighting Centre, which coordinates water bombers across this country, first requested funding from this government four years ago. Four years ago they asked for funding to increase the firefighting fleet. No response. They submitted a business case to this government seeking a permanent funding increase two years ago. I knew about it. I'm the shadow minister; I'm not the government. I knew about this request and I asked about it in estimates last year. They didn't respond to it then. It was nine months after Labor made an election commitment to have more water-bombing aircraft and it was six weeks after the opposition leader, Mr Albanese, asked for more firefighting aircraft before the government responded—and it was months after the fires began.

This is one of many examples that I could give, and I could reel off examples of the government and the Prime Minister failing the leadership test in the response and the recovery as well. There will be more time to do that in the future. This Prime Minister comprehensively failed the leadership test over this summer. His actions have put Australia at risk. He needs to show leadership in the future. (Time expired)

Senator ABETZ (Tasmania) (17:12): What a tawdry display of petty partisan politics the Senate has just been subjected to by Senator Watt, allegedly a leading light of the Australian Labor Party, coming as he does from the state of Queensland, which gave the Labor Party—what was the primary vote at the last election?

This motion is not about the fires; it is about leadership. Leadership is the ability to direct and motivate others to achieve individual and team goals. And, can I say, Mr Morrison delivered by the bucket-load in relation to that on 18 May. When the Australian Labor Party thought that they were going to sail into office, virtually unopposed, the simple fact is that Mr Morrison was able to ensure that individuals won their seats and that the people of
Australia, in listening to the messages that he had on offer, in comparison to the Labor Party, switched their vote from that which Labor thought was going to be theirs over to the coalition. That is why the Australian Labor Party continues to sit on the opposition benches.

Now, let's be very clear: Senator Watt just delivered 10 minutes of diatribe against the Prime Minister, saying what a failure the Prime Minister is. In that 10 minutes, not a single nanosecond was spent on what the Labor Party might have done in the event that they were in office. There was no alternative to offer the Australian people. Of course, when it comes to the specific issue of fires, who is responsible for fire management? Who is responsible for land management? Who is responsible for fuel reduction burns in the forests? It is the state governments.

Who is responsible for asking the federal government to get involved in these issues? It is the specific state governments, and they have all agreed that everything which was asked of the federal government in the circumstances of the fires was, in fact, delivered.

But this motion, as it's put before us, is a general statement alleging the Prime Minister's ongoing failure to show leadership. Well, I knew this Prime Minister before he was Prime Minister. He didn't show any leadership at all, did he, on border protection, something that Labor failed to deliver on time and time again! Mr Morrison delivered on border protection, showing leadership, going against what the Australian Labor Party said. Labor said it couldn't be done; Mr Morrison stood up and delivered for the Australian people. That is what leadership is—doing what is right in circumstances when everybody else is throwing stones at you, something that the left-wing media in this country and the Australian Labor Party are so very good at.

Of course, the leadership that is required in this nation is not to throw rocks—as the Australian Labor Party do—because that is not leadership. It is to set out an alternative. And so why didn't Senator Watt spend a nanosecond of his speech telling us about the alternative Labor agenda? Because he can't. Where do they stand on negative gearing? Where do they stand on franked dividends? Where do they stand in relation to coalmining in Australia? They had their leader go up to Queensland and say, 'I support coalmining' and then go down to Victoria and say, 'I don't support coalmining'—and then they wonder why the Australian people say there is a lack of leadership and direction within the Australian Labor Party. Can I say that those people that might be listening in to this debate would be a lot more interested in hearing Senator Watt and the Australian Labor Party telling us about their alternative policies: what they would do if they were in government, and why people should vote for them because their alternative is so much better. But no, all it was was the typical vacuous vitriol that the Labor Party are so good at throwing across the chamber. They are incapable of providing a genuine alternative to the people of Australia.

Let's be very clear: the leadership of Mr Morrison has protected our borders, helped us get our budget back into shape in such a manner that we are now able to face the elements of the fires, a coronavirus and those curve balls that are thrown up for us from time to time. And the resilience of our budget is courtesy of budget management, which was very much part of Mr Morrison's portfolio prior to becoming Prime Minister. And now, as Prime Minister, there has been a legacy of leadership by Mr Morrison that the Labor Party simply drool over, because they don't know what leadership is. Mr Shorten was their great leader—dumped, pushed aside—and now it's Mr Albanese, without any vision for the future, without any alternative to provide to the Australian people. The great authority that Senator Watt seeks to quote is a person who is on the public record as saying that, as a journalist, she had lied and made up sources. That is the sort of person that Senator Watt has to rely on to try to give a single feather to his wing—but, can I tell you, that single feather won't get this motion to fly, especially when it is such a stripped feather in relation to questions of integrity. When someone themselves admits that that is how they operated as a journalist, and you then seek to quote them as a great authority—that's indicative of how little information and how little support there was for the proposition that Senator Watt is seeking to put to this chamber this evening.

The simple fact is that the Prime Minister has shown leadership on every single occasion, on every portfolio that he has held, and, what's more, his leadership has been supported by the Australian people in the only poll that counts, and that was on 18 May. We saw the sinking faces of the Labor people. My good friend Senator Wong and others who were doing the commentary started the night with a big grin, especially the ABC commentators looking forward to a Labor win. Of course, by the end of the evening, they were looking extremely glum and upset.

**Senator Watt:** This is very unbecoming of you, Eric!

**Senator ABETZ:** Senator Watt, interjecting as he does, having got 22 per cent of the primary vote in his home state of Queensland, looked extremely glum, and with good reason. And what was the reason? Most sensible commentators said of the leadership of Mr Morrison that he had pulled the government through by standing firm,
by not listening to all the commentariat, all the Labor brickbats that were thrown at him—by simply holding a course knowing that what he was saying and what he was doing was the right formula for the benefit of the Australian people.

That is what we are now continuing to deliver: good, sound economic management; decisive action in relation to the coronavirus; decisive action in retaining strong borders; decisive action in maintaining a good budget position. You can go through the list: committing to the reduction of power prices; reducing welfare dependency; modernising our Defence Force; a record level of infrastructure investment; further investment in our schools and hospitals; standing up for our interests and sovereignty on the world stage. The list literally goes on: opposing union business; establishing a task force to protect against foreign interference. This is a list of actual achievements, of actual leadership, of the sort of leadership that the Australian people voted for, wanted and are benefiting from as a result of that which Mr Morrison is delivering for the Australian people.

I simply say to the Australian Labor Party that throwing rocks is not a substitute for a sound policy formula which might actually excite the interests of the Australian people. If you want to be a fair dinkum player on the Australian political stage, you can't just throw rocks and engage in vitriol. You've got to engage in genuine public policy development and ensure that the Australian people support you. That is what Mr Morrison achieved on 18 May. (Time expired)

**Senator FARUQI** (New South Wales) (17:22): Crisis can bring about the best in people, and indeed it has brought out the best in our communities this summer. But sadly it has also brought out the worst in the Prime Minister of Australia. What we needed during this bushfire and climate disaster was courageous, truthful and wise leadership. What we got from the Prime Minister and this government was the exact opposite. They have been cowardly, dishonest and incompetent. Full of science deniers, they have behaved like a bunch of climate criminals, with 'Scotty from marketing' at their head.

Even before he fled to Hawaii, the Prime Minister showed himself completely incapable of any sort of leadership. He refused to give payments to volunteer firefighters until he was dragged to the table. He refused to meet with former emergency services chiefs who were trying to warn him about this impending disaster. He refused to acknowledge that the climate crisis had made bushfires more frequent and more intense. Instead, he sent his ministers off to block global climate action in Madrid. He put a misogynistic, climate-denying MP on international television. He behaved pathetically in the community, forcing people to shake his hand and running away from the criticism he well—

**Senator Seselja:** Point of order: I ask you, Acting Deputy President, to ask Senator Faruqi to withdraw the aspersions that she cast on a member of the other place in her speech just then.

**The ACTING DEPUTY PRESIDENT (Senator Brockman):** Senator Faruqi, Senator Seselja is correct. I believe you should withdraw your comment regarding one of our colleagues from the other place.

**Senator FARUQI:** What comment was that, Mr Acting Deputy President?

**The ACTING DEPUTY PRESIDENT:** I'm not going to repeat it. I think we all know which comment it was, Senator Faruqi.

**Senator FARUQI:** Sorry, I'm not clear. But, sure, I withdraw.

**The ACTING DEPUTY PRESIDENT:** Please continue.

**Senator FARUQI:** Our Prime Minister behaved pathetically in the community, forcing people to shake his hand and running away from the criticism he well and truly deserved. Honestly, if he won't do the right thing and resign he should probably just head back off to Hawaii. But we need more than just a change in useless leaders; we need real leadership and a wholesale shake-up of our political, social and economic systems.

Now, I wouldn't want anyone to think that the Prime Minister's failure to lead is isolated to his inaction on climate; he's not fit to lead on any front. We see this in everything from his government's ongoing cuts to education to his alarmist, xenophobic China travel ban and his response to the sports rorts scandal. Yes, former Minister McKenzie had to step down, but everyone in the government, from the PM down, benefited from the coordinated pork-barrelling. If Scott Morrison were anything other than a failed leader, he would take responsibility and step down. (Time expired)

**Senator POLLEY** (Tasmania) (17:26): I rise to make a contribution to this MPI and the ongoing crisis in leadership engulfing the Morrison government. We have a Prime Minister who does not know the meaning of the word 'leadership', let alone having the ability to show any. What we had from Senator Abetz previously is a speech you hear over and over and over again from him. The reality is: there's one thing about the fact that Morrison won the federal election. Yes, it's true; the Australian people elected him as Prime Minister, but what the Australian people have found during this crisis across the country, with state after state being engulfed in fires, is
that they do not have trust or faith in this Prime Minister. He has the ability to put people offside. Normally a Prime Minister grows in stature during a national crisis, but we've seen a very arrogant Prime Minister and a very indecisive Prime Minister. We've seen a Prime Minister who has no empathy, a man who is okay with being the Prime Minister but unwilling to execute the office with any semblance of responsibility.

Australia has a Prime Minister who does not believe that ministers should be held accountable to the highest standards. He was unwilling to do the right thing and stand down Senator McKenzie, the 'minister for sports rorts'; he was unwilling to act. Then, when he decided that he was going to have an investigation because he didn't like—and wanted to ignore—the independent Auditor-General's report, he got his former chief of staff, who heads up the Prime Minister's department, to investigate. That shows the integrity of this Prime Minister: 'We'll get one of our own to investigate one of our own.' It was quite clear that the Australian community did not accept and would never accept Senator McKenzie's rorting of the grants program when she was the Minister for Sport; it would never pass the pub test. I know the Liberals have been very quick to say, 'This happens all the time in elections; you see and you hear the same rhetoric,' but there is a very stark difference between election commitments and a Commonwealth government grants program.

What we have seen from the Prime Minister is that he has in fact exposed himself to the Australian people. We have seen his pattern of behaviour. The Australian people have seen him, and they do not have any faith in him. Not only was he slow to react to the bushfire crisis, showing poor judgement by going overseas on a holiday during that crisis, but he failed to address the shonky behaviour and the rorting from the former Minister for Sport, and there are also still questions hanging over Mr Taylor.

It's quite clear that the Prime Minister is both an arrogant and a shonky Prime Minister who is leading a shonky government who are not accountable and who believe they're above everyone else in this country. He does not take responsibility for the lack of transparency from his the ministers. We have seen that Mr Morrison, during the last election, was pretty good at marketing—pretty slick, really—but he's now demonstrated very clearly to the Australian people who he really is.

The fire crisis had gripped our country, and it was horrendous. We saw our firefighters and volunteers putting their lives on the line and, unfortunately, some losing them. We had our overseas friends, neighbours and allies come to assist us on the frontline. The Prime Minister, when he came back from Hawaii, said, 'Well, the Australian people knew that I wouldn't be out there holding a hose.' Of course they didn't expect him to be at the fire front. But what they did expect—and what every other Prime Minister in my lifetime, and, I think, even beyond that, has always done through a national crisis—was for him to be there, front and centre, making sure that the Australian people knew exactly what was happening and what resources were being made available and acting in their best interests. But, no, he was slow off the mark.

He was more interested in roaming around, forcing people to give him a handshake when, quite clearly, they were distressed. They had been at the frontline of a fire and they had lost their homes, and all he wanted was a picture opportunity. That was this Prime Minister. He was also quite quick to blame the New South Wales Premier—one of his own colleagues. He was shifting the blame to someone else—'Don't touch me. I'm Mr Teflon. I don't have to be accountable to anyone.' I can assure you: the Australian people have seen right through him.

How insensitive, and what a very clear demonstration of the lack of empathy by this Prime Minister, to actually go up to someone and grab their hand and want to shake it when they were so visibly upset and understandably so. There was such loss of life. He went to Kangaroo Island and his insensitivity there when he talked about no-one losing their lives was crushing to the residents and visitors of Kangaroo Island, and that was a message that was relayed out to the Australian community. He should hang his head in shame. I would be embarrassed if I were on that side of the chamber to see a Prime Minister who failed so miserably during a national crisis.

We all look to the leadership—it's irrelevant whether it's a Liberal or Labor government—at a time of crisis in the country. We rally together and look to that Prime Minister for leadership and to give people comfort and solace to know that their government is standing by them, because Australians expect that we stand shoulder to shoulder with them. We do that. That's what we, as Aussies, do—we stand up for one another. For a Prime Minister to so clearly demonstrate that he's not fit for the job, we couldn't ask for anything better from a political point of view on our side. But that's not what we want to see at a time of crisis. We want to be able to be proud of whoever holds that office and know that they are going to be front and centre and be the figurehead with respect, empathy and understanding and will act immediately.

The Prime Minister was sitting back and saying, 'Now I have to change the rules so I can bring out the army.' The issue that I think galls me and the Australians that have raised it with me the most is the fact that this Prime Minister slipped back to being 'Mr Scotty Morrison, the marketing man' to do an ad using the Defence Force.
And let's not forget: he authorised that, but, when you clicked on the link to make a donation, where do you think that link took them?

Senator Lambie: To the veterans?

Senator POLLEY: Not to the veterans. No—sorry, Senator Lambie—not to them. And not to those who are victims of the fire crisis—no, not at all. It was to the Liberal Party! He wanted to use the distress, the crisis in this country and the sweat and the tears of our firefighters and our volunteers to raise money for his political party. He should be ashamed of himself. Those people on that side of the chamber should also be hanging their heads in shame. I have never, ever seen anything like that—never! It was appalling and showed lack of judgement. It also showed the arrogance of the man. It showed the arrogance of a Prime Minister who is so out of touch. He might have worked in advertising previously, but his spin and his smoke and mirrors have been exposed, and so they should be. I don't believe that the Australian people will forget his ineptitude at being Prime Minister during a time of crisis. He is a disgrace. (Time expired)

Senator STOKER (Queensland) (17:36): There was a time when, if we had natural disasters—and we have a lot of natural disasters in Queensland quite regularly—politicians would put politics aside and get on with doing what was necessary to support communities through the difficulties as they dealt with cyclones, floods and bushfires. Queenslanders will remember the speeches that then Premier Anna Bligh and then Lord Mayor Campbell Newman gave during the floods that occurred through Brisbane and Ipswich in 2011. They rallied Queenslanders to help one another, pull together and clean up after the floods, and you know what? We did. Was there a call for then Prime Minister Gillard to show leadership? No, there wasn't. At first glance, you might think that this represents a double standard. You might think that means there's one rule for Labor and a different standard applied to those on this side of the chamber.

Natural disaster management, as those opposite well know, is properly a matter for the states and the territories. The senators opposite know that's the reason why the Prime Minister wasn't raised about it in 2011. Section 51 of the Constitution specifically sets out what the Commonwealth is responsible for and, by virtue of being the Prime Minister, when the Prime Minister is supposed to act. Nothing in there says it's a Commonwealth responsibility, and yet the selective ignorance of the Constitution on that side stands out every time. The Commonwealth can only act in circumstances of a natural disaster when they're asked to do so by the states. For them to roll in and try and take charge without invitation, without the states asking, is really nothing short of a coups d'etat.

So, you want to hear about leadership? Well, how about a PM who commits to working with the states to set up a long-term protocol for when we need to bring in military assistance to help in natural catastrophes, in a way that means the failure of the states to accept other federal offers to assist, as happened in the bushfires this summer, won't happen again? How about this leadership: taking the unprecedented step of calling out around 6½ thousand Australian Defence Force personnel to rescue people from danger, distribute supplies and help clean up the mess; calling out 3,000 reservists; providing the comforting presence of knowing that help is on the way, when state governments are nowhere to be seen? That's leadership.

There's another key leadership trait that Liberals and Nationals rate highly, and that is financial responsibility. As Treasurer, the now Prime Minister had the goal of a balanced budget and, together with now Treasurer Frydenberg, they have delivered the first balanced budget, and 'surplus' is a word we can use now. I ask those opposite: can you remember the year? We can. It was 1989. I was in year 1 and I was reading Dr Seuss books. I had a spiky fringe that didn't really date well in the photos.

A lot has changed since 1989, but the economic credentials of those opposite haven't. Not all fashion decisions date well, but I can tell you that their economic policies have dated even worse. Labor don't see responsible financial management as a good leadership quality. They don't value it. But I can tell you that, without it, there wouldn't be the capacity for Australia to provide immediate financial support to Australians affected by bushfires. There's been $52.6 million paid out to 44,150 people, people who had nothing more than a quickly packed suitcase as they evacuated: $1,000 per eligible adult and $800 per eligible child—an amount that was doubled to assist with back-to-school costs. And disaster support payments were paid in less than 20 minutes in over 90 per cent of cases.

Yet late last year Labor were in this chamber demanding that any potential surplus be spent up big-time. 'Boost all the welfare spending right now,' they said—well, of course they did. That surplus was burning a hole. And it wasn't even their money; it was the Australian people's money. It wasn't even in their pocket and yet it was burning a hole. They felt that, from the opposition benches, they had the right to demand how the government governed on behalf of the Australian people who elected it. Without the leadership the Prime Minister showed in holding fast in spite of all that pressure, there wouldn't have been the resources to set up a bushfire recovery fund.
and to fund it with $2 billion to cover the establishment of the National Bushfire Recovery Agency, which will be headed by well-respected former AFP commissioner Andrew Colvin.

