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**SITTING DAYS—2014**

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  972AM

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  936AM

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  102.5FM

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- **MELBOURNE**  
  1026AM

- **PERTH**  
  585AM

- **SYDNEY**  
  630AM

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—SECOND PERIOD

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

Senate Office holders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Stephen Parry
Temporary Chairs of Committees—Senators Cory Bernardi, Thomas Mark Bishop, Suzanne Kay Boyce, Sean Edwards, David Julian Fawcett, Mark Lionel Furner, Alexander McEachian Gallacher, Scott Ludlam, Gavin Mark Marshall, Anne Sowerby Ruston, Dean Anthony Smith, Ursula Mary Stephens, Glenn Sterle and Peter Stuart Whish-Wilson
Leader of the Government in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Government in the Senate—Senator Hon. George Henry Brandis QC
Leader of the Opposition in the Senate—Senator Hon. Penny Wong
Deputy Leader of the Opposition in the Senate—Senator the Hon Stephen Conroy
Manager of Government Business in the Senate—Senator Hon. Mitchell Peter Fifield
Manager of Opposition Business in the Senate—Senator Claire Moore

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

Printed by authority of the Senate
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<tr>
<th>Senator</th>
<th>State or Territory</th>
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<td>Abetz, Hon. Eric</td>
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<td>Back, Christopher John</td>
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<td>Birmingham, Simon John</td>
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<td>Boyce, Suzanne Kay</td>
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Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives.

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</table>

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

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

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

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

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

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

(7) Chosen by the Parliament of Queensland to fill a casual vacancy (vice B. Joyce, resigned 8.8.13), pursuant to section 15 of the Constitution.

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

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

(10) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice R. Carr, resigned 24.10.13), pursuant to section 15 of the Constitution.

**PARTY ABBREVIATIONS**


**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—D Elder
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
<table>
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<tr>
<td>Minister for Indigenous Affairs</td>
<td></td>
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<tr>
<td>Minister Assisting the Prime Minister for the Public Service</td>
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<tr>
<td>Minister Assisting the Prime Minister for Women</td>
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<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon Michaelia Cash</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon Alan Tudge MP</td>
</tr>
<tr>
<td>Minister for Infrastructure and Regional Development (Deputy Prime Minister)</td>
<td>The Hon Warren Truss MP</td>
</tr>
<tr>
<td>Assistant Minister for Infrastructure and Regional Development</td>
<td>The Hon Jamie Briggs MP</td>
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<tr>
<td>Minister for Foreign Affairs</td>
<td>The Hon Julie Bishop MP</td>
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<tr>
<td>Minister for Trade and Investment</td>
<td>The Hon Andrew Robb AO MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Foreign Affairs</td>
<td>Senator the Hon Brett Mason</td>
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<tr>
<td>Minister for Employment (Leader of the Government in the Senate)</td>
<td>Senator the Hon Eric Abetz</td>
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<tr>
<td>Assistant Minister for Employment (Deputy Leader of the House)</td>
<td>The Hon Luke Hartsuyker MP</td>
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<tr>
<td>Attorney-General</td>
<td>Senator the Hon George Brandis QC</td>
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<tr>
<td>Minister for the Arts (Vice-President of the Executive Council)</td>
<td>Senator the Hon George Brandis QC</td>
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<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
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<tr>
<td>Minister for Justice</td>
<td>The Hon Michael Keenan MP</td>
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<tr>
<td>Treasurer</td>
<td>The Hon Joe Hockey MP</td>
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<tr>
<td>Minister for Small Business</td>
<td>The Hon Bruce Billson MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>Senator the Hon Arthur Sinodinos AO</td>
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<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon Steven Ciobo MP</td>
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<tr>
<td>Minister for Agriculture</td>
<td>The Hon Barnaby Joyce MP</td>
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<td>Parliamentary Secretary to the Minister for Agriculture</td>
<td>Senator the Hon Richard Colbeck</td>
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<tr>
<td>Minister for Education (Leader of the House)</td>
<td>The Hon Christopher Pyne MP</td>
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<td>Parliamentary Secretary to the Minister for Education</td>
<td>Senator the Hon Scott Ryan</td>
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<tr>
<td>Minister for Industry (Parliamentary Secretary to the Minister for Industry)</td>
<td>The Hon Bob Baldwin MP</td>
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<tr>
<td>Minister for Social Services</td>
<td>The Hon Kevin Andrews MP</td>
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<tr>
<td>Assistant Minister for Social Services (Manager of Government Business in the Senate)</td>
<td>Senator the Hon Mitch Fifield</td>
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<td>Minister for Human Services</td>
<td>Senator the Hon Marise Payne</td>
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<td>Senator the Hon Concetta Fierravanti-Wells</td>
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<td>Minister for Communications</td>
<td>The Hon Malcolm Turnbull MP</td>
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<td>Parliamentary Secretary to the Minister for Communications</td>
<td>The Hon Paul Fletcher MP</td>
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<td>Minister for Health</td>
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<td>Minister for Sport</td>
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<tr>
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<td>Senator the Hon Fiona Nash</td>
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<td><strong>Minister for Defence</strong></td>
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<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Senator the Hon Michael Ronaldson</td>
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<tr>
<td><strong>Minister Assisting the Prime Minister for the Centenary of ANZAC</strong></td>
<td>Senator the Hon Michael Ronaldson</td>
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<tr>
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<td>The Hon Stuart Robert MP</td>
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<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon Darren Chester MP</td>
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<tr>
<td><strong>Minister for the Environment</strong></td>
<td>The Hon Greg Hunt MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for the Environment</td>
<td>Senator the Hon Simon Birmingham</td>
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The PRESIDENT (Senator the Hon. John Hogg) took the chair at 09:30, read prayers and made an acknowledgement of country.