The National Bushfire Recovery Agency will be there for as long as it takes to help individuals; to help families; to help businesses, big and small; and to help communities get back on their feet. The agency will distribute $2 billion to local councils and to the states. It will provide support and counselling to make sure that there is both mental health support and financial support for those people who are struggling with the recovery. It will help organisations that are working to heal the sick and injured wildlife who've been harmed by this disaster and help to restore their habitats. It will help charities provide direct financial assistance to those assessed as needing it. It will double funding to the National Aerial Firefighting Centre, because, let's face it, fires are a continuing part of the Australian way of life. And it will fund domestic and international tourism campaigns to help get inbound tourist dollars back to the areas that have been affected.

Yet here we are in this chamber not talking about the important bills needed to make this stuff happen. We're not here talking about the agenda that is front of mind for Australians: how we pay our bills, how we buy our home, how we get ahead and how we educate our kids. No, we're here arguing about the petty semantics of what those opposite think constitutes sufficient leadership, against goalposts that they shift depending on who is in government—and it just ain't fair. It's time the ball was called on that. It is worth stopping to cut through all that political nonsense and think about what we mean when we talk about leadership. It means knowing what you stand for, being frank about it and not being pushed around by those who might want to bully you around to their position.

The quiet Australians nationwide are pleased to see the Prime Minister dealing with our climate in a way that is balanced; in a way that cares for our environment, whilst making sure no-one's jobs are put in jeopardy; and in a way that achieves improvements in how we go about generating energy, using developments and technology rather than draconian measures designed to send us back to the Stone Age. They are so pleased to see a Prime Minister who doesn't cave into the hysteria of those opposite.

We've seen from Labor and the Greens, and from the media, for that matter, a determination to tell Australians why they got their judgement wrong at the last election rather than listening to what they're trying to say. They're not being listened to by the people I've described, but do you know who is listening? The Prime Minister and this government are listening. The Prime Minister knows he's got two ears and one mouth for a reason, and he listens to the people who speak quietly, the people who are working hard, the people who are raising their kids, the people who are building their businesses, the people who are shaping their local communities. Do you know what? They're too busy to be activists. They're too busy to be lining the streets, shouting hysterically, a la Greta Thunberg. They're building this country, helping it be the best it can be.

Leadership is about courage, it's about conviction, and it's about holding fast when people like those opposite get hysterical and pretend that there's only one way to ensure that we have a good balance between jobs and the environment in this country. The PM understands what's necessary to make sure the jobs of Australians are always front of mind, even as we do all we can to protect our natural environment.

If you want to see bad leadership, come to my home state of Queensland and take a look at the Labor state government. We've had Premier Palaszczuk telling fibs on Sunrise about the information that she's been provided—(Time expired)

Senator LAMBIE (Tasmania) (17:46): Today I'd like to talk about one particular area where the Prime Minister could show some real leadership: political donations reform. The coalition finally told the Australian public this week about the $24 million they received in political donations. The Labor Party released information about $18 million. Here's a newsflash for anyone who hasn't noticed. It's now February. The election was in May last year. Money changed hands between donors and parties more than eight months ago, and we're only finding out about it now.

Even though we don't have all the details, we know enough to wonder, 'Have we been sold out?' Have you sold us out? Big business and lobby groups are secretly donating millions to the Liberal and Labor parties and putting pressure on them to change their policies. Crown casino gave to both parties, and both parties voted against investigating Crown's alleged corruption. The gaming lobby gave over a million to both parties, and both parties have the same policy on pokies—surprise, surprise! What exactly do these donors think they're buying with all this money? You're trying to pretend to us that they just throw their money around because they value our democracy that much. Bloody rubbish! Absolute rubbish! Let's get real here! These disclosures are too late and too limited. You can bet that the big donors have already gotten their big bang for their buck. They've cashed in before we knew anything about it, and it's just not right. Things need to change.
I've introduced a bill today to finally fix our dodgy donation laws. I encourage the Prime Minister to take a good hard look at my proposal. My bill would fix our donation laws so that you would have to disclose your donations if you give over $2½ thousand in a six-month period, and disclose it in real time. Income from fundraising dinners and your lobster dinners, where people can pay thousands for soggy chips just to see a minister, will finally be called for what it is—a donation. It's about time this government showed some leadership and told Australians the truth about what's going on behind closed doors. This is the bill, and it will do the job.

**Senator SHELDON** (New South Wales) (17:48): I am talking on the matter of public importance: 'the ongoing failure to show leadership'. Some examples have been given already from a number of commentators. The government has already said that Niki Savva is never welcome to another dinner or fundraiser, that there's something fundamentally wrong when she's contradicting the Prime Minister. Of course, the Prime Minister, on the other hand, is saying, 'Listen; I now listen.' Well, Niki is one of yours, and you aren't listening. Here's another one of yours—John Hewson. John Hewson wrote an op-ed on 2 January. He said:

> You were elected to lead, Scott Morrison. It was a surprise, and great that you won against the polling, and that your marketing slogans cut through…

I'd say they'd probably give that a tick, wouldn't they? That's nailing it for the government. He goes on to say:

> But they were only slogans. There was no detail.

He went on to say:

> You are expected to govern in the national interest … prepare our nation to deal effectively with challenges before they become crises.

He had more to say:

> Nobody expects you to "hold a hose" against the fires, but they do reasonably expect you to lead with an immediate response to them and to implement a genuine longer-term strategy to deal with what will be an increasing challenge into the future.

The former Liberal Party Leader of the Opposition went on to say a bit more:

> Also you have not shown the leadership expected to make us more drought resistant … Slogans mask a shallowness of leadership skills and strategic thinking. Neither Donald Trump nor Boris Johnson should be your role model. Remember Malcolm Turnbull failed to deliver the "better government" that he promised on seizing the leadership.

In actual fact, it's not what Labor's saying; it's what the community's saying. There are some simple, critical things. It's what the Liberal Party members are saying—senior activists and some of those quiet Australians that were referred to before. I'm not sure whether Nikki Savva and the ex-leader are unquiet Australians whom we should disregard because they have previously been activists in the Liberal Party, but they have got one very important thing going for them, and that is that they are prepared not to be quiet and they're prepared to speak out.

> There were some quiet Australians referred to in a report in *The Sydney Morning Herald* and *The Age* in February this year, which quoted an Ipsos research paper that 'also revealed majority support for greater action on climate change'. It said:

> Some participants see Scott Morrison as irretrievably damaged by the bushfire crisis and thought this was particularly likely to be the case for voters in areas that were fire affected.

> We aren't raising these issues to score points; we're raising these issues for the Prime Minister to listen to and take into account what the quiet Australians are saying—what your own are saying.

Then we start looking at the issues in the economy. We have a crisis in our economy. Wages growth is slowing to a few points from inflation. Rather than getting out of the way and letting unions, the main forces who would drive an increase in wages, do their work—an increase in wages is something that the Reserve Bank and economists want to happen—the government are hell-bent on standing in the way of this. What they do is come up with ideas like the trade union royal commission and the ensuring integrity bill—God, ensuring integrity! I think 'ensuring integrity' was recently described by another journalist, Michael Pascoe. He said:

> Let's be very clear about this. The slogging of the $100 million community sports grants program was flagrant corruption and Prime Minister Morrison and senior ministers were in it up to their ethically-devoid eyeballs.

> The attempts to turn around and make sure that real policies make real differences for real people are about starting to deal with the issues with wages being so low. They are about giving an opportunity for unions, workers and other people to collectively stand up and fight for better wages and conditions. It's about the Prime Minister not trumpeting the unemployment rate when the unemployment rate is doubled by underemployment. Underemployment in regional areas and throughout Australia is at a critical level. *(Time expired)*

**Senator MOLAN** (New South Wales) (17:53): I rise to address the matter of public importance that we're considering at the moment. I've listened to Senator Abetz and Senator Stoker and the logic, understanding and vision that they have shown. I have also listened to Senator Murray Watt, Senator Faruqi, Senator Polley and...
Senator Sheldon, and I've heard half-truths, accusations, generalities, hysterics and media runs, and that's about all I've heard. I'm not too sure what I heard from Senator Lambie. Everyone in this house—everyone who listened to the speeches on the condolence motion yesterday or who has read the papers over the last six months—should know that this should be a time for sober, respectful reflection in a period when we're managing the drought, managing the coronavirus program, fighting the fires and commencing the bushfire recovery and when our focus should be on the needs of those impacted by these national disasters.

But we don't see that in the opposition, we don't see it in the Greens and we didn't see it from Senator Lambie.

The assessment of a national leader should never be limited to policies or plans or intentions or hopes alone but should be based on the actuality of what leadership in this case delivers, and that is security and services to the people. This Prime Minister has delivered. What a leader does is assess a situation and act for the betterment of the people, not posture or panic or rush about pointlessly, as some previous leaders have done. As a national leader, the Prime Minister has acted decisively for the benefit of the people. Perhaps what this matter of public importance does, in fact, is illustrate Senators Murray Watt, Faruqi, Polley and Sheldon's total misunderstanding of the nature of leadership, and I wonder if that says something about what they have in their own leaders. I wonder if they have never admitted that, with hindsight, they may have done things differently. I wonder if they are all the epitome of leadership in all respects. If that is the case, I stand in absolute awe of them.

Every one of us who has experienced leadership knows that it is more than acceptable to admit after an event that, with the benefit of hindsight, perhaps, indeed, we would have done things differently. So admitting that you are not perfect is a strength of leadership. Assuming that you are perfect and have all the knowledge is an arrogance that got the Rudd-Gillard-Rudd government into so much trouble. It got them into trouble on border control and on pink batts, in particular. We do not manage similar situations in the arrogant Labor way. Let's never forget that under Prime Minister Morrison's leadership—and his leadership was a key element, as Senator Abetz has reminded us—we stopped the boats. That's something that Labor could never do.

That level of leadership has been applied to all the Prime Minister's portfolios to this day. We've recovered the budget, despite being left a Labor legacy of the Rudd-Gillard-Rudd years of $46 billion. We would expect to bring that budget at least back to balance this year. Who was the Treasurer for most of that period, and who, along with his team, should be given the credit of bringing us back into balance? That was Prime Minister Morrison. The opposition may be surprised to hear that budgets don't just get themselves back into balance. They must be returned to balance by leadership, by inspiration, by discipline and by vision. That's what Prime Minister Morrison has done.

The most important thing about being a leader is the ability to inspire, to set the vision and to carry your team with you. Our strong financial management, led by the Prime Minister, has made Australia more resilient economically. As a leader, Prime Minister Morrison has been competent and successful—so competent and successful that, since his time on the boats and as Treasurer, he has won the prime ministership and, since then, an election. So let's face it: if you think that is unsuccessful leadership, maybe that explains an awful lot about Labor's lack of electoral success in the recent past.

Let us also remember that, as a federal leader, Prime Minister Morrison has not only reacted to every request that the New South Wales government made of the federal government for assistance during the bushfires, as a good leader should, but, at an appropriate time, leant forward and used the Australian Defence Force in an innovative way, which is exactly what leaders at a national level should do. I reject the matter of public importance. (Time expired)

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:58): I rise to make a contribution to this debate on the Prime Minister's ongoing failure to show leadership. Nothing more clearly demonstrates it for me, in my portfolio areas, than his failure to understand the impact that his lack of leadership in terms of our social security net is having on those people who are trying to survive on the absolutely appalling level of Newstart, and the way that the government are treating the most vulnerable members of our community is absolutely appalling. It's all very well for the Prime Minister to think he's got lots of brownie points because he's got a surplus. It's a surplus on the back of the most vulnerable members of our communities, on the back of people who are living so far below the poverty line that they are going to find it very hard to be able to survive, and they are finding it very hard to survive.

But not only are they struggling below the poverty line on Newstart; the so-called employment services are also absolutely failing them. Not only do the government think they are doing a good job by keeping people in poverty and not increasing the level of Newstart—which is so low that, with the government's failure to show leadership to increase it, ACOSS has now had to increase its call for the level to be raised by $95 rather than $75—but the government are also planning to put people who are on Newstart, on the Disability Support Pension and on carers...
pension on the cashless debit card. We saw comments over the weekend from the minister that she wants to roll out the cashless debit card across the country, including to people over 45—and more than 50 per cent of people on Newstart are now over the age of 45. They are suffering from ageism and suffering from discrimination in the workplace. They're finding it increasingly hard to find work. That is a total failure of leadership from this Prime Minister, and a failure to recognise that he needs to act to increase Newstart to ensure that these people are no longer condemned to poverty, where they find it even harder to find work. *(Time expired)*

**Senator PATRICK** *(South Australia)* *(18:01)*: I rise just to talk about some disappointment with the response by Prime Minister Morrison in relation to coronavirus. I will lead with some facts. Our travel warning was upgraded to a much more cautious warning only after the UK government, the German government and the US government changed their travel warnings. It was the Chinese president that stopped direct flights from Wuhan to Australia, not the Australian Prime Minister. The government did not order rigorous tracing of people who had arrived in Australia from Wuhan in the period immediately prior to the flight ban and, of course, unfortunately, we've now seen two people in Adelaide and in Queensland infected by the virus—people who'd come from Wuhan. It was school principals in NSW that led in relation to barring students from attending school if they had visited China on an overseas holiday. In fact, Mr Morrison sent his education minister out to say, 'That's the wrong move. It's business as usual.' No, I'm sorry—not for the welfare of our children in schools. It was Monash University that led in relation to dealing with the prospect of arriving Chinese students. We then followed with some relatively good measures—but in all of this we have followed. The government took a glass half-full view to the coronavirus in circumstances where they needed to be taking a glass half-empty view because of the serious nature of the coronavirus and its potential impact on Australians and their health. Thankfully, we're in a better place now, but, if you examine what's happened, you wouldn't be impressed. *(Time expired)*

**Senator ROBERTS** *(Queensland)* *(18:03)*: The fault for poor leadership cannot be laid entirely at the feet of the Prime Minister because he went on summer holidays, as some people have suggested. The Prime Minister can't be on the job 24/7. He has an entire government to run the country. The entire government does not go on holidays. We had an Acting Prime Minister: the Treasurer, Josh Frydenberg. We had a Deputy Prime Minister—and still have a Deputy Prime Minister—Michael McCormack, who, oddly, was not considered the right person to step up to the top job. Mr McCormack's leadership qualities are, however, good enough for the National Party it seems. Australia had two leaders on the job—well, one-and-a-half. Australia was not without an Acting Prime Minister; we were without leadership. If we are going to add to the fires with flaming tiki torches of our own, One Nation would ask this place to direct that effort where it needs to go. We need to hold that acting leadership to account. More importantly, we need to plan for the next fire event—now.

**The ACTING DEPUTY PRESIDENT** *(Senator Faruqi)*: The time for this debate has expired.

**AUDITOR-GENERAL’S REPORTS**

**Report No. 23 of 2019-20**

**Consideration**

**Senator RICE** *(Victoria—Deputy Australian Greens Whip)* *(18:06)*: I move:

The report of the Auditor-General on the blatant misuse of the $100 million in sports grants is a damning report. It's a damning report showing how this government is trying to buy election outcomes. It's extraordinary. Yet this rotten government seems to think that it can get away with pretending that there's nothing to see. They're going to tough it out. Among the Auditor-General's conclusions in this report, they said:

The award of grant funding was not informed by an appropriate assessment process and sound advice. It's worth quoting, at length, the Auditor-General's findings. In their report, they say:

... the Minister's Office had commenced its own assessment process to identify which applications should be awarded funding. The Minister's Office drew upon considerations other than those identified in the program guidelines, such as the location of projects, and also applied considerations that were inconsistent with the published guidelines. It was this assessment process that predominantly informed the Minister's funding decisions ...

They go on to say:

The award of funding reflected the approach by the Minister's Office of focusing on 'marginal' electorates held by the Coalition as well as those electorates ... that were to be 'targeted' by the Coalition at the 2019 Election. Applications from projects located in those electorates were more successful in being awarded funding than if funding was allocated on the basis of merit ...

It does not get more cut and dried that that.
The extent of the corruption that we are witnessing is shown by the example of the Gippsland Ranges Roller Derby club in Victoria. They've been recognised for their inclusiveness and their support for the LGBTIQ community; in fact, they won a Baw Baw shire sporting achievement award for this, just a short time ago. They represent so much that is wonderful about community support. They bring people together. They build community. They create connections. And there are thousands of other clubs around Australia doing just that, too. But, sadly, we have learnt that these clubs aren't playing on a level playing field. The Gippsland Ranges Roller Derby asked for just $45,000 out of the $100 million that was on offer. Despite their application rating 98 out of 100, they didn't get any funding.

Clubs around the country have now discovered that the hours upon hours of work that they put into perfecting their applications were wasted. The government rigged the game against these clubs from the start. Instead of taking the advice of Sport Australia, the coalition used this program to buy elections. They cared more about funnelling that money into marginal seats for their own political gain. Kyneton District Soccer Club president Ron Cole said it best:

To find out you're not successful because of a political agenda is very disheartening for the people involved.

The coalition tilted the playing field and they won't own up to it.

Minister McKenzie has been made to take the fall, but what was the role of the Prime Minister's office? We've got leaked emails that seem to say that they were actually coordinating the process—that they worked closely with party strategists and the Liberal Party secretariat before presenting the funding allocations under the grants project.

The Prime Minister must apologise to the Australian people for betraying their trust; make it right to the clubs that missed out on funding—those applications that Sport Australia recommended but the minister didn't approve; and give a full and clear account of the role his office played in this scandal.