COMMITTEES

Foreign Affairs, Defence and Trade References Committee

Meeting

Senator McEWEN (South Australia—Opposition Whip in the Senate) (09:31): by leave—At the request of the Chair of the Foreign Affairs, Defence and Trade References Committee, Senator Stephens, I move:

That the Foreign Affairs, Defence and Trade References Committee be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate today.

Question agreed to.

BILLS

Landholders' Right to Refuse (Gas and Coal) Bill 2013

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator WATERS (Queensland) (09:32): I rise to speak to the Greens bill the Landholders' Right to Refuse (Gas and Coal) Bill 2013. As people well know, because this bill has been on foot for quite a while—it was on foot in the last parliament—this bill gives landholders the right to say no to dangerous coal seam gas, shale and tight gas mining on their land as well as to coalmines. Here in Australia, as we all know, we have so little good-quality farmland, so little good-quality agricultural land. It just seems absolutely outrageous to the Greens that the good-quality land we do have is not safe from being turned into massive mines and it is not safe from being pockmarked with coal seam gas wells, shale gas wells or tight gas wells.

The reason that we are so concerned about these new and continuing fossil fuel industries is that they are simply a disaster for water, they are bad for land, they are bad for communities and, sadly, they are bad news for the Great Barrier Reef and they are terrible for the climate.

As people may or may not be aware—and I certainly hope there is a growing awareness in this place of the risks of coal seam gas, because it is an issue, I am afraid, along with shale and tight gas, for all of us in this chamber; this is all across the country—you cannot simply punch a hole through an aquifer to get to something that is...
underlying, if your well casings are not completely solid, of course you are going to risk contamination.

We also know that those wells create pressure changes, particularly in the Great Artesian Basin. So you have got the potential for the groundwater level to drop and for the residual fracking fluids and even the naturally occurring carcinogens—benzene, toluene, ethylbenzene and xylene—which can be mobilised by that fracking process to then shift up into those aquifers. So we have serious risks of contamination of the most precious resource here in Australia, the driest inhabited continent on the planet, water. You have got that potential dropping of the groundwater table, and of course the water that is sucked out of those coal seams is very salty.

I am old enough to remember when salinity was the biggest problem facing this country. Sadly, this industry will only make that problem worse. Once those massive lakes of produced water start to evaporate, what do you then do with the salt? I was on a Senate inquiry into this subject when I first started my role in this place speaking for Queenslanders, and the industry do not have a solution; they do not know what they will do with all that salt. They are now seeking permission to try and bury it somewhere. They had better not do it anywhere in the Murray-Darling catchment or there will be an awful lot of environmental damage done—and it is not just the Greens saying this; it is the scientists.