Prime Minister Morrison, this sports rorts scandal has the foul stench of a government cover-up. Making former Minister McKenzie your scapegoat won't get you off the hook this time. It doesn't fix the integrity issues that are rampant in your ministry; it doesn't fix the assault on democracy committed by your government; and it certainly does not help the hundreds of sports clubs around Australia who were robbed so that you and your coalition mates could repurpose taxpayer money as a slush fund to buy and cheat your way back into power. Australians deserve better. Prime Minister Morrison, it is time to come clean. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS

Royal Commission into Institutional Responses to Child Sexual Abuse

Consideration

Senator SIEWERT (Western Australia—Australian Greens Whip) (18:11): I move:

That the Senate take note of the document.

The Annual progress report 2019: implementation of recommendations from the final report of the Royal Commission into Institutional Responses to Child Sexual Abuse is, in fact, the second progress report. I think this process of an annual report on the implementation of the recommendations is a very good idea, because it keeps this issue front and centre and puts pressure on both the Commonwealth and the states and territories to implement the findings of the report.

While the report has a number of themes—making institutions child safe; causes, support and treatment; responses to abuse; the issues around redress, which I want to come back to; criminal justice and the protection of children; and accountability and annual reporting—I don't have time in this short contribution to address all those. What I want to address are the implementations of redress and the National Redress Scheme. We continue to see problems. It has been problematic from the start. We have seen some changes there, but we are still continuing to see problems with this Redress Scheme. It was absolutely critical to survivors to get this scheme right. Unfortunately, as I said, it has been plagued by problems from the outset, many of which have not been resolved. There has been some progress—I'm going to come to that—but there are still outstanding problems, or problems to be resolved.

Many institutions have dragged their feet in joining the scheme, including charities, churches and schools. While the report does articulate that we have seen a significant improvement in the number of institutions signing up, there are still 14.6 per cent who haven't, which means that we still have 557 applications on hold because institutions have not joined the scheme. As we all know, they only had two years to join the scheme. That time limit is up at the end of June this year. That is a very short space of time to get those institutions signed up.
The fact that these institutions have not joined up is causing so much distress to survivors. There are still many unresolved issues continuing about the funder of last resort, too. I'm urging the government to work on and to press the outstanding institutions as strongly as they can to ensure they meet this June 2020 deadline. The Redress Scheme will not be truly accountable, truly delivering and truly transparent until all these institutions have joined.

In January, we learnt that at least 10 survivors, unfortunately, had passed away still waiting for an official decision on their application for redress. This highlights the level of importance to get this scheme right, right now—because people are getting to that age where, unfortunately, they're passing away. Honestly, we need to absolutely address that issue. Some of those who have passed away, as I just touched on, are elderly, and their applications are sitting there, not being processed in time to give them that redress. We should be ashamed that people are dying, still waiting.

In August last year, it was uncovered that there was a massive backlog in the processing of applications, with less than 10 per cent of applications being processed. Data that was released this year shows that the scheme is still struggling to meet demand and to process applications in a timely manner. As of January this year, just last month, the National Redress Scheme had received 5,829 applications, and 3,733 applications are still being processed. Only 975 people have received redress payments to date, and there are, as I just said, 557 applications on hold because those institutions haven't joined.

I also want to very quickly touch on the issue of counselling. Counselling was very contentious when we were debating this scheme in the chamber. I was speaking to somebody on Friday who was deeply, deeply distressed. They work with a number of people about access to counselling, particularly for First Nations people but across the board. The maximum of $5,000 simply isn't enough to deal with the years and years and years of abuse and trauma that people have suffered. It is not working. There is a mishmash across the country of how people can access the counselling, because, as senators who were here during that debate may recall, it was up to the states—and it is not working. I have not only met the stakeholder who I was talking about; I've had lots of feedback as well. The counselling process for many people is not working. We need to get this right.

**The ACTING DEPUTY PRESIDENT (Senator Faruqi):** Senator, your time has expired.

**Senator SIEWERT:** I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**Animal Welfare**

**Consideration**

**Senator RICE** (Victoria—Deputy Australian Greens Whip) (18:16): I seek leave to move a motion in relation to the response from Minister Littleproud to the Senate resolution of 2 December.

Leave granted.

**Senator RICE:** I move:

That the Senate take note of the document.

This was the response from Minister Littleproud to the Senate resolution of 2 December calling on the Commonwealth government to more effectively plan for koala and animal welfare in natural disaster responses. In the context of bushfires ravaging over 1.5 million hectares of New South Wales forests and the death of between 350 and 1,000 koalas in these fires, the minister's response, frankly, was very high level. It talked about disaster risk guidance and frameworks, which, quite frankly, I cannot see being of any value in saving one koala let alone 1,000.

While that's all we're being offered to save and protect our wildlife, including koalas, we've got the logging industry demanding that they ought to be able to go into national parks with bulldozers and demanding the opportunity to start looting our precious forests before our forests have even had a chance to begin recovery from the fires. And that's before these devastating fires that have destroyed people's lives and communities and wildlife have even finished burning.

What I and the community want to see from the government are some guarantees that they will implement fire disaster responses that will actually protect wildlife. We need a guarantee that this damaging logging, this looting of our forests, after the fires will be prohibited. Environment groups have called for a guarantee from the Victorian government that they will not allow damaging salvage logging in East Gippsland, and in New South Wales a cross-party parliamentary committee has written to the Premier to express their concerns about post-fire logging because of the drastic effect on koala populations.

Professor David Lindenmayer, a renowned expert forest ecologist, has written multiple, independent, peer reviewed studies which show that logging forests after bushfires increases future fire risk and can render the forest...
uninhabitable for wildlife for decades or even centuries. The science shows that post-fire logging would significantly impair regeneration, yet the industry ignores that. And not only that: we have the timber industry seeking to loot our forests after the fires. It is not even profitable; it's so heavily subsidised.

The truth is that, to protect our forests and our wildlife after fires, we need to let our forests recover, not tear them apart. We know from long-term studies that most burnt areas will recover well if we let them. These recovering trees are absolutely crucial for species that are at great risk, like the gliding possums, and for the healthy regeneration of whole ecosystems, including the wildlife, the soils, the plants and the insects. In contrast, logging operations kill plants that are germinating in the ash on the forest floor, and the animals that have actually survived the fires get killed during these post-fire-woof logging operations.

This government needs to take responsibility for Australia's native forests. They are of national significance. This is a global issue, not just a national issue. We need a commitment to end native-forest logging now, because the protection of our wildlife and the restoration of our forests are of critical importance to all Australians. The bushfire impact so far, and the fire season still stretching ahead of us, shows that business as usual is not possible and mealy-mouthed words from the minister is not enough. I call on this government to act in the interests of these natural systems, to act to support all of our lives, to act so that our kids and our grandkids have a chance to love and appreciate our precious native forests. The government must cut its ties with the logging industry and the fossil fuel industry and put our communities and our environment first. I seek leave to continue my remarks later.

Leave granted.

Senator McKIM (Tasmania—Deputy Leader of the Australian Greens in the Senate) (18:22): I would like to make a brief contribution on the same matter that Senator Rice was speaking on. We've seen the tragic fires that have occurred recently in this country. We've seen over a billion animals die, according to some reports. The fact that the major parties in this place still support logging carbon-dense, biodiversity-rich native forests is nothing short of a climate crime.

I want to speak in particular about a patch of beautiful land and forest in my home state of Tasmania, the takayna/Tarkine forest, where this week brave forest defenders have been arrested whilst blockading against logging operations. They've done that because they're standing up for that beautiful landscape. They're standing up for the rich, globally unique Aboriginal cultural heritage in that area. They're standing up for the carbon in those forests and they're standing up for the animals which make those forests their home.

I want to profoundly thank the people that have put their bodies on the line, for many years now, to prevent logging in that forest, and I want to say how regrettable it is that Tasmania Police have moved in to arrest them and facilitate the logging industry going into those forests, which they will clear-fell if they get their way. In clear-felling, they will—

Senator Colbeck: That is not true.

Senator McKIM: I'll take that injection by Senator Colbeck. It is absolutely true that those forests will be clear-felled.

Senator Colbeck interjecting—

Senator McKIM: I was there last month, Senator Colbeck. I've seen the devastation that the logging industry has wreaked on coupes very close to the ones where those people were arrested, and I tell you now: the logging industry will clear-fell those forests.

In doing so, they will release massive amounts of carbon into the atmosphere and will destroy habitat for some of the most beautiful creatures in Australia, including numerous listed threatened species, such as the Tasmanian devil, which I actually nominated back in the day onto the Tasmanian and federal threatened species register.

I thank those brave forest protesters not only for standing up for our old forests and for standing up for the carbon that is sequestered in those forests but also for standing up for the habitat and for beautiful creatures, many of which are unique to our country and exist nowhere else in the world, and who rely on those forests for their very survival. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS
Consideration

Documents tabled earlier today and on 4 February 2020 were considered as follows:

Motion to take note of documents nos 1, 4, 7, 11, 13, 20, 23, 29, 30, 34, 39 and 41 moved by Senator Urquhart. Consideration to resume on Thursday at general business.
Motion to take note of documents nos 14 and 33 moved by Senator Rice and debated. Consideration to resume on Thursday at general business.

Motion to take note of document no. 27 moved by Senator Siewert and debated. Consideration to resume on Thursday at general business.

COMMITTEES

Scrutiny of Bills Committee

Scrutiny Digest

Senator URQUHART (Tasmania—Opposition Whip in the Senate) (18:26): At the request of the Chair of the Senate Standing Committee for the Scrutiny of Bills, Senator Polley, I present Scrutiny Digest No. 1 of 2020.

Human Rights Committee

Report


That the Senate take note of the report.

I'm very pleased to speak to the tabling of the Parliamentary Joint Committee on Human Rights' first scrutiny report of 2020.

This report contains a technical examination of legislation with Australia's obligations under international human rights law, as required under the committee's statutory mandate. It sets out the committee's consideration of 79 bills introduced into the parliament between 14 October and 5 December 2019, one bill previously deferred, and legislative instruments registered on the Federal Register of Legislation between 20 September and 3 December 2019.

In this report, the committee seeks further information in relation to 11 bills and four instruments. The process of requesting information from the legislation proponent reflects the committee's role in establishing and maintaining a dialogue regarding the human rights implications of legislative measures, which contributes to the broader respect for and recognition of human rights in Australia.

The committee has made concluding remarks in relation to four bills and one instrument. For example, the committee has concluded its examination of the Australian Citizenship Amendment (Citizenship Cessation) Bill 2019. The measures proposed in this bill would provide that a person who is a dual national ceases to be an Australian citizen if they act inconsistently with their allegiance to Australia by engaging in certain terrorist conduct. The committee has noted the legal advice that these measures may engage and limit a number of human rights, including the rights to freedom of movement and liberty, and the rights of the child and protection of the family. However, limits on these rights may be permissible where a measure is prescribed by law, seeks to achieve a legitimate objective, is rationally connected to (that is, effective to achieve) that objective, and is proportionate to that objective.

As the minister's discretion to cease citizenship is limited to those who engaged in specified terrorist conduct, the committee considers that whether a person has 'repudiated their allegiance to Australia' is sufficiently certain so as to meet the 'quality of law' test.

The committee also considers that removing a person's citizenship seeks to achieve a legitimate objective in that it ensures that there is less prospect of a person engaging in conduct which harms the Australian community. It also considers the measures are effective to achieve (that is, rationally connected) to those objectives based on the minister's advice, as supported by the Australian Federal Police and the Australian Security Intelligence Organisation, that the existing citizenship cessation provisions have been effective, in conjunction with other counterterrorism tools and mechanisms, in protecting the integrity of Australian citizenship and the Australian community.

Finally, the committee considers the measures are proportionate as the ministerial decision-making model means that the minister will consider individual circumstances in assessing the public interest in whether a person should remain an Australian citizen, which is intended to ensure that any interference with the family, the right to re-enter one's own country or the right to freedom of movement is not arbitrary. As such, the committee considers the cessation of citizenship provisions are compatible with the rights to freedom of movement and liberty and the rights of the child and protection of the family.

The committee also considers that as the power to cease a person's citizenship, where the person is in Australia, will not directly result in them being liable for removal from Australia, these measures do not directly engage the
obligations of non-refoulement and a right to an effective remedy. The committee welcomes the minister's commitment to comply with Australia's non-refoulement obligations.

The committee has also concluded its examination of the Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill 2019, which seeks to expand the operation of the cashless debit card trial. The committee considers the bill seeks to achieve a number of legitimate objectives, including reducing immediate hardship and deprivation, reducing violence and harm, encouraging socially responsible behaviour and reducing the likelihood that welfare payment recipients will remain on welfare and out of the workforce for extended periods of time. The committee believes it is important to reiterate the engagement of positive human rights in the bill, including the rights of the child, the right to protection of the family, the right to dignity and the right to health. These measures provide welfare payment recipients with the ability to ensure that a higher portion of their payments are directed to essential living costs, such as food and household bills, while prohibiting expenditure on alcohol and gambling. The committee therefore considers that any limitations on human rights pursuant to this bill are justifiable.

Finally, the committee has concluded its examination of the Social Services Legislation Amendment (Drug Testing Trial) Bill 2019. This bill provides for the trialling of mandatory drug testing for new recipients of Newstart allowance and youth allowance. The committee notes the legal advice that the bill engages a number of human rights, including the rights to privacy, social security, an adequate standard of living, and equality. The committee reiterates that this is a world-first trial and as such the committee accepts that there is some inevitable uncertainty as to whether the measures are a proportionate means of achieving the legitimate objectives of the bill. However, the committee considers that the trial seeks to achieve the important objective of identifying and supporting individuals who may have drug dependency issues and assisting them in securing employment.

With these comments, I commend the committee's report No. 1 of 2020 to the Senate.

Senator McKIM (Tasmania—Deputy Leader of the Australian Greens in the Senate) (18:33): I also rise to speak to the report of the Parliamentary Joint Committee on Human Rights that I am a member of. I want to make the point that the Australian Labor Party members of this committee, along with me, representing the Australian Greens, have issued a dissenting report which comes to different conclusions in many regards than the majority report does.

First, I want to speak to the reporting on the—

Senator Henderson: Acting Deputy President, I wish to just clarify one thing with the Senate. That was a report handed down by the whole committee. There is no dissenting report. The committee report has been agreed as a whole, and so I take exception to the remarks that Senator McKim is making now.

The ACTING DEPUTY PRESIDENT (Senator Faruqi): Senator McKim.

Senator McKIM: I guess that wasn't a point of order, but we can take that as a debating point. I'll take the senator's comments—

The ACTING DEPUTY PRESIDENT: Senator McKim, could I just make a quick ruling. Senator Henderson, that is indeed not a procedural point; it is a debating point, so there is no point of order. Senator McKim.

Senator McKIM: Thank you, but I will take the senator's remarks under advisement. I just want to make it very clear that the view of the committee with regard to the Australian Citizenship Amendment (Citizenship Cessation) Bill 2019, which has been accurately categorised by the committee—that it is a bill to provide the Minister for Home Affairs with a discretionary power to determine that a person ceases to be an Australian citizen in certain circumstances—is contestable. This is a piece of legislation that won't be supported by the Australian Greens because it certainly does engage the obligations of non-refoulement that the chair has just spoken about.

I go to the committee report and I quote from page 128—2.62 in the report. The report says:

The committee notes that the cessation of a person's citizenship would result in a person located in Australia being granted an ex-citizen visa, and as this visa could be subject to cancellation on character grounds, the person may become an unlawful non-citizen and liable for removal from the country. The committee notes the legal advice that this therefore engages Australia’s obligations of non-refoulement and the right to an effective remedy.

That's all well and good, as far as it goes, but, having said that the committee notes the legal advice that the legislation does, therefore, engage Australia's obligations of non-refoulement, the report, in 2.64, goes on to say:

... the committee does not consider that the measures directly engage the obligations of non-refoulement and a right to an effective remedy.

In other words, the committee's finding in 2.64 is contrary to the comment in 2.62 that the legal advice says that the legislation does engage Australia's obligations of non-refoulement.
We won't be supporting this legislation because, in fact, it is draconian legislation that joins the well over 200 pieces of legislation that have passed through state, territory and Commonwealth parliaments in the last 20 years in this country which remove fundamental rights, freedoms and liberties from our citizens and continue the slow erosion of rights in this country. It is a zombie shuffle that this country is engaged in on the road to a police state. It is a zombie shuffle down a dark and dangerous path where rights are being eroded by a collusion between the Liberal-National members who currently sit in government and the Labor members who currently sit in opposition. I say now it's time for a charter of rights in Australia.

We are the only liberal democracy in the world that does not have some form of either a constitutionally embedded or a legislatively enshrined charter of rights. It's time that we came out of the Dark Ages in this country and had a charter of rights. If we did have a charter of rights, it would make it far more difficult for this government, with the collusion in most instances of the Australian Labor Party, to remove the rights, freedoms and liberties that so many tens of thousands of Australians have died or been injured—including ancestors of mine—fighting to protect and defend. It's a very dangerous path that we're on as a country. And, of course, we need to do all we can to keep our people safe. But we need a conversation in this country about how many of our rights and freedoms we are collectively willing to give away in the interests of maintaining Australia as a safe a place as possible.

The report also goes to the Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill 2019. As an aside, with the indulgence of the Senate, I just want to mention Senator Rachel Siewert's work in standing up for people on Newstart and, more broadly, for people who are in the social security system. She's been an absolute warrior for those people. Again, we believe that this bill engages and limits the right to privacy, to social security, to equality and nondiscrimination. They are four very important rights. As set out in the international human rights legal advice contained in the concluding comments of the report of the Parliamentary Joint Committee on Human Rights, the measures associated with this bill significantly intrude into the freedom and autonomy of individuals to organise their private and family lives by making their own decisions about the way in which they spend their social security payments. I also believe that the measures contained in the legislation have a disproportionate impact on First Nations people. It's unclear whether the proposed cashless welfare scheme expansion is rationally connected with its stated objectives, noting the mixed results outlined in the trial evaluations completed to date. So, again, the Australian Greens will not be supporting this legislation.

I sat on this committee through the entirety of the previous parliament, and since the last election I’ve been sitting on the committee for the entirety of the current parliament. I’m sad to say that this committee is becoming politicised in this current term of the parliament in a way that I had not seen in my previous term and in a way that I do not believe it has ever been politicised since its inception. This is a technical committee with a crucial mandate to examine bills for compatibility with rights and freedoms recognised or declared by the seven core international human rights treaties to which Australia is a signatory, and this committee should not be treated as a rubber stamp for government policy or an uncritical propagator of government rhetoric. It would be an extremely poor reflection on members of this committee if that were the case.

Senator DODSON (Western Australia) (18:43): As a member of the Parliamentary Joint Committee on Human Rights, I wish to make a few brief comments. I support all that Senator McKim has said. I am new to this committee, and this appals me when this committee is meant to be non-partisan and is meant to be seeking to ensure that our parliament does comply with the highest standards of human rights in what we do as legislators.

And I’m saddened that, during the period I’ve been there, there have been two dissenting reports now, from the Greens and the Labor Party, in relation to this. I want the Senate to understand this: that this is not a joyful thing to be doing. It's quite disturbing and sad to see that, for a committee that was set up to be as objective as possible, and to be responsive as possible to the legal advice in relation to the meaning of the measures and standards required for the rights of human beings—in whatever conditions they might be; whether they're children or people that are adversely affected by something or Indigenous peoples—dissenting reports are now becoming a feature. I think that the Senate ought to take stock of this and bring it to truck, because it does no credit to this chamber to have people like Senator McKim or myself coming here to recite the differences we have within a committee that should really come to a considered and concluded view before we report to this important chamber.

I want to make those remarks because it is one of the few committees of the Senate where we can transcend the partisanship which we normally engage in, and we can think to better conditions for the rights of others, and we can seek higher standards being implemented in our legislation. And that applies to whoever is in government, whether it's the Labor Party in government or someone else. It should apply without any equivocation. These standards are there for us to emulate as global citizens—not just to be played with because of particular political opportunism or to preserve embarrassment against the current minister or the government or whomever. So I
would simply appeal to senators to read closely the report, but also read closely the dissenting reports, and, more than that, to take stock of the marked shift in this committee's work. It is a committee of the Senate, and it's here to do the work of the Senate on the most treasured things: that is, the rights of individuals, and to uphold those rights to the highest standards. And, when that's not done, then we—unfortunately—have to point that out. I regret to say that one of the touchstones to our authenticity as a civilised, mature nation is how we, in fact, uphold international standards and rights. To tamper with them, particularly when that's contrary to legal advice by experts in the field, is an appalling thing.

I may say something further: I was appalled at the fact that the dissenting reports weren't mentioned by the chair. Those dissenting reports related to the three particular bills that the chair specifically spoke to, but the chair neglected to highlight the fact that there was dissent by members of the Greens and by ourselves on these particular matters. I could go to the substance of what we said, but I will go to the cashless benefit card legislation, the Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill. What we have said by our dissent in relation to that bill was that, as such, the dissenting members consider it has not been clearly demonstrated that the extension of the cashless benefit card trial is a justifiable limit on the rights to social security and privacy, or, to the extent that the trial has a disproportionate impact on Indigenous Australians, that it is a reasonable and proportionate measure and therefore not discriminatory.

So we draw the human rights concerns to the attention of the minister in the parliament. It's not as if we simply want to raise these things to embarrass our chair, or to bring embarrassment and be odious to this chamber, but, if we persist in this way, I'm afraid we will be bringing disrepute to this house.

The ACTING DEPUTY PRESIDENT (Senator Faruqi): Senator Dodson, could you seek leave to continue your remarks?

Senator DODSON: I seek leave to continue my remarks later.

Leave granted; debate interrupted.

Scrutiny of Delegated Legislation Committee
Delegated Legislation Monitor

Senator BROCKMAN (Western Australia—Deputy Government Whip in the Senate) (18:50): On behalf of the Chair of the Senate Standing Committee on Regulations and Ordinances, Senator Fierravanti-Wells, I present the Delegated Legislation Monitor No. 1 for 2020.

Community Affairs Legislation Committee
Additional Information


Australian Sports Anti-Doping Authority Amendment (Sport Integrity Australia) Bill 2019 Report

Senator BROCKMAN (Western Australia—Deputy Government Whip in the Senate) (18:50): On behalf of the Community Affairs Legislation Committee, I present the report of the committee on the provisions of the Australian Sports Anti-Doping Authority Amendment (Sport Integrity Australia) Bill 2019, together with documents presented to the committee.

Red Tape Select Committee
Government Response to Report

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:51): I present the government's response to the interim report of the Red Tape Select Committee on its inquiry into the effective red tape on private education and seek leave to have the document incorporated in Hansard.

Leave granted.

The document read as follows—

Introduction

The Australian Government welcomes the interim report on the effect of red tape on private education by the Senate Select Committee of Red Tape Committee (the Committee), which was tabled on 29 November 2018. The report makes seven recommendations. This response addresses the recommendations of the Committee.

Overview

The Department of Education takes a national leadership role in ‘whole of life’ education opportunities from early childhood education through to tertiary and higher education. The department also promotes world-class research and innovation which in turn plays a critical role in achieving Australia's economic and productivity objectives.

While responsibility of regulatory burden of private education is shared between the Australian Government and state and territory regulatory authorities, the Government recognises the need to reduce unnecessary red tape and administrative burden and contributes to the Australian Government's Deregulation Agenda which is administered by the Department of the Prime Minister and Cabinet.

The department works closely with state and territory governments and education portfolio entities to deliver key national policies and programs across all areas of education. Our policies, regulatory frameworks, funding programs and stakeholder engagement strategies reflect this environment.

Recommendation 1

2.27 The Committee recommends that the Australian Government, through the Council of Australian Governments, initiate a review of Commonwealth and state-based regulation affecting the private education sector, to identify opportunities for regulation and red tape reductions.

The Australian Government (the Government) notes, in principle Recommendation 1.

The Government is committed to reducing regulatory burden and red tape and has undertaken reviews as recommended to identify further opportunities.

Schools sector

Under the Constitution of Australia, state and territory governments have primary responsibility for the provision of schooling to all school-aged children within their jurisdiction. This responsibility includes registration of government and non-government schools, and teachers. State and territory governments are the majority public funder for government schools, and contribute supplementary funds to non-government schools. Conversely, the Australian Government is the majority public funder of non-government schools and provides supplementary funding to government schools.

With constitutional responsibility for schooling sitting with state and territory governments, the Australian Government's funding for non-government schools is paid to state and territory governments under Section 96 of the Constitution. States and territories then distribute funding to their government schools and to non-government schools on behalf of the Australian Government in accordance with the Australian Government's funding formula.

The Australian Government and state and territory governments share an interest in monitoring the governance and financial arrangements in schools to ensure public funding from both Commonwealth and states and territories, is used for the purpose of education and for the benefit of students. This interest also intersects with the Australian Charities and Not-for-profit Commission (ACNC) due to its legislative responsibilities for the not-for-profit and charity sector.

The department recognises the co-regulatory nature of the schooling space and is working collaboratively with jurisdictions and regulatory bodies to reduce administrative burden and duplicative reporting.

To minimise the reporting burden on the non-government schooling sector, the department and the ACNC have worked together to refine financial data collection arrangements so that a single approach will satisfy both the department's and the ACNC's reporting requirements. In 2017, for the first time, a single data collection for both organisations was conducted using the department's financial questionnaire (2016 data) in a 'report once, use often' approach.

The department is also currently progressing a bilateral pilot with the New South Wales Department of Education to harmonise legislation and regulatory arrangements. Alignment of regulatory arrangements is expected to occur in 2020 and will see a consistency in the type of information collected from New South Wales non-government schools and reduced reporting as the same data sets can be used for multiple purposes. The department will use this pilot as a test case prior to opening this option to other jurisdictions.

Higher education sector

The Tertiary Education Quality and Standards Agency (TEQSA) was established as Australia's independent national quality assurance and regulatory agency for higher education by the Tertiary Education Quality and Standards Agency Act 2011 (TEQSA Act). It commenced its regulatory function on 29 January 2012, replacing a system of separate regulation by each state and territory, coordinated through national protocols.

All organisations that offer higher education qualifications in or from Australia, must be registered by TEQSA and must be assessed as meeting the requirements of the Higher Education Standards Framework (Threshold Standards) 2015 (the Standards) before they commence operations.

The Standards ensure that the barrier to entry into the higher education sector is set high enough to both underpin and protect the quality and reputation of the sector as a whole. The Standards establish a baseline for operational quality and integrity from which all providers can continue to build. Importantly, the Standards apply to all types of higher education provider
equally, whether a university or non-university provider, public institution, not-for-profit organisation or privately owned business. Equity in the application of the Standards is critical to give assurance to prospective students in Australia or overseas that they will receive a quality higher education experience in Australia.

Higher education providers that have not been granted self-accrediting authority (which is almost all of the non-university providers) must also have each of their courses of study accredited by TEQSA against the Standards.


- The Dow-Braithwaite review found that, whilst there was wide and continued support for a single national regulator, there were concerns about TEQSA’s quality assurance role and the resource impacts that quality audits had on the regulatory enforcement role. The review’s recommendations focused on ensuring TEQSA concentrated on its core provider registration and course accreditation functions; and how TEQSA and the Government could reduce the regulatory burden on the higher education sector.

- The Deloitte review, released by the Government in November 2018, was positive about the establishment of TEQSA as the national regulator in 2012, noted that the higher education sector has positive views of both the regulatory system established by the Act, and TEQSA as the regulator, and further noted that the TEQSA Act is broadly operating effectively and as intended. It recommend a number of relatively minor changes to the TEQSA Act and associated administrative arrangements to enhance the effectiveness of the regulatory system. The Government has provided detailed responses to each of the review’s recommendations, and introduced the Tertiary Education Quality and Standards Agency Amendment Bill 2018 on 5 December 2018 to give effect to those recommendations requiring a legislative response.

TEQSA actively engages with the sector in a collaborative and transparent manner to build open and respectful working relationships. Feedback from the sector, including through annual stakeholder surveys, one-on-one meetings, a case manager approach, round-tables, forums and conferences, assist TEQSA to reflect on its approach and to take action where appropriate.

TEQSA has acknowledged that there are lower perceptions of its performance by some parts of the sector, particularly for-profit providers. It does not agree that it does not understand their business or that it takes a harsher line with them, though this is their perception. However, it is proactively engaging with private providers to raise the level of mutual understanding.

The Government is determined, however, not to reduce the level of scrutiny placed on education providers of any type. In the wake of the problems that emerged in the private vocational education and training market, including unconscionable exploitation of vulnerable students by some private for-profit operators, TEQSA must remain vigilant to ensure that such practices do not emerge in the higher education sector and that, where such practices are observed, they are promptly dealt with.

The Minister for Education and Commonwealth officials engage with state and territory colleagues on a range of higher education-related policy matters through the Council of Australian Governments Education Council and related forums. However, the Australian Government does not see a role for the states and territories to review the operation of the Commonwealth-legislated higher education regulatory framework—either in whole or for private providers in isolation.

Given both the extent and recency of examination of higher education regulation through two independent reviews, the Australian Government sees no reason to pursue a further formal review at this time.

Vocational Education and Training Sector

In 2017, an independent review of the National Vocational Education and Training Regulator Act 2011 (NVETR Act) was undertaken to determine if the Australian Skills Quality Authority (ASQA) had the appropriate legislative capacity to regulate the sector efficiently and effectively. The Hon Karen Andrews MP, former Assistant Minister for Vocational Education and Skills, released the "All eyes on quality: Review of the National Vocational Education and Training Regulator Act 2011 report" by Professor Valerie Braithwaite on 22 June 2018 along with the Australian Government Response.

The review was informed by 68 public submissions, over 50 stakeholder consultations and national and international research. Overall, the review found that ASQA had sufficient powers under the NVETR legislation to perform its regulatory functions. However, it suggested amendments to the legislation and VET Quality Framework could be made to further encourage a positive culture of cooperation, reward excellence and embrace innovation, while also curbing unacceptable conduct by registered training organisations (RTOs) through a system of controls and sanctions.

Key recommendations in the report demonstrated a clear need for improvements to ASQA’s engagement with the sector, an expansion of its educative role to ensure registered training organisations are supported to understand compliance requirements, and stronger transparency around regulatory decisions. These key themes were also reflected in the Strengthening Skills: Expert Review of Australia’s Vocational Education and Training System undertaken by the Hon Steven Joyce.

On 30 October 2019, the Government announced a future reform approach for ASQA to adopt a more educative role to lift quality in the delivery of VET. These reforms will improve confidence in the regulator and ensure the sector’s regulatory environment is reasonable, transparent and effective.
The Government is also pursuing legislative amendments to the NVETR Act and subordinate legislation to implement further changes as recommendation by Professor Braithwaite. These reforms are designed to improve the efficiency and effectiveness of ASQA's regulation of the VET sector.

In 2016, the COAG Industry and Skills Council agreed to develop the Performance Information for VET (PIVET) program to transform the data available to consumers, government and regulators. Work on the roadmap is progressing, which includes the VET data collection streamlining project to allow easy, flexible, event-based collection (and correction) of VET activity data from RTOs and state training authorities.

In 2018 the former Department Of Education and Training commissioned a Review of Financial Suitability Requirements for the approval of VET Student Loans approved course providers.

The review proposed a number of changes, some of which provide opportunities for regulation and red tape reductions. Relevant proposed administrative changes have been progressed, e.g. the acceptance of unaudited financial statements with provider applications. Relevant proposed changes requiring legislative change are still in course, e.g. removal of the absolute, disqualifying restriction on dividends not being greater than after tax profit for previous financial year.

(Note that publicly owned VET providers, which are generally lower risk, are already exempt from financial performance requirements when seeking approval as VET Student Loans approved course providers.)

**Recommendation 2**

2.28 In conjunction with Recommendation 1, the committee recommends that the Department of Education and Training review the findings and recommendations of the 2013 Review of Higher Education Regulation Report, to assist in the identification of deregulation opportunities for the higher education sector.

The Government does not accept this recommendation.

The recommendations of the 2013 Dow-Braithwaite review related to the circumstances and context that applied at that time, however, both the higher education sector and the higher education regulatory landscape have evolved significantly since then. The Government does not see value in revisiting the recommendations.

An updated Higher Education Standards Framework came into effect from 1 January 2017. The 2015 standards instrument was developed following a comprehensive review of the initial (2011) standards by the Higher Education Standards Panel over three years from 2012-2014. The new Standards removed a significant amount of duplication in the initial standards. They use language that is familiar to higher education providers and are structured to reflect the operational lifecycle of a typical higher education provider. Adoption of the new standards by providers as a framework for their own management and governance processes enables them to use reports and evidence produced for day-to-day internal use as evidence of compliance with the standards for TEQSA assessments, reducing the need for bespoke or tailored reports to support provider reregistration and course accreditation. This approach was assessed by the Office of Best Practice Regulation in 2015 as leading to a reduction in regulatory burden of more than $2.5 million a year.

The report of the recently released Review of the Impact of the TEQSA Act on the Higher Education Sector, undertaken by Deloitte Access Economics, noted that the early problems of regulatory over-reach by TEQSA, are now seen to have been remedied. In TEQSA, the sector now sees a regulator that is seeking to reduce the burden imposed by its activities, tailoring its requirements to meet individual features of providers, and seeking to engage more fully with the sector.

TEQSA, the Higher Education Standards Panel, and the Department of Education will continue to work together to identify opportunities to reduce the regulatory burden on higher education providers, whilst maintaining the quality of the educational experience of higher education students.

**The 2013 Review of Higher Education Regulation Report**

The 2013 Review of Higher Education Regulation, was released to the public in August 2013. In October 2013, the Government accepted all of the review’s recommendations. The Government's responses to the recommendations included the following actions:

- **Ministerial Direction No. 2 of 2013** was made under the TEQSA Act, which directed TEQSA's Chief Executive Officer to consult and seek advice on a range of matters and to detail deregulatory initiatives undertaken to improve the efficiency and timeliness of TEQSA's core compliance activities. This includes limiting sectoral quality assessment activities only if TEQSA has surplus resources after "fully achieving" its core regulatory functions. The Government's response to the Review of the Impact of the TEQSA Act on the Higher Education Sector includes that the Direction will be repealed following passage of the TEQSA Amendment Act 2018, as it is no longer necessary for this restriction to apply to TEQSA's quality assessment activities.

- **Amendments were made to the TEQSA Act (through the TEQSA Amendment Act 2014)** which enhanced TEQSA’s ability to delegate functions and powers to enable more efficient decision making processes, permitted TEQSA to extend registration and accreditation periods, provided greater flexibility for the Minister to determine the number of Commissioners appointed and the mix of full-time and part-time appointments, and separated the roles and responsibilities of the Chief Commissioner and the Chief Executive Officer, in line with good governance principles.

- The establishment of the TEQSA Advisory Council, to provide advice on TEQSA's strategic objectives and plans, approaches to deregulation, and approaches to streamline re-registration and re-accreditation processes. This advisory role subsequently passed to the Higher Education Standards Panel, when the two bodies were amalgamated in 2015.
Streamlining of data collection from higher education providers. TEQSA's annual Provider Information Request data collection is now managed on TEQSA's behalf by the Department of Education utilising an approach consistent with the existing Higher Education Information Management System collection. This is more streamlined and less burdensome for providers than the previous arrangement.

Since the release of the Dow-Braithwaite review, TEQSA has implemented a range of strategies aimed specifically at reducing the regulatory burden on providers, which also address a number of the Dow-Braithwaite recommendations.