On that point, the National Water Commission has said that coal seam gas development represents ‘a substantial risk to sustainable water management given the combination of material uncertainty about water impacts, the significance of potential impacts, and the long time period over which they may emerge and continue to have effect. The point is here: water moves really slowly and, if you are changing that pressure and you have not quite sealed your well properly, you might find in 50 years time that your bore has dried up. Of course, the company has up and left by then so all of its promises that it will truck you in water are meaningless, because the company is not there anymore. The wells only have a 20- to 30-year lifespan. That is not the sort of risk that the Greens want to take with our water. It is not the sort of risk we want to take with our food security.

On that point, it is not limited to water impacts. We know that there are surface impacts from coal seam gas and, obviously, from coalmining. It is not just the well pad, as the very highly paid and slick merchants of the coal seam gas industry will try to assuage people’s fears on; it is the roads to get to and from the well pad; it is the pipelines to get the gas out; it is often the diesel generators or the overhead powerlines to power the site; and it is the people coming onto your land at all hours of the day and night and you do not have the right to say no. The only right the landholder has is to argue about how much compensation they might get for this potentially irreparable damage to their groundwater and for the massive disturbance in their way of life and their surface-farming operations.

We know that the industry would say this is the solution to climate change—it is so much cleaner than coal. I wish that were the case. Sadly, it is not. Sure, it burns cleaner, but by the time you have extracted the gas and have piped it to the liquefaction plant for export—and much of this is for export, and there is a growing debate about that—you have expended an awful lot of energy and, importantly, those pipes and wells leak. I hope people here have heard of fugitive emissions—it is those leaking wells and pipes. Coal seam gas is methane and it is 26 times more potent as carbon dioxide in our atmosphere. So, when you have
leaking wells and pipes and have a massive energy footprint to liquefy this stuff for export, you are cancelling out any of the benefits you might claim at the ultimate burning stage of this fuel. It is no solution to climate change and, in fact, it is every bit as dirty as coal.

A lot of the export process is through the Great Barrier Reef. I am from Queensland. Queeslanders love our reef, Australians love our reef and the world loves our reef. It is World Heritage listed and is an international icon. It is one of the seven natural wonders of the world. It is now being pocked with massive ports that are either expansions or new ports, and a massive dredging program that is the biggest the reef has ever seen. A lot of that dredge spoil, that sludge, then gets dumped offshore, creating even more water quality problems and problems for the coral, the seagrasses and the feeding and breeding grounds for turtles and dugongs. If all of these projects go ahead, we will see one ship every hour and a half going through the Great Barrier Reef. Is our reef simply a highway for coal and gas ships? I think it is a biodiversity icon that we should be doing everything we can to protect.

These are the reasons that the Greens are opposing coal seam gas. It interferes with farming operations; it potentially damages water supplies forever more; it is terrible for the climate; it is terrible for the reef; and it is ripping apart communities. Farmers are being forced to sign confidentiality agreements so they cannot speak with their neighbours about how much compensation they got. People know they have no right to say no. They are being worn down after years of pressure from these big companies. In the end they are forced to sign up and then cannot talk about it. This is really ripping communities apart. I am proud to say that in Queensland and now in the southern states, which are learning from Queensland, there is a really strong community movement that is opposing this dangerous industry.