- Development of a stakeholder engagement strategy—stakeholder engagement provides TEQSA with a greater understanding of the key issues in the higher education sector and helps to build stakeholder capacity to meet regulatory requirements.
- Improved focus on a standards-based, risk-reflective and transparent approach to regulation of the sector. This has seen the development of annual risk assessments of providers using the TEQSA Risk Assessment Framework and adoption of the 'Core Plus' risk-based model of provider assessment (outlined further under Recommendation 3).
- Development of resources and support mechanisms, including application guides for provider registration, renewal of registration, course accreditation and renewal of accreditation, publication of guidance notes that provide greater clarity on TEQSA's interpretation of selected areas of the Standards, a strong case manager approach to establish and maintain ongoing provider engagement, dissemination of data on sector performance, and conducting consultation forums for providers and other stakeholders.
- Development of Memoranda of Understanding with key stakeholder groups, including the Independent Tertiary Education Council Australia and the Independent Higher Education Australia, which facilitate better dialogue, collaboration and sharing of information.

Recommendation 3

2.30 In conjunction with Recommendation 1, the committee recommends that Australian governments consider the effectiveness of a 'one-size-fits-all' approach to the regulation and explore options to implement better risk-based regulation. The Government supports, in principle, Recommendation 3.

Schools sector

The department has recently developed and published a Schools Funding Assurance Framework (the Framework) that outlines a risk-based approach to monitoring compliance for funding provided under the Australian Education Act 2013 (Education Act) and the Australian Education Regulation 2013 (Education Regulation). The Framework is an overarching document that sets out how assurance is practically undertaken by the department to make sure:

- Australian Government funding for schools is being appropriately spent, in accordance with the requirements of the Education Act and the Education Regulation
- Approved Authorities are assisted and encouraged to become compliant and stay compliant
- non-compliance is identified and addressed
- Approved Authorities are not unreasonably burdened by compliance, or forced to bear an unreasonable cost of compliance
- systemic compliance issues are identified, so that policies and processes can be amended to remedy issues.


A core reflection of the department's approach to risk-based compliance is recognition that the operating environment of the schooling sector is not-for-profit (Section 75 of the Education Act), and stable and mature.

Whilst they still present some attendant risks, there are characteristics of not-for-profit entities that make the schooling sector different to other for-profit sectors. Not-for-profit entities are unable to distribute profits (either directly or indirectly) to individuals. The inability for individuals to directly profit from these entities' operations reduces the risks in respect of the deliberate misuse or misappropriation of funding.

The state and territory governments are the primary managers of government (or 'public') schools in Australia. They are responsible for assuring both state and Australian Government funding sources are provided to appropriately fund government schools. State and territory governments are responsible for monitoring the compliance of the government schools in their jurisdiction but they also co-regulate the non-government schooling sector with the Australian Government.

Due to the coregulatory environment, the department is working to regulate smarter and moving towards targeted capability building for the schooling sector. The capability focus is on implementing actions to support the sector's compliance with requirements that are preventative, rather than regressive or punitive in nature. The department intends to make greater use of education/information to achieve compliance, recognising that errors are largely unintentional and due to a genuine lack of understanding of what is required.

The department acknowledges the role of states and territories does not, of itself, eliminate all risks related to the expenditure of Australian Government funding, however it does considerably reduce the risks of non-compliance and fraud.

The Framework recognises the schools sector profile outlined above, and the impact that this has on compliance risk and guides the department's approach to assurance and monitoring.
Higher education sector

The TEQSA Act requires TEQSA to apply a standards-based quality framework using a risk-based approach to assessment, in order to protect and promote the interests of higher education students and the reputation of the higher education sector. TEQSA's approach to regulation of the higher education sector is not 'one-size-fits-all'. Rather, TEQSA exercises discretion in its application of the Standards for individual providers according to the circumstances and regulatory standing of the provider, an analysis of risks, and the maturity and effectiveness of the provider's internal quality assurance and monitoring processes.

TEQSA applies a systematic, structured and consistent approach to assessing compliance risk across all providers, using a standard set of risk indicators corresponding to primary areas of institutional practice and performance. This approach, outlined in TEQSA's Risk Assessment Framework, is critical in delivering efficient and effective risk-based quality assurance and regulatory activities.

While the Risk Assessment Framework is consistently applied, TEQSA recognises the diversity—in terms of sizes, missions and student cohorts—in the sector, and the importance of a provider's context in assessing potential risks. To support this view, TEQSA's risk assessment process takes account of a provider's history, sector context and the provider's own risk management practices.

TEQSA's approach to cyclical assessments of providers and courses of study is varied and tailored to the circumstances of the provider. For established providers, TEQSA applies its "Core Plus" model, which aims to reduce administrative costs to providers in meeting evidence requirements. Under this model, all applicants are required to submit a minimum set of evidence relating to an identified set of "core" Standards in the Higher Education Standards Framework (i.e. core evidence). These relate principally to administrative and academic governance, student performance, student experience and student wellbeing and safety. Some providers will be required to submit additional evidence (i.e. the "plus" in "Core Plus") against other selected standards on a case-by-case basis, as determined by the provider's risk profile, track record and demonstrated capacity for self-assurance.

In the context of regulation of the vocational education and training (VET) sector, the Australian Government has implemented a risk-based approach to regulation under the National Vocational Education and Training Regulator Act 2011 (NVETR Act).

Vocational Education and Training sector

As the national VET regulator, the Australian Skills Quality Authority (ASQA) takes a risk-based approach to regulation that seeks to make an efficient use of resources to effectively identify and target the most serious risks and patterns of systemic non-compliance, while minimising costs on regulated entities. In doing so ASQA focuses regulatory action on providers that are considered higher risk. The Risk Assessment Framework under section 190 of the NVETR Act sets out:

- a suggested process for ASQA to monitor, and where necessary respond to, risks of non-compliance with the VET Quality Framework
- processes that can be used to determine arrangements for assessing registration applications
- how registered training organisations (RTOs) may be individually measured for risk exposure; and
- an approach where RTOs that either present a low risk of non-compliance or consistently deliver high-quality training and assessment services will receive minimal regulatory scrutiny. RTOs that are assessed as higher risk in terms of the likelihood of adverse impacts on quality outcomes receive more regular monitoring.

In July 2018, ASQA amended its fees and charges so that providers requiring greater levels of regulatory attention and oversight are likely to pay higher costs for their regulation.

In its administration of the VET Student Loans program the Department of Education takes a risk-based approach to the management of key integrity controls, with a view to supporting compliant providers that achieve good student outcomes. These controls particularly relate to courses for which an approved provider may offer loans, and the maximum value of loans that will be approved in relation to a provider (referred to as the provider fee limit).

Approved providers that have demonstrated by their behaviour that they are low risk have now had course controls removed entirely, and a more open approach taken in relation to the setting of provider fee limits. Risk differentiation approaches are expected to be enhanced, as the program matures (it commenced only in 2017) and the department's longitudinal monitoring improves its capacity to assess and differentiate on a risk-basis.

Recommendation 4

2.32 The committee recommends that the Department of Education and Training, in conjunction with the Office of Best Practice Regulation, review its Regulatory Impact Statement processes, to improve identification and quantification of regulatory compliance costs in the private education sector.

The Government supports this recommendation.

The Office of Best Practice Regulation (OBPR) notes that the former Department of Education and Training developed two Standard Form Regulation Impact Statements to inform significant changes to the VET FEE-HELP Scheme. The OBPR and the Department of Education will continue to work together to ensure decisions are informed by analysis of the regulatory impacts on business, individuals and community organisations.

Recommendation 5
2.55 The committee recommends that the Department of Education and Training schedule a two-year review of the Nationally Consistent Collection of Data on School Students with Disability, including audit options to ensure the consistency of quality data collection.

The Government notes this recommendation.

From 2018, the Nationally Consistent Collection of Data on School Students with a Disability (NCCD) has included in the Australian Government schools census collection and is part of an established annual data validation processes (including the Census post enumeration process) for non-government schools.

Approved authorities and schools also engage in a range of assurance and moderation activities, including cross-sectoral moderation, to support the quality and consistency of the collection.

Since 2013, the Department has worked closely with the sector through the Joint Working Group to Provide Advice on Reform for Students with Disability, a sub group of the Education Council, on a range of capacity building and assurance projects to improve the quality and consistency of the NCCD. In 2017-18, the Australian Government committed $20 million over four years to augment ongoing continuous improvement activities.

One of the most significant projects to date is the development of the NCCD Portal which was launched in February 2019 (https://www.nccd.edu.au/). The NCCD Portal is an interactive platform housing nationally consistent information and training materials and resources for school leaders, teachers, support staff, parents and carers. The Portal has been well received by the sector and is now the primary source of NCCD information used by schools.

Another project was recently commissioned to validate the accuracy of 2018 NCCD data reported by selected non-government schools. The project also provided capacity building support to those schools which will contribute to improved data quality and consistency.

This and other research shows the sector is rapidly maturing. There remains work to be done to build school capacity, but the focus for the Department is shifting to assurance.

Future assurance activities will take account of findings from commissioned research as well as recommendations from the National School Resourcing Board's review of the student with disability loading, due in December 2019.

**Recommendation 6**

2.65 The committee recommends that the Australian Government initiate a five-year review of the Regulator Performance Framework, to identify opportunities to improve Commonwealth regulators' performance.

The Government does not support this recommendation.

The Government commissioned an independent review of the Public Governance, Performance and Accountability Act 2013 (PGPA Act), published in September 2018, which recommended that stand-alone Regulator Performance Framework self-assessment reporting should be discontinued and integrated into the performance reporting requirements of the PGPA Act. The Government will deal with the issue in the context of responding to the PGPA Act review.

The Department of Education agrees that there are opportunities to minimise duplicative reporting and adopt a report once use often approach. The department will continue working with Australian Charities and Not-for-profits Commission and state and territory education departments, to identify and implement ways in which to improve information and data sharing and align legislative requirements without increasing regulatory reporting or compromising public transparency and accountability.

**Recommendation 7**

2.75 The committee recommends that the Australian Government review the assumptions underpinning the 25 per cent loan fee and if they are not substantiated with statistical information, take action to abolish this fee.

The Government will review and consider this Recommendation.

**Background**

- Under current arrangements, the Government applies a 25 per cent loan fee on FEE-HELP loans related to undergraduate study, with the exception of Table B providers where students taking out FEE-HELP loans are exempt from the loan fee.
- There is also a 20 per cent loan fee on all VET FEE-HELP and VET Student Loans students in full fee-paying places.
- Broadly speaking, the FEE-HELP loan fee is designed to recoup some of the costs the Government bears in facilitating FEE-HELP loans for undergraduate places. FEE-HELP loans are on average higher than HECS-HELP loans as they are not capped and they are not accompanied by a Commonwealth Government contribution (unlike HECS-HELP).
- The most significant costs for the Government relating to HELP are:
  - debt not expected to be repaid (DNER)
  - the concessional loan discount, that is, the cost that arises through the Government borrowing at commercial interest rates to facilitate the scheme, while students who take out loans only pay interest at the Consumer Price Index (CPI) to the Government.

**Analysis**

Comparison between the cost to the Government and the cost to the student in providing FEE-HELP loans.
According to the Australian Government Actuary, the rate of DNER on new HELP loans (excluding those with a VET component) in 2018-19 is 12.9 per cent. The concessional loan discount rate (or deferral cost) on new HELP loans (excluding those with a VET component) in 2018-19 is 4.7 per cent. The estimated total cost to Government in issuing HELP loans within higher education is 17.6 per cent.

Students accessing FEE-HELP loans in undergraduate places (excluding those at Table B providers) pay a 25 per cent loan fee. The average fee borne by students is effectively lower than this, as loan fees themselves also involve losses associated with DNER and deferral costs.

If the 25 per cent loan fee is deflated by multiplying both the above DNER and deferral cost rates by fee, then deducting these products from the fee, this results in an effective loan fee borne by the student of 20.2 per cent, as not all loan fees are repaid.

In the absence of authoritative data estimating the rates of DNER and deferral costs only for loans that attract a loan fee, the department has used relative attrition rates to provide possible estimates.

The new adjusted attrition rate for all commencing higher education students is estimated at 16.2 per cent. The new adjusted attrition rate for commencing bachelor students at non-university higher education providers (used as a proxy for those commencing students eligible for the FEE-HELP loan fee) is estimated at 26.6 per cent. This results in an estimated attrition rate for FEE-HELP loan fee recipients as 64.7 per cent higher than higher education students in general.

This could be the result of some positive correlation between the level of attrition for a particular group of students and the cost the Government will incur in issuing loans that group. Therefore, one could potentially inflate the above estimates of DNER and deferral costs by the proportional difference in attrition rates between all commencing higher education students and commencing students eligible for the FEE-HELP loan fee (64.7 per cent).

This would result in an estimated rate of DNER on new debt for FEE-HELP loan fee recipients of 21.2 per cent, and an estimated deferral cost rate on new debt for FEE-HELP loan fee recipients of 7.6 per cent.

Summing these rates together results in an estimated total cost to Government of 28.8 per cent, and an adjusted estimate of the effective loan fee borne by the student of 17.8 per cent.

Converting the 25 per cent loan fee into an annualised interest rate

The 25 per cent loan fee paid by students accessing FEE-HELP loans, when converted into an annualised interest rate, is much lower than the market interest rate for an unsecured personal loan.

The department has modelled the debt and repayment profile for a typical FEE-HELP undergraduate student.

As a number of assumptions have been made, the example below is for illustrative purposes only:

- A student undertakes full-time study for three years (beginning in 2019) and is charged a typical tuition fee for a FEE-HELP undergraduate student. The student takes eleven years from graduation to repay their debt.
- This student begins full-time employment in the year following graduation, with their income in line with a median salary for graduates who have undertaken an undergraduate degree (sourced from the Graduate Outcomes Survey).
- The 25 per cent loan fee is converted to an effective interest rate with an added component representing indexation of debt at CPI (estimated at around 2.45 per cent).
- This modelling results in the 25 per cent loan fee paid by the student accessing FEE-HELP being equivalent to charging this student a variable interest rate between approximately 4.5 per cent and 5.5 per cent.
- For comparison, as at January 2019, a market rate of interest for an unsecured personal loan of $10,000 over a repayment term of three years ranges from 6.99 to 15.99 per cent.

Conclusion

- Maintaining the loan fee allows the Government to cover a portion of the significant costs it bears in facilitating FEE-HELP loans for undergraduates.
- Drawing on the earlier analysis, the Government bears a cost of 28.8 per cent of the value of a FEE-HELP undergraduate loan (which is the result of estimated rate of DNER on new debt for FEE-HELP loan fee recipients of 21.2 per cent and the estimated deferral cost rate on new debt for FEE-HELP loan fee recipients of 7.6 per cent). The cost to Government is higher than the estimated cost of 17.8 per cent borne by the student;
  - The costs to Government associated with DNER and deferral costs are together estimated at 17.6 per cent of new loans, lower than the estimated cost borne by the student in taking out a FEE-HELP loan in an undergraduate place (20.2 per cent).
  - This figure does not take into account the higher rates of DNER and deferral costs that would likely apply when isolating FEE-HELP loans eligible for a loan fee. These costs would only need to be 15.3 per cent higher to result in an even share of costs between the Government and students.

- For students who fully repay their debts, the 25 per cent loan fee applied to their debts by the Government would be equivalent to being charged an annual interest rate of approximately 5 per cent, which is considerably lower than the market interest rate for an unsecured personal loan.
The New Adjusted Attrition rate for year(x) is the proportion of students who commenced a course in year(x) who neither complete in year(x) or year(x + 1) nor return in year(x + 1).

2 Estimates based on data from the department's Higher Education Statistics collection.

**DOCUMENTS**

**Defence Facilities: Chemical Contamination**

**Order for the Production of Documents**

*Senator COLBECK* (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:51): I table documents relating to the order for the production of documents concerning PFAS contamination.

**ANSWERS TO QUESTIONS ON NOTICE**

**Asylum Seekers**

**Migration**

*Senator COLBECK* (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:51): I table responses to questions taken on notice during question time on 16 September 2019 and 26 November 2019, asked by Senators McKim and Lambie respectively, concerning Australia's refugee and humanitarian program. I also seek leave to have the responses incorporated in *Hansard*.

Leave granted.

_The responses read as follows—_

Senator the Hon Scott Ryan
President of the Senate
Parliament House CANBERRA ACT 2600

Dear Mr President

I write with regard to a question I took on notice from Senator McKim during Question Time on Monday 16 September 2019, on the matter of a Sri Lankan family from Biloela.

The Department of Home Affairs advises the individual in question has a history of traveling back and forth to Sri Lanka from various international destinations.

He travelled to Qatar between June 2004 and September 2008. He travelled to Kuwait between November 2008 and January 2010. He travelled to Qatar again between December 2010 and May 2011. He came and went freely from Sri Lanka during these periods.

This travel history is clearly incompatible with the father's claims he cannot travel back to Sri Lanka for fear of persecution.

I have copied this letter to Senator McKim. Yours sincerely

Senator the Hon Michaelia Cash
19/12/2019

Senator Jacqui Lambie
Senator for Tasmania
Shop 4
22 Mount Street
BURNIE TAS 7320

Dear Senator

I am writing in relation a question you raised regarding Australia's refugee and humanitarian program during Question Time on Tuesday 26 November 2019.

As I conveyed in the Senate, the Government cannot comment on individual cases.

However, I can advise that refugees are considered for resettlement under Australia's Humanitarian Program. Every applicant under Australia's Humanitarian Program is subject to strict health, security and character checks. These checks include assessments relating to health, national security, criminality, war crimes and crimes against humanity.
The Australian Government assesses each application based on its merits, and according to relevant Australian legislation. The safety of the Australian community is a paramount consideration by the Department in deciding all visa applications.

I trust this information is of assistance to you. I have provided a copy of this letter to the Minister for Home Affairs, the Hon Peter Dutton MP, for information.

Yours sincerely

Senator the Hon Michaelia Cash
19/12/2019

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Faruqi) (18:52): The President has received letters requesting changes in the membership of committees.

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:52): by leave—I move:

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

Administration of Sports Grants—Select Committee
Appointed—Senators Abetz, Canavan, Chisholm and Green

Community Affairs References Committee
Discharged—Senator Ciccone
Participating member: Senator Bilyk
Appointed—Senator Bilyk
Participating member: Senator Ciccone

Economics Legislation and References Committees
Discharged—Senator Gallacher
Participating member—Senator Kitching
Appointed—Senator Kitching
Participating member—Senator Gallacher

Finance and Public Administration Legislation Committee
Discharged—Senator McAllister
Participating member: Senator Ayres
Appointed—Senator Ayres
Participating member: Senator McAllister

Finance and Public Administration References Committee
Appointed—Senator Watt
Discharged—
Participating member: Senator Watt

Road Safety—Joint Select Committee
Discharged—Senator Gallacher
Appointed—Senator Sterle

Question agreed to.

BILLS

Aged Care Legislation Amendment (New Commissioner Functions) Bill 2019
Returned from the House of Representatives
Message received from the House of Representatives returning the bill without amendment.
Higher Education Support (HELP Tuition Protection Levy) Bill 2019
VET Student Loans (VSL Tuition Protection Levy) Bill 2019
Returned from the House of Representatives

Message received from the House of Representatives agreeing to the amendments made by the Senate to the bills.

Third Reading

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:53): I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

Treasury Laws Amendment (2019-20 Bushfire Tax Assistance) Bill 2020

First Reading

Bill received from the House of Representatives.

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:54): 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 COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:55): 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—

Over the course of this bushfire season Australia has faced devastating fires which have deeply affected communities across the country.

The unprecedented scale and damage of these fires has warranted an unprecedented response. The tireless efforts of our professional and volunteer firefighters to protect life and property cannot be understated. Nor can the generosity of the broader Australian and international communities, who have come to the assistance of those impacted by the fires.

The Morrison Government is conscious of the enormous challenge of rebuilding bushfire devastated communities. Australians are resilient and want to rebuild – and we will be with them every step of the way. The Government has made an upfront $2 billion commitment, and established the National Bushfire Recovery Agency to coordinate a national response to rebuild communities and livelihoods.

The Government is committed to supporting volunteer firefighters involved in the firefighting effort, as well as ensure that communities and businesses affected by the bushfires can get back on their feet.

We acknowledge and support the generous donations being pledged to bushfire affected communities. This generosity has been seen in the partnership between the Business Council of Australia and Equity Trustees to establish the Australian Volunteers Support Trust and the Community Rebuilding Trust in response to the 2019-20 Australian bushfires.

The Australian Volunteers Trust provides support to volunteers and their immediate families, where the volunteer has died or become seriously injured during their service in responding to a disaster in Australia. The Community Building Trust will receive, manage and mobilise donations to help rebuild and re-establish communities affected by disasters in Australia. These two charitable trusts will be chaired by Jeff Kennett AC and General Sir Peter Cosgrove AK, CVO, MC respectively, and will be supported by boards of eminent Australians as well as representatives from Australia’s emergency service volunteer organisations. The Government has announced it will extend DGR status to these two charitable trusts to encourage philanthropy and provide support for individuals, families and communities affected by the bushfires. This is implemented through Schedule 2 of this Bill.

Schedule 1 to the Bill comes in two parts. The first part gives effect to the Prime Minister’s announcement of 29 December 2019 that the Australian Government would, in cooperation with the New South Wales State Government, provide tax free financial support to volunteers in the New South Wales Rural Fire Service who are employed by small or medium businesses and have volunteered for an extended period to assist in combating the bushfires. This tax treatment will also apply to similar arrangements for volunteer firefighters reached between the Australian Government and other States and Territories.
Payments for eligible volunteer firefighters will be treated as non-assessable, non-exempt income, which means:

- the payments will not be counted as assessable income; and
- the payments will not reduce any tax losses that can be carried forward to future years by the taxpayer.

The second part of the schedule gives effect to announcements made by the Prime Minister and myself on 8 January 2020 that, in addition to the tax relief for payments to volunteer firefighters, government disaster relief and recovery payments in response to the 2019-20 bushfires will be free from tax.

Under the Bill, bushfire disaster payments made or non-cash benefits provided by the Commonwealth, States and Territories, and local governments that are not already free from tax will be made non-assessable, non-exempt income. Payments that will be made free from tax include the Disaster Recovery Allowance and payments under the Disaster Recovery Funding Arrangements 2018.

This Bill also creates a regulation-making power which will provide flexibility to ensure later payments that might arise in relation to the 2019-20 bushfires can quickly be made tax free if required.

Further information on the support being provided by the ATO can be found on the ATO website. Impacted individuals or businesses can also contact the ATO's Emergency Support Infoline on 1800 806 218.

Schedule 2 to the Bill amends the *Income Tax Assessment Act 1997* to include the Australian Volunteers Support Trust and the Community Rebuilding Trust on the list of deductible gift recipients (DGRs). DGR status allows members of the public to receive income tax deductions for the donations they make to these two organisations.

Full details of the measures are contained in the Explanatory Memorandum.

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

**Financial Sector Reform (Hayne Royal Commission Response—Protecting Consumers (2019 Measures)) Bill 2019**

**Financial Sector Reform (Hayne Royal Commission Response—Stronger Regulators (2019 Measures)) Bill 2019**

**National Consumer Credit Protection Amendment (Mandatory Credit Reporting and Other Measures) Bill 2019**

First Reading

Bills received from the House of Representatives.

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:56): 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 on the Notice Paper separately. 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 COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:56): I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

**FINANCIAL SECTOR REFORM (HAYNE ROYAL COMMISSION RESPONSE—PROTECTING CONSUMERS (2019 MEASURES)) BILL 2019**

The Financial Sector Reform (Hayne Royal Commission Response—Protecting Consumers (2019 Measures)) Bill 2019 (the Bill) continues to fulfill the Government’s commitment to implement the recommendations from the *Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry* (Royal Commission). The Bill will extend unfair contract terms to insurance contracts, ensure adequate consumer protection provisions apply to funeral expense policies, introduce a best interests duty requirement for mortgage brokers, and reform mortgage broker remuneration.

**Unfair contract terms in insurance contracts**

National unfair contract terms laws currently protect consumers and small businesses who purchase financial products and services through standard form contracts. Until now, insurance contracts have been exempt from regulation by these laws.
Schedule 1 will increase protection for consumers and small businesses purchasing general and life insurance products. It will give effect to the Royal Commission recommendation 4.7 and bring insurance's regulation into line with that for the rest of the financial services sector.

Ensuring consumers and small businesses can purchase or renew their insurance policies with confidence is important. Insurance cover for homes, motor vehicles, building contents and income protection helps limit loss and support households and, in turn, the broader economy.

Deterring insurers from drafting unfair terms in standard contracts and providing a remedy in cases where they are found will support fair treatment of consumers and small businesses.

**Funeral expenses facilities**

The Financial Services Royal Commission uncovered evidence of significant harm caused to vulnerable consumers by the poor sales practices adopted by funeral expenses policy providers.

The exemption in the Corporations Act that has allowed these providers to escape the scrutiny of the Australian Securities and Investment Commission (ASIC) will be removed. They will be subject to the Australian financial services licencing regime.

Schedule 2 of this Bill will also ensure that the consumer protection provisions in the ASIC Act apply to funeral expenses policies, clarifying any ambiguity that may exist on this matter.

**Mortgage Brokers**

Schedule 3 of the Bill introduces a best interests duty for mortgage brokers that will ensure that consumers' interests are prioritised when a mortgage broker provides credit assistance, as regulated by the National Consumer Credit Protection Act 2009.

The Government is also reforming mortgage broker remuneration, and the Bill provides for a regulation making power to this end. The Regulations will require the value of upfront commissions to be linked to the amount drawn down by borrowers instead of the loan amount; ban campaign and volume-based commissions and payments; and cap soft dollar benefits.

Further, the period over which commissions can be clawed back from aggregators and mortgage brokers will be limited to two years, and passing on this cost to consumers will be prohibited.

After careful consideration, the Government decided to delay consideration of aspects of Commissioner Hayne's recommendations for mortgage brokers – namely moving to a borrower-pays remuneration structure – until a review is carried out in three years' time.

That review will be conducted by the Council of Financial Regulators and the Australian Competition and Consumer Commission (ACCC). It will examine the impact of the recommendations that have been agreed to and implications for consumer outcomes and competition of moving to a borrower pays remuneration structure for mortgage broking.

Implementation of these reforms, as recommended by the Royal Commission, is a critical component of restoring trust and confidence in Australia's financial system and is part of the Morrison Government's plan for a stronger economy.

Full details of the measures are contained in the explanatory memorandum.

**FINANCIAL SECTOR REFORM (HAYNE ROYAL COMMISSION RESPONSE—STRONGER REGULATORS (2019 MEASURES)) BILL 2019**

This Bill forms part of the Government's comprehensive response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, which is set out in the Financial Services Royal Commission Implementation Roadmap released on 19 August 2019.

Since the release of the Royal Commission final report, the Government has implemented 16 of the commitments it outlined in its response. We have:

- legislated to end the grandfathering of conflicted remuneration;
- instigated and responded to the APRA Capability Review;
- expanded the remit of the Australian Financial Complaints Authority to require it to establish a new historical redress scheme to consider eligible financial complaints dating back to 1 January 2008;
- amended legislation to extend the product intervention power to, and impose design and distribution obligations on, all financial and credit products within ASIC's regulatory responsibility;
- initiated work with the states and territories towards establishing a national farm debt mediation scheme; and
- banned the inducement of employers by superannuation trustees and introduced civil penalties on superannuation trustees and directors for breaching the law.

Through this Bill, the Government is further delivering on our commitments by implementing the recommendations of the ASIC Enforcement Review Taskforce Report.

Our regulators need the resources and powers to strengthen their enforcement and supervision, and take on the expanded responsibilities recommended by the Royal Commission.

The Royal Commission found that some financial institutions had engaged in conduct that fell well short of community expectations. This is not acceptable.
This Bill is part of the Government's clear message to those financial institutions that complying with the law is not negotiable. It will provide ASIC with a range of new powers which support its enforcement of the law.

The Bill amends the law to:

- bring ASIC's current range of search warrant powers into line with those in the Crimes Act;
- provide ASIC with access to telecommunications intercept material for the investigation and prosecution of serious corporate law offences;
- strengthen ASIC's licensing powers;
- align the consequences under the Corporations Act for making a false and misleading statement to ASIC with those in the National Consumer Credit Protection Act; and
- extend ASIC's banning powers to ban individuals from managing financial services or credit businesses.

ASIC is responsible for investigating serious indictable offences involving corporate criminal misconduct – those that carry a prison sentence of 12 months or more. This Bill harmonises and aligns ASIC's various search warrant powers with those contained in the Crimes Act, removing the current requirement for ASIC to 'forewarn' those under investigation which provides an opportunity to destroy or conceal evidence of misconduct.

The Bill also amends the law to allow ASIC to access and receive telecommunications intercept material to investigate and prosecute serious offences, bringing them into line with other agencies responsible for investigating serious offences.

Strengthening ASIC's licensing powers, will ensure that credit and financial service licensees, and the people who control them, are fit and proper to be carrying on a financial services business. Ensuring that controllers, such as significant shareholders are fit and proper is essential in deciding whether a licence should be granted or retained.

This Bill also amends the law to allow ASIC to ban a person from performing functions in a financial services or credit business where they are not a fit and proper person and provides new grounds for ASIC to ban a person, for example where they have twice been linked to a refusal or failure to give effect to a determination of the Australian Financial Complaints Authority.

The measures in this Bill have been the subject of extensive public consultation, both by the ASIC Enforcement Review Taskforce and in their exposure draft form. The Legislative and Governance Forum on Corporations was consulted in relation to the Bill as required under the Corporations Agreement 2002 and the National Credit Agreement 2009.

Full details on these measures are contained in the Explanatory Memorandum.

NATIONAL CONSUMER CREDIT PROTECTION AMENDMENT (MANDATORY REPORTING AND OTHER MEASURES) BILL 2019

This Bill will implement the Government's Comprehensive Credit Reporting regime.

It will deliver benefits to lenders and borrowers and drive competition in the lending market, while preserving and enhancing important security and consumer protections.

This Bill will place Australia in line with many other developed nations who already have comprehensive credit reporting regimes in place.

Schedule 1 of this Bill requires our largest banks (those with total resident assets of over $100 billion) to provide comprehensive credit information to credit reporting bodies from 1 April 2020. By mid-2021 our largest banks will have supplied comprehensive credit information on all consumer accounts to every eligible credit reporting body.

The Bill will also ensure the security of consumer credit information - an issue of high importance to the Government - by strengthening the already strict provisions in the Privacy Act relating to how consumer credit information is handled.

The Bill requires that credit reporting bodies store credit information within Australia, or according to alternative requirements in Regulations if established.

Schedule 2 of the Bill incorporates the results of a review by the Attorney General into the treatment of financial hardship information, providing the legal certainty required for this information to be shared. Based on this review, the Bill establishes a new type of credit information in the Privacy Act that will indicate consumer credit contracts that are affected by a financial hardship arrangement.

The Bill also requires Government to complete independent reviews of the mandatory regime and the credit reporting provisions in the Privacy Act prior to 1 October 2023.

Under the comprehensive credit reporting regime, consumers will have better access to credit, and will be able to use their reliable credit history to seek more competitive rates. Those consumers who possess a poor credit rating will be able to demonstrate their credit worthiness through future reliability.

Credit providers will have a more complete picture of a consumer's financial situation. This will help them to better price credit and meet their responsible lending obligations.

The Government has consulted widely with credit providers and consumer groups. The Legislative and Governance Forum on Corporations was also consulted in relation to the Bill, as required under the National Credit Agreement 2009.
This Bill is another example of the reforms implemented by this Government that are designed to increase competition in the financial sector. Other initiatives include:

- Open Banking;
- Strengthening the mutuals sector through implementation of the Hammond Review recommendations; and
- Establishing the $2 billion Australian Business Securitisation Fund to improve funding sources for non-major banks and non-bank lenders who lend to small and medium sized businesses.

Our Government will continue to support stronger competition in the financial sector by ensuring the market works effectively for the benefit of all Australians.

Full details of the measure are contained in the Explanatory Memorandum.

Debate adjourned.

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

**ADDRESS BY THE PRESIDENT OF THE REPUBLIC OF INDONESIA**

The ACTING DEPUTY PRESIDENT (Senator Faruqi) (18:57): A message has been received from the House of Representatives inviting senators to attend meetings of the House for addresses by His Excellency Mr Joko Widodo, President of the Republic of Indonesia. Copies of the message have been circulated in the chamber.

**COMMITTEES**

Joint Committee of Public Accounts and Audit

Membership

Message received from the House of Representatives informing the Senate of the appointment of Mr Vasta in place of Mr van Manen to the Joint Committee of Public Accounts and Audit.

**BILLS**

Migration Amendment (Repairing Medical Transfers) Bill 2019

Education Legislation Amendment (Tuition Protection and Other Measures) Bill 2019

Defence Service Homes Amendment Bill 2019

National Disability Insurance Scheme Amendment (Streamlined Governance) Bill 2019

Australian Crime Commission Amendment (Special Operations and Special Investigations) Bill 2019

Treasury Laws Amendment (Prohibiting Energy Market Misconduct) Bill 2019

Aged Care Legislation Amendment (New Commissioner Functions) Bill 2019

Counter-Terrorism Legislation Amendment (2019 Measures No. 1) Bill 2019

Farm Household Support Amendment (Relief Measures) Bill (No. 2) 2019

Special Recreational Vessels Bill 2019

Communications Legislation Amendment (Deregulation and Other Measures) Bill 2019

Health Legislation Amendment (Data-matching and Other Matters) Bill 2019

Military Rehabilitation and Compensation Amendment (Single Treatment Pathway) Bill 2019

Protection of the Sea (Prevention of Pollution from Ships) Amendment (Air Pollution) Bill 2019

Telecommunications (Interception and Access) Amendment (Assistance and Access Amendments Review) Bill 2019

Family Assistance Legislation Amendment (Building on the Child Care Package) Bill 2019

Foreign Acquisitions and Takeovers Fees Imposition Amendment (Near-new Dwelling Interests) Bill 2019

Interactive Gambling Amendment (National Self-exclusion Register) Bill 2019

National Self-exclusion Register (Cost Recovery Levy) Bill 2019

Treasury Laws Amendment (Reducing Pressure on Housing Affordability Measures) Bill 2019

Assent

Messages from the Governor-General reported informing the Senate of assent to the bills.
NOTICES
Withdrawal

Senator COLBECK (Tasmania—Minister for Aged Care and Senior Australians and Minister for Youth and Sport) (18:58): On behalf of Senator Seselja, I withdraw the government business notice of motion given earlier today proposing a reference to the Parliamentary Standing Committee on Public Works.

COMMITTEES
Foreign Affairs, Defence and Trade References Committee
Reference

Senator PATRICK (South Australia) (18:58): I move:

That the following matter be referred to the Foreign Affairs, Defence and Trade References Committee for inquiry and report by the final sitting day of June 2020:

(1) That the Senate notes that, in respect to the development of Greater Sunrise oil and gas fields:

(a) on 6 March 2018, Australia and Timor-Leste signed a maritime boundaries treaty establishing permanent maritime boundaries in the Timor Sea, and a legal framework for developing the Greater Sunrise gas fields, together and sharing in the benefits – the treaty has now been ratified by both countries and entered into force on 30 August 2019;

(b) there are two options for processing the Greater Sunrise gas fields:

(i) onshore in Australia, or

(ii) onshore in Timor Leste, as part of the Timor-Leste Government's Tasi Mane development strategy for a corridor of petroleum infrastructure along the southwest coast of the country;

(c) the Australian Government stated, in response to a question asked during the estimates hearings of the Foreign Affairs, Defence and Trade Legislation Committee on 4 September 2019, that 'Australia wants Greater Sunrise to be developed in a commercially sound way that maximises the return for the parties, and therefore contributes to Timor Leste's economic development priorities. Provided these conditions are met, Australia is neutral as to whether Greater Sunrise gas is processed in Timor-Leste or Australia'; and

(d) the establishment of a corridor of petroleum infrastructure along the southwest coast of Timor-Leste would be a more complex and challenging endeavour than processing in existing facilities in Australia.

(2) That the following matter be referred to the Foreign Affairs, Defence and Trade References Committee for inquiry and to report by the final sitting day of June 2020, relating to the Tasi Mane project:

(a) assistance and co-operation offered, to date, by the Australian Government to the Tasi Mane project;

(b) possible future assistance and co-operation by the Australian Government in relation to the Tasi Mane project;

(c) opportunities for Australian industry to assist with the design, development and execution of the Tasi Mane project;

(d) opportunities for the Australian Government to assist Timor-Leste, in respect of activities and projects incidental to the Tasi Mane project;

(e) opportunities for Australian industry in respect of activities and projects incidental to the Tasi Mane project; and

(f) any related matters.

In order to talk about this motion, which is a referral to the Senate Foreign Affairs, Defence and Trade References Committee, I need to give a bit of history about Australia's relationship with East Timor. If we go back to the sixties, well over 200,000 East Timorese died during what could only be described as a challenging occupation with, of course, strong resistance from people in East Timor.

We move from the sixties to the seventies. In 1972 Australia negotiated a sea border treaty with Indonesia. Everyone needs to understand the geography here. Indonesia flanks East Timor on both sides, and so when the sea boundary was settled with Indonesia, it left a gap in relation to where the sea boundary was to be with East Timor. That was colloquially known as the Timor Gap. We then had a situation a couple of years later where Portugal granted East Timor independence. But, at the urging of the Australian government, sadly, Indonesia then annexed East Timor. We remember that occurring in 1975, and, indeed, we all remember the Balibo Five and the tragedy that occurred there. But rolling on from that, over the next 15 years, well over 200,000 East Timorese died during what could only be described as a challenging occupation with, of course, strong resistance from people in East Timor.

That brings us to 1999, where, by way of popular consultation, East Timor finally achieved its independence, or at least voted for its independence—and Australia did help out with INTERFET. Nothing in my remarks today are intended to, in any way, be disparaging of the Australian Defence Force that did a great job in respect of operations in and around Timor and the border with Indonesia.
Now that Timor-Leste was an independent country—the newest country in the world, and a very poor country—we then started negotiations on a seabed boundary with that country. After agreeing to negotiate in good faith, it's well understood that Australia, during the negotiations to get to a treaty that was later signed in 2006, spied on the East Timorese negotiating team. It was an operation that was conducted by ASIS. Indeed, if we were to ask the government to respond to that suggestion, they would simply say, 'We neither confirm nor deny.' But if you want confirmation of it, you just have to go down to the ACT Supreme Court this week, where there are interlocutory hearings underway relating to Mr Bernard Collaery and Witness K, who are alleged to have revealed an operation. I can tell you that in Australia we don't prosecute people for an allegation that they revealed a fictitious intelligence operation. We know that operation took place. Everyone knows it. The government seeks not to acknowledge that that is the case, but I think that is a general understanding.

We had a treaty signed. Once it was known that it was done in a manner that was fraudulent—and we know from Lord Denning that 'fraud unravels everything'. We were challenged, of course, in the International Court of Arbitration in The Hague, after raiding Bernard Collaery's office. That resulted in the matter going to the International Court of Justice, where Australia was ordered to hand back legal documents to Timor-Leste that had been taken during the raids and was also given an extraordinary order in relation to not spying on the East Timorese legal team.

Australia knew they were on a hiding to nowhere in the arbitration and, as a result, they acquiesced. They agreed to renegotiate the treaty, and those negotiations took place. On 18 March 2018 Australia and Timor-Leste signed a maritime boundary treaty, establishing a permanent maritime boundary in the Timor Sea.

We need to put that past behind us. Timor-Leste is our friend. It's a friend that is not going away. They are just to the north of Australia, and we need to be working with the East Timorese. They have a vision. It's a vision of Xanana Gusmao. They would like to process oil from Greater Sunrise, which is, in effect, a shared resource. They'd like to process that on the south coast of Timor-Leste. There are two options available. One of the options is to process that oil and gas in existing facilities in Darwin. The other is for that oil and gas to be processed onshore, on the south coast. You don't have to be an expert in project management to realise that it is much simpler for that oil and gas to be processed here in Australia with existing resources. But we need to respect the other option, which is that Timor-Leste develop a corridor of industry that provides jobs, that provides economic security, that helps to educate and tool up its economy.

What I'm asking for in this motion—it's not because I want the Senate to consider which is the better option, the processing on Australian shores option or the processing on the south coast of Timor-Leste option. I've moved a motion that recognises it is going to be more difficult to process oil on the south coast. It's going to be laden with a lot more risk. Therefore, we need to support our friend Timor-Leste if they choose to go down that path. The terms of reference are pretty simple. They simply say, 'We want to examine what assistance and cooperation has been offered, to date, by the Australian government to the Tasi Mane project,' which is what they refer to that south coast project as.

What possible future assistance and cooperation by the Australian government can we give in relation to Tasi Mane? What opportunities are there for Australian industry? What opportunities are incidental to the project? The committee would examine these things in order to assist Timor-Leste and try to work out how we would best integrate Australian industry into a solution up there. There are a number of companies that could easily participate up there: ADCO Constructions, BGT, Hutchinson, Downer EDI, WorleyParsons. That's naming some construction companies, but all of the incidental activity could lead to a whole range of Australian jobs assisting our friends in Timor-Leste.

I visited Timor-Leste last year at the 20th anniversary of the Popular Consultation. I took the opportunity to venture down to the south coast. Some of the things I saw were quite amazing. I saw a dual-lane, dual-carriageway freeway that had been built by the Chinese. I saw power lines that had been built by the Chinese. I saw a power station that had been built by Indonesia. I saw an airport that had been built by Indonesia. I saw lots of things happening down on that south coast that are being done in preparation for the Tasi Mane project. Nothing stood out in respect of what Australia was doing down there, and it concerns me.

I actually visited the south coast with a journalist from The Australian, Greg Brown. We went to some camps where there were Chinese nationals who had been involved in the construction of the freeway. They're there waiting for the next section of freeway to be commenced. They made it very clear. When Greg Brown asked the question, 'How long are you staying for?' the Chinese responded: 'We are here forever.' It's not an isolated incident, in the context: if we go back to December 2007, we know from WikiLeaks that the Chinese offered to do things like put a surveillance radar on the south coast of Timor-Leste. There is interest in Timor-Leste from the Chinese as they expand their influence. It's my strong view that there could be Chinese military assets—which will eventually occur if we ignore Timor-Leste—on what is, effectively, a stationary aircraft carrier just to the
north of Australia. It is not in our strategic interest to have a strong Chinese footprint in this neighbouring country, not in any way, shape or form, and that means we need to engage.

We need to be helping Timor-Leste in their endeavours. We need to make sure that as they move ahead with this project—as I'm pretty sure they will—we are assisting them, because if we ignore them or if we don't assist them, they will move on. We will not be involved. In ten years time, I can guarantee you, I'll be sitting in a park somewhere reading back today's Hansard—on the day that we're seeing military bases being established on the south coast of Timor-Leste. That will not be in Australia's best interests, by any means.

This motion calls for an inquiry by the Foreign Affairs, Defence and Trade References Committee to examine how we can help Timor-Leste. That's all it does. It just says: what can Australia do to help Timor-Leste? What can we do to maximise our industry involvement? I'm pretty sure the government is going to oppose us; I don't understand why they would do that. I'm pretty sure the Labor Party is going to oppose this, and I don't understand why they're going to do that. This is about Australian jobs. This is about helping Timor-Leste. When the popular consultation was being celebrated, the 20-year anniversary, I was there when the president of the ACTU received rewards for her efforts in respect of assisting Timor-Leste. It just saddens me that, when given the opportunity to look at how to help Timor-Leste, it's likely that the Senate is going to refuse to do that.

The ACTING DEPUTY PRESIDENT (Senator Fierravanti-Wells): The question is that the motion moved by Senator Patrick for a reference to the Foreign Affairs, Defence and Trade References Committee in relation to the Tasi Mane project be agreed to.

The Senate divided. [19:18]

(The Acting Deputy President—Senator Fierravanti-Wells)

Ayes ......................13
Noes ......................38
Majority ...............25

AYES

Di Natale, R
Griff, S
Hanson-Young, SC
Patrick, RL (teller)
Roberts, M
Steele-John, J
Whish-Wilson, PS

Faruqi, M
Hanson, P
McKim, NJ
Rice, J
Siewert, R
Waters, LJ

NOES

Abetz, E
Askew, W
Bragg, A J
Canavan, MJ
Chandler, C
Colbeck, R
Dodson, P
Fawcett, DJ
Gallagher, KR
Hughes, H
McCarthy, M (teller)
McKenzie, B
O'Sullivan, MA
Pratt, LC
Reynolds, L
Scarr, P
Smith, M
Stoker, AJ
Walsh, J

Antic, A
Birmingham, SJ
Brockman, S
Cash, MC
Ciccone, R
Davey, P
Duniam, J
Fierravanti-Wells, C
Green, N
Keneally, KK
McDonald, S
Matron, J
Paterson, J
Rennick, G
Ruston, A
Smith, DA
Sterle, G
Van, D
Watt, M

Question negatived.
STATEMENTS

McKenzie, Senator the Hon. Bridget

Senator McKENZIE (Victoria—Leader of the Nationals in the Senate) (19:21): I seek leave to make a short statement.

Leave granted.

Honourable senators interjecting—

Senator McKENZIE: There well may be. As has been widely reported, I resigned from my ministry on Sunday 2 February due to breaches of the Prime Minister's Statement of Ministerial Standards. I publicly apologised for this, and today I wish to further apologise to the Senate—so it's lovely that we just had a vote so that we could all be here. I do not believe the gifted membership of the Australian Clay Target Association or my paid membership of Field & Game Australia contributed any real or apparent conflict of interest. However, I acknowledge my mistake in failing to declare these as required in the Statement of Ministerial Standards in a timely way.

I've also updated my Senate statement of interests, the guidance on which states that senators must declare being an office holder or where they've contributed more than $300 to an organisation. I am a proud member of Field & Game Australia, the Sporting Shooters Association of Australia, the Australian Deer Association and the Country Women's Association. I'm not an office holder of any of these organisations, nor have I provided them with any donations, which is a declarable requirement under the Senate statement of interests. I'm no longer a member of the Australian Clay Target Association and, therefore, Wangaratta Clay Target Club, my membership of which commenced on 29 January 2019 and ceased on 30 December 2019. Having reviewed all my memberships in the recent weeks, I've become aware that I was a member of the Victorian Farmers Federation, AgForce's Country Connection, the Melbourne Cricket Club and the fabulous Yarrawonga Mulwala golf club during 2019. All these memberships have since ceased.

None of my memberships have caused real or apparent conflicts of interest to my role either as minister or as senator for Victoria. However, I've chosen to fully disclose all my memberships to the Senate on this day to ensure complete transparency both to the Senate and to the broader Australian community. I've been a senator for nine years and have the deepest respect for this chamber of parliament, which is so important to our democracy. I regret any confusion caused concerning my declaration of interests, and I apologise to each and every one of my fellow senators for my transgression with regard to the register of interests.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Fierravanti-Wells) (19:23): I propose the question:

That the Senate do now adjourn.

China: Human Rights

Senator ABETZ (Tasmania) (19:23): Recently the Royal Australasian College of Physicians released a statement condemning organ trafficking. It set out its opposition to members 'knowingly engaging in research, clinical or education collaborations' with those involved with the coercive procurement or trafficking of human organs. The college's statement is applauded. When it comes to evils in the world today, few can match the systematic forced harvesting of organs from prisoners of conscience in Communist China in either scale or depravity. Whether Falun Gong, house Christians, Uighur Muslims or Tibetan Buddhists, victims are having their organs forcibly removed and fed into a vast underground trade. The Communist regime makes every effort to deny and conceal the practice, but the weight of evidence is strong.

The detailed report of the China tribunal headed by Sir Geofffrey Nice QC concluded:

… in China forced organ harvesting from prisoners of conscience has been practised for a substantial period of time involving a very substantial number of victims.

A recent study from the ANU's Matthew Robertson also found that China's official statistics on organ transplants are falsified. I simply ask rhetorically: why would the regime falsify data if not to conceal what is really happening? The question needs to be asked: have Australian institutions been indirectly aiding this ghoulish practice? Have we helped to facilitate this heinous abuse of human rights, something which brings to mind the worst crimes of the 20th century?

In a report on the subject last November, details were broadcast of ties between Sydney's Westmead Hospital and China's health commission in Shandong province, including a wide-ranging MOU signed in 2016 containing a provision to collaborate in areas euphemistically described as 'advanced and complex surgery'. Six months after the MOU was signed, a pair of Chinese specialists from a hospital extensively involved in organ transplantation
were brought to Australia. A public symposium, including discussion of transplantations, featuring them was cancelled, but only after objections were raised. Westmead were aware of the concerns, yet it was only after strong objections that this event was cancelled. What other activities were these two surgeons engaged in during their two-week visit?

Westmead has personnel ties with a major transplant hospital in China. An Australian expert on islet isolation and xenotransplantation holds a visiting professorship there whilst its senior personnel have been employed as medical researchers at Westmead. There is also published evidence of collaborative research between specialists from the two institutions in a field relevant to transplantation. Australia has pursued in our normal generous spirit, characteristic of our nation, collaboration with China in the medical sphere, but what Australian expertise is unwittingly facilitating ghastly human rights abuses by helping the regime build its capacity to forcibly harvest organs? My concern is that our nation's institutions are indirectly assisting the collaboration or research that may assist the barbaric Chinese organ transplant system.

Westmead is only one institution. What others have similar links? What else do Australians not know about collaboration between our nation's institutions and Chinese organisations involved in this horrid practice? I salute the efforts of the RACP in acknowledging the abuse and discouraging Australian physicians from unwitting collaboration with one of the most horrific human rights abusers in the world today. I call on our institutions to be fully transparent and disclose their collaborations with Chinese transplant institutions. Australians expect nothing less.

**Ceduna: Health Care**

*Senator MARIELLE SMITH (South Australia)* (19:28): I rise today to speak on essential birthing services at Ceduna hospital in South Australia. These services have been suspended since mid-October last year. Since then, the hospital has been forced to extend its suspension twice more, with a new deadline of the end of this month. The suspension was triggered due to a shortage of staff. This suspension has left expecting mothers in Ceduna and surrounding areas forced to travel up to 800 kilometres to Port Lincoln, Port Augusta or Adelaide for the same services they were once able to access locally. Last year, the Rural Doctors Association of South Australia's vice-president, Dr Scott Lewis, stated that the extra travel adds further risk to mums and babies, with the worst-case scenario potentially resulting in roadside births. Expecting mums in Ceduna do not need this added stress. They do not need the stress of changes to their doctors and their hospitals and having to work out transport and accommodation when they are busy preparing to give birth.

This is yet another example of the unfair regional maternal health divide that exists in South Australia and Australia more broadly, and it is an absolute failure of the South Australian Liberal state government. We know doctors and nurses are working tirelessly around the clock for local families, but they are faced with an impossible situation and a flailing state government.

The state minister for health is yet to set out a plan to address this issue, and the Premier has been completely missing in action.

In my first speech in this place, I stood here and called for more to be done to tackle the regional health divide nationally, especially when it comes to maternal health policy. It has already been four months since the suspension in Ceduna was put in place, and it has now extended even further. It is extremely concerning that women in Ceduna continue to be denied access to essential local birthing services. How many more extensions will the Liberal state government tolerate? How many more women will be forced to move their birth because of this closure? These are mums like Rebecca, who lives in a small town close to Ceduna.

Rebecca had planned out the perfect plan for the birth of her second child. But, weeks before she was due, this plan came undone. In an ABC report, Rebecca stated that the stress of this has dampened her excitement. She was referred to Port Lincoln for her birth, twice as far as Ceduna, not to mention given a new doctor and a long stay in town in case the baby arrives early or there are complications afterwards. Rebecca went from being a mother who was naturally excited for her second birth to a mother who was so stressed about organising babysitters, out-of-pocket costs and logistics that she said she sort of forgot that she was about to have a baby.

This is utterly unacceptable. The state health minister and the South Australian Premier must take responsibility and urgently act to support regional South Australian women and their families. The Liberals in South Australia claim that they are the party that stand up for regional Australia. Yet we have a regional town in my state at the beginning of what could be an exodus crisis. SA Rural Doctors Association president Dr Peter Rischbieth has stated it will be more difficult for the Ceduna hospital to reinstate these services the longer they are suspended. The whole community in Ceduna will be disadvantaged if they lose their maternity unit forever. A domino effect could follow, because, as we know, when you lose critical services like these, you lose people. The town will feel
the effects of this, and there could be potential flow-on effects to other services. Imagine losing teachers and young families that no longer are able to have a baby locally and therefore no longer want to be in this town.

The women of Ceduna and their families and their babies deserve so much better than what the Liberal state government is giving them. The people of Ceduna deserve so much more than what this government is giving them. And we cannot allow them to sweep this issue under the rug any further. This goes to the heart of the regional urban health divide in Australia and fairness for expectant mothers and their families, no matter where they live. These women now have fewer options and less support to have their children than women in metro areas.

All women deserve high-quality maternal health services that are safe and accessible, regardless of where they live. I will continue to speak on this issue to make sure it stays on the state government's agenda, because women in Ceduna and their families deserve access to the highest quality maternal health services, just like South Australians in the city.

**Environmental Conservation**

**Senator FARUQI** (New South Wales) (19:33): I rise today to make an urgent plea for change. There are many things that these horrific bushfires have forced a rethink on—on this government's appalling, destructive and selfish lack of ambition to tackle the climate emergency; on how this government was warned of the bushfire crisis we just saw and did nothing. But tonight I want to highlight the need for Australia to draw a line in the sand and say that we will do everything in our power to save our wildlife.

These last few months have been a catastrophe for animals, and we are staring down the face of a wildlife apocalypse. We know at least a billion animals have been impacted and hundreds of millions killed. This is likely a conservative estimate, as that number is rapidly increasing as animals face starvation from destroyed ecosystems. At least half of the Kangaroo Island koalas are feared dead. The fires have burnt out almost a quarter of high-quality koala habitat in the north-east of New South Wales. This is an unmitigated disaster.

I have met with wildlife carers throughout the South Coast, Shoalhaven and Mid North Coast of New South Wales, and I am really in awe of the work that they have been doing. Across the country, wildlife carers are working hard around the clock to save koalas, wombats, kangaroos, bats, reptiles and other animals which have been so badly affected by bushfires. They are the unsung heroes. They were already doing it on the smell of an oily rag and they are now being pushed to breaking point by these fires.

It is expensive, time-consuming and emotionally draining work, and these carers deserve our support. I've tried to do my small part. I've been knitting furiously. I hosted a knit-in in my office and delivered pouches and baskets for kangaroos, as well as food and supplies, to carers on the South Coast. I've also been raising money for the Red Cross and WIRES. But ultimately this shouldn't be about charity. This is about government taking responsibility.

The government announced $50 million for the environment and wildlife, which, quite frankly, is miserly and a very small amount, a drop in the ocean. We need an open chequebook at this time. We need the government to commit to spending whatever it takes to save lives and to fund a viable recovery for species that have been impacted. We need more than bandaid solutions. We need funding for long-term rehabilitation and we need recovery plans that are actually resourced and implemented.

What is abundantly clear—something that the Greens have been saying for some time—is that our native animals were already under extreme stress from bad government policies that have decimated their habitat. We can't go back to business as usual, with policies that threaten their very survival. Now is the time to make sure that we take the steps necessary to prevent extinction. State and federal governments can and must make U-turns on policies that continue to push native animals to the edge. We must end logging of native forests and stop the clearing of native habitats. We must abolish the biodiversity-credits scam, which green-lights the habitat destruction of already-endangered species, a system that primarily benefits big mining and big agribusiness. We must put a moratorium on the killing of kangaroos. Kangaroos are in crisis. The public is donating to save them. But the government is still painting a target on their backs. Before the fires, commercial kangaroo killing was dubious. Now, combined with the drought and climate change, there is a real question about whether this is a sustainable, let alone humane, industry.

We need to properly fund wildlife carers to do the life-saving work that is so essential but so often overlooked by governments. We can invest in humane and effective alternatives for invasive species control. We have been trying to shoot, trap and poison invasive species in this country for decades, with little effect. Poisons like 1080 are particularly horrific. We have an opportunity to invest in the science, to develop a solution that is both effective and humane. None of us can imagine an Australia without our iconic native species, but that is really the future that we are staring into and that we are rapidly heading towards if state and federal governments don't step
up and act now. Let's all agree that businesses as usual is a dangerous place to be. Let's change. That's what our people are demanding of us.

Sugar

Senator STOKER (Queensland) (19:38): I rise to speak tonight about sugar and obesity. I want to commend the Australian of the year, Dr James Muecke, for his work in ophthalmology and the prevention of blindness by attempting to reduce the incidence of type 2 diabetes. The work of Dr Muecke in paediatric ophthalmology is saving the sight of around 20,000 children a year in Africa and Asia. According to him, around 80 per cent of blindness is preventable, and he believes that sight should be regarded as a human right. His skills and knowledge are being passed on to a new generation as he trains and mentors young surgeons in the feel of ophthalmology. His work is noble and selfless and an example of just the kind of thing we love to see in our community. But I disagree with him on one point—that a sugar tax would help to reduce the incidence of type 2 diabetes and, with it, the incidence of preventable blindness. All the evidence says that it won't.

There was an image that went viral over social media recently: a grandmother took a packet of cigarettes, valued at about $50, and put it next to $50 worth of groceries. It was a stark reminder that the cost of cigarettes eats into family incomes.

Don't get me wrong; I think smoking is a terrible habit and we should do all that we can to prevent the uptake of it and help people who wish to to quit. But, for those people genuinely addicted—and, according to the Heart Foundation, the rate of smoking among unemployed people is higher than among the employed, and people in rural and remote areas are more likely to smoke than those in our cities—the cost of cigarettes has a real impact on their ability to feed their families and, indeed, themselves. The tax on cigarettes took a pack of 25 from less than $1 in the 1970s—and then it was taxed and taxed and taxed—to an average of $40 a pack.

Other measures that have been taken to reduce smoking have included banning advertising on tobacco products; the sale of small packets—sometimes called poverty packets—of 10 cigarettes to try to reduce uptake in young people; changing packet warnings from a gentle 'smoking harms your health' in small font on the back to full-blown images of rotting gums; and demanding plain packaging. Smoking has been banned in the workplace, in pubs and clubs and within 10 metres of government buildings. To buy a packet these days you need to know what you want because they are locked away in cupboards you can't see. All of these combined have reduced smoking rates from a peak of 72 per cent of males in 1945 down to just 14 per cent of the total population now. But it has taken 47 years of federal, state and local government changes to laws and regulations to get it there.

All the evidence shows that this is analogous to how a sugar tax would operate. On 10 November 2016, in Cook County, Illinois, they introduced a sugar tax, and it failed. It was repealed within two months—one of the shortest lived taxes in history. It didn't work. People just drove outside the limits of the area affected, got their soft drinks and came back. It applied to soft drinks but not to fruit juice, which often has just as much sugar. It was an epic fail, raising only half the money expected. In the UK, Prime Minister Boris Johnson has in his sights the removal of a sugar tax that was introduced in April 2018. The levy was applied to the manufacturer and they could either pass on the cost to the customer or absorb it themselves. So manufacturers adjusted their sugar content and, in just 2018, sugary drink consumption went up 7.7 per cent.

The evidence comes from a whole range of sources, including, quite compellingly, the McKinsey Global Institute in 2014, which found that the UK sugar tax ranked 13th in effectiveness as a strategy for reducing obesity out of 18 factors, with portion control, product reformulation and consumer education ranking much higher in effectiveness, Separate reviews by the Menzies Research Centre and the New Zealand Institute of Economic Research in 2017 both found that there is little evidence to show that taxes on sugar-sweetened beverages work to reduce obesity or improve health outcomes. And all of the evidence, from the UK to Mexico—where they have also given this a go—shows that this disproportionately harms the poorest people in our community. It should be enough of a reason for us not to do it. But the fact that it doesn't work at all is so compelling we cannot go down that path. (Time expired)

Morrison Government

Senator WALSH (Victoria) (19:43): I rise tonight to speak about trust and to speak about integrity. When the public go to an election, they put their trust in the elected politicians to lead the country effectively. They put their trust in government to spend their money—taxpayer money; money they have worked hard for—honestly and effectively. They put their trust in government to spend their money in ways that make their lives better: good schools; a doctor when they need one and where they need one; major infrastructure that gets them home from work on time; and upgrades to important community facilities. What they don't expect is governments spending taxpayer money on their own re-election. What they don't expect is governments making funding decisions based on colour coded spreadsheets that are about seats they need to win, not what communities need. What they don't
expect is governments looking past communities in need in favour of their own government mates. But that is exactly what we have just seen from this government.

For a government that seem so obsessed with everyone's else integrity, they appear to have very little of it themselves.

Sporting clubs are at the heart of our communities, but the government's $100 million sports rorts scandal has treated those clubs with absolute contempt. These clubs are run by volunteers, and many of the clubs that needed funding the most have missed out. In regional Victoria, the Castlemaine Bowling Club put together an application for a small grant for outdoor lighting. This club, whose members range from young people aged around 11 to older people aged 93, just wanted to improve the outdoor lighting at their club. They wanted people to be able to access the bowling green later into the evening. They worked hard on their application. They kept it modest. They missed out, and they missed out with no explanation. Understandably, like so many other clubs, they want answers.

The Kyneton District Soccer Club were also asking for a grant. They wanted new turf for their soccer club, and their application scored 87 out of 100. The club has hundreds of players from juniors to seniors, women and men, and many more members and supporters. They wanted to upgrade the field so that they could use it throughout the winter. Right now, often they can't play home games because the surface is just not up to it after all the rain of the winter season. That project scored high for a reason, but they missed out.

The Castlemaine Bowling Club and the Kyneton District Soccer Club deserve to know why they missed out. Was the funding sent to a seat that the government thought it had more chance of winning? Were these clubs snubbed for other clubs that had connections to the government's mates? These clubs deserve answers, and they deserve to be funded. They made their applications, and they deserve to receive the funding that they need. The federal member for Bendigo, Lisa Chesters, has already called for the government to fund these projects and all the worthy projects that missed out, and I add my name to that call. The public deserve better than this. The people of Kyneton and Castlemaine deserve better than this. Australians deserve a government that they can trust.

Australians deserve a government with integrity. Australians deserve a government that will look out for them, no one else. Australians deserve a government that they can trust. Australians deserve a government that that will look out for them, not out for themselves.

Mann, Professor Michael

Senator ROBERTS (Queensland) (19:47): How dare you, Michael Mann? Last Monday, the infamous Michael Mann, fabricator of the completely discredited hockey stick temperature graph, appeared on the ABC program Q+A and teamed up with the ABC to discredit an Australian hero, Jim Molan. How dare you, Michael Mann, pretend you are scientific when you are not? How dare you, Michael Mann, malign a marvellous leader, Jim Molan, who has the courage to challenge the status quo and state a simple fact? You come down here pretending you have evidence that carbon dioxide from human activity affects climate and needs to be cut when you have no such evidence.

How do I know? Easy. You released papers that led to the infamous hockey stick graph, falsely fabricating high temperatures. Despite repeated requests from scientists, you refused to hand over your data—no evidence. Scientifically, your claim should have been completely and immediately dismissed. The state of Virginia's Attorney-General asked for your data from the University of Virginia, because your research was reportedly taxpayer funded. Your university refused—no evidence.

Then you sued Professor Tim Ball, a real scientist, and then in court you refused to provide evidence to support your case—no evidence. Didn't the court find you in contempt? Regardless, your claim was dismissed, and you failed to provide any evidence, yet Professor Ball's team provided plenty of solid statements and evidence from internationally reputable scientists.

You are the one in the 'climategate' scandals who wanted to hide the temperature decline, weren't you? You hide the evidence. You have sued people that dared to question you to shut them down, to stop the evidence. You now say Senator Molan as a policymaker should ask some unnamed Australian scientist for their opinion.

Name any such people with evidence proving human carbon dioxide affects climate variability. After 21 years, you have still not released data for your hockey stick graph fabricating high temperatures, yet many people have completely debunked it.

My understanding is that fraud can include the presentation of something that is not true with the intention of personal gain. You claim you were awarded a Nobel Prize. That is false. You contributed to the UN's climate body, the IPCC, which was awarded a Nobel Peace Prize. Note: that was not for science. After the UN IPCC was awarded a Nobel Peace Prize, it dropped your graph. And, if that shonky political body dropped it, that really kills your credibility. You have a record of serially misrepresenting climate, serially misrepresenting science and serially misrepresenting humanity. The use of hydrocarbon fuels such as gas, coal and oil has liberated humanity
and saved the forest and whales that previously fuelled civilisation and human progress. Your blind advocacy to stop their use is antihuman and anti-environment. It hurts our security and our sovereignty.

Your host, the ABC, has been a blind supporter of an advocate for others misrepresenting climate and science, including the notorious Al Gore, Rejenda Pachauri and Gavin Schmidt. People advocating for cutting hydrocarbon fuels have branded those who dissent from your advocacy as climate criminals. I believe, Mr Mann, that in the very near future it is people like you, who misrepresent science and climate, that the public will see as climate criminals. None of you have ever presented the empirical evidence proving human production of carbon dioxide from our use of hydrocarbon fuels hurts our environment and future. You're here in Australia now, so I challenge you to a public debate on climate science and on the corruption of climate science. Secondly, all you need do is provide me with the specific location of the empirical scientific evidence—the hard, validated data within a logical scientific framework that proves cause and effect—and I will retract this speech. Mr Mann, I need specific publication titles and specific page numbers. No entity anywhere in the world has provided this.

Now, don't bother to smear me or get someone to smear me. That has no effect on me. I love it! I use it to prove that those who smear only do so because they lack hard evidence. How dare you, Michael Mann! Provide the evidence.

Royal Children's Hospital

Senator HUME (Victoria—Assistant Minister for Superannuation, Financial Services and Financial Technology) (19:52): I rise this evening to pay tribute to the terrific work of the individuals behind the Royal Children's Hospital in Melbourne. I wish them very well for their 150th anniversary. Founded in 1870 as the Free Hospital for Sick Children and through moves to Carlton and Parkville and again in 2011 to the new state-of-the-art facility housed on Flemington Road, what is known affectionately in Melbourne as the RCH has always been at the forefront of medical care, education and research. In just the last few years alone, the RCH has performed tasks that would have been unthinkable 20 years ago, let alone 150 years ago. We have witnessed modern medical miracles that have been saving the lives of children across the country and, indeed, across the world.

You may well recall the separation of conjoined twins, Trishna and Krishna, in 2009. Those girls, brought to the RCH from Bangladesh by the incredible Moira Kelly, were given a 25 per cent chance of survival. Today, with the help of Leo Donnan, Virginia Maixner and the team, they are now 13 years old and living happily in Australia with their birth and adoptive families. A little under a decade later, Bhutanese twins Dawa and Nima were also successfully separated with the care and skill of 25 surgeons and medical professionals, anaesthetists and nurses, led by paediatric surgeon Joe Crameri. While all the staff are world-class, the cardiac team have always been universally admired for their globally leading work on hypoplastic left heart syndrome and, more recently, the extraordinarily complex ectopic heart procedures. Whether the medical care is complex or simple, the quality of care is what is really exceptional.

Like for all Melburnians—indeed, I think, for almost all Victorians—the RCH has played a very personal role in my life.

One of my staff, the irrepressible and very talented Zach, started his life there in the NICU weighing just 912 grams as a premature baby. Now he causes us all sorts of grief in the office and gives us great joy! My uncle Justin Kelly was a renowned paediatric urologist. He was also the director of surgery at the RCH for many years. My middle son, Charlie, now 16, was born on time but had troublesome lungs and spent a few very worry-filled nights under the care of the team at the RCH. My dear friend and local member Dr Katie Allen was a paediatrician at the RCH and a respected paediatric immunologist.

In 2011 I joined the board of the Royal Children's Hospital for five years, where I learned firsthand of the skill, the care and indeed the love and devotion that all the RCH team—the medical team, the staff and the volunteers—demonstrate every single day. I want to tip my hat with enormous respect and admiration to the CEOs with whom I served: Christine Kilpatrick, who is a neurologist by training and is now the CEO of the Royal Melbourne Hospital, the adult hospital just down the road in the Parkville precinct; and the then COO and now CEO John Stanway, who is a dedicated and tireless health professional and a very kind man.

It's not just the medical staff who are amazing though at the RCH. Through its partner organisations, the Murdoch Children's Research Institute and the RCH Foundation, I have met some very talented and altruistic Melburnians. I particularly want to acknowledge on this anniversary people like Peter Yates, who is the longstanding chairman of the RCH Foundation and one of Melbourne's most dedicated philanthropists. I also want to acknowledge Rob Knowles, the former politician and health minister in the Kennett government and chairman of the RCH for the past eight years.

In particular I want to mention my first chairman there, Mr Tony Beddison AO, who was a successful Melbourne businessman, a passionate philanthropist and a very kind and gentle man—a great mentor as a
chairman there. Tony sadly passed away just a month ago. He would have been so proud to see the institution he loved so dearly reach this 150 year milestone.

To all the staff, the medical professionals, the thousands of volunteers, the auxiliary, anyone who has raised money in the Good Friday Appeal: thank you all and congratulations. To the countless Melburnians who have been patients for the last 150 years and to the children and families who are currently there—the worried but grateful families—how lucky we are to have an institution like the Royal Children's Hospital in our great city of Melbourne.

Tasmania: Health Care

Senator POLLEY (Tasmania) (19:57): I rise to note concern around access to health in my home state of Tasmania. This is an issue which is affecting all Tasmanians with people either directly or indirectly being affected. I’ve spoken many times about the broken health system in Tasmania, because I’ve heard countless stories from Tasmanians who either cannot afford to go see their doctor or who have been on waiting lists for not months but years for elective surgery.

The government’s latest health data confirms what most Tasmanians already know—that is, health costs have never been higher than under Mr Morrison and the member for Bass, Bridget Archer. People in the seat of Bass pay an average out-of-pocket fee of $37.82 to see a GP. This is a record high—up $7.77 or a 26 per cent increase—in the Launceston area. These new figures are a shocking and damning indictment on the coalition government’s record of cuts to and neglect of health. One thing is for sure: if you have a Liberal government then you will see an attack on and the undermining of Medicare.

When I called out Mrs Archer on these health cost increases she said, ‘This is Senator Polley politicising the issue with a social media campaign.’ What an extraordinary explanation from the member and really quite an interesting criticism! Federal and state governments fund the Tasmanian health system, and this government’s countless attacks on Medicare have real consequences. Mrs Archer should be speaking up for the people of Bass. Medicare has been eroded under this government. We know it's in the Liberals' DNA to erode Medicare and our public health system. It was the Liberals and Nationals that imposed the Medicare freeze, a GP tax-by-stealth which is now hurting our community.

I promise Mrs Archer that I will continue to talk about the issues that are important to my community, and health is their No. 1 concern. They will not be quiet. They expect better from their federal member, and I will do what I can to make sure you are held accountable. Whether or not it is a social media campaign, it will be a campaign right up to the next election and beyond to deliver the best health care for the people of my community.

You need to be held accountable. Mr Morrison needs to be held accountable. After all, during the federal campaign, it was Mrs Archer and the Liberals who used lies in their social media campaign to talk about death taxes and retirees’ taxes that were blatant lies. You will be held accountable, and I will use every opportunity, whether it's through social media, the media or talking to people one-on-one, to make sure our health system is delivered in the standard of care that all Australians and Tasmanians expect from their Commonwealth and state governments. I will not allow you to get away with telling mistruths during a campaign or not being held accountable for your actions and being a member of this shonky, out-of-touch and arrogant government.

Senate adjourned at 20:00