I want to pay tribute to people from Lock the Gate Alliance who are in the public gallery today: Phil Laird, the National Coordinator of Lock the Gate Alliance; Anne; and Innes Larkin, who is a Queenslander. They have come here this week to speak with all of you. I hope people have made the time to meet with them. Some of these people are conservationists. Innes is an ecotourism operator. Phil is a farmer. We have got Indigenous people in the delegation as well. There is a broad range of real people who are concerned about coal seam gas. They have met with us. I hope they have met with you. I know they have been meeting with a number of other parties. They have taken the time to share their concerns. Innes is an ecotourism operator in the Scenic Rim, the green cauldron of Australia. It is a beautiful area; in fact, it is one of the 16 national landscapes that were recognised by the previous government last year. Ironically, as Innes was telling me yesterday, 11 of those 16 landscapes are threatened with coal seam gas or coalmining. What an absolute farce? Doug Balnaves, who is also in the delegation, is a vigneron from South Australia. There are many folk in this chamber who not only indulge in some wine now and then but also are vigneronstsestems. You simply cannot have industries coexisting with coal seam gas. It destroys the land, it destroys the water supply, it rips communities apart, it is no solution to climate change and it is destroying our reef.

The genesis of this bill were some remarks made by Tony Abbott, of all people, back in 2011. He was not the Prime Minister at the time, but he commented that he thought landholders should have the right to say no to this industry. We welcomed those statements and within a few days we were able to have a bill drafted and brought into this place for debate, giving landholders that right to say no to coal seam gas. Sadly, Mr Tony Abbott, now
the Prime Minister, changed his mind in the space of 24 hours. He backed down from those comments.

We do not give up. We have continued to work on this issue. We are bringing this bill forward again. The coalition, likewise, still purport to hold these views. In their own election document they say that access to prime agricultural land should only be allowed with the farmer's agreement, that the farmer should have the right to say yes or no to coal seam gas exploration and extraction on their property. We welcome that commitment and we would just love you to follow through on it here in this federal parliament. You have the legislation before you. Hell, do your own if you do not like ours. We do not care whose name is on the bit of paper. These landholders just need the right to protect their land from this dangerous fossil fuel industry.

Mr Tony Abbott recently visited Tara, one of the beautiful places in my home state of Queensland with its gorgeous bushland. A lot of people suffering there have a very low socioeconomic background and a lot of people have gone there for some peace and quiet. Sadly, their lives have been destroyed by a multitude of different coal seam gas exploration companies. Tony Abbott, when he was in Tara, made a promise to Debbie Orr, one of the residents there. He said no-one should be forced to have a gas well on their property. Well, what are you going to do about it? If you purport to hold these views, please follow through on them. From what I have heard so far—and the government will speak for themselves; I do not wish to verbal them—I understand they purport to hold these views but they do not think it is up to them to give landholders that right. They think that should be up to the state governments.

Two things on that: the state governments have done an absolutely rotten job in protecting our land, our water and our climate from coal seam gas. This industry has just steamrolled ahead. There has been virtually no constraints on it whatsoever. Promises are sometimes made but are rarely followed through on. I, sadly, have very limited confidence in the state government's political will to seriously address this problem or to represent those people, as they should be doing.

The second point, of course, is that there is no reason why this needs to be left up to the state governments. There is no constitutional limitation on the federal government stepping in and giving landholders the right to say no to coal seam gas, shale gas, tight gas and coal mining on their land. There are myriad powers that the Commonwealth could rely on. The corporations power is perhaps the most obvious but there are others. There is no excuse for not taking this step other than: actually, you are in the pocket of those fossil fuel industries. I was incredibly saddened, although not surprised, to see that the National Party in South Australia has taken donations—more than $200,000—from Santos, one of the big coal seam gas companies. That was very shocking to me. That came to light last week. It may well explain, sadly, the position that they have taken.

I have talked about the need for federal action. We have had some action in this place. We now have a water trigger in our federal environmental laws. That is a good start. It says that if you have a big coalmine or coal seam gas operation that is going to have a significant impact on a water resource, the federal environment minister needs to have a look at that and the approval of that minister is required before the operation can proceed. When that legislation was coming through this place the Greens tried to amend it to expand it to include shale gas
and tight gas to help our communities in Western Australia, South Australia, the Northern Territory and of course Tasmania—all those places at risk from shale gas and coal seam gas. Sadly, we did not get support for that at the time, but I pay tribute to the efforts of the community in creating the pressure for the water trigger to be passed. I also pay tribute to the former Independent Tony Windsor for his seminal work in working with the Greens as well as the community and the government of the time to pass those laws. The problem is that those laws give the environment minister the ability to say no to coal and to coal seam gas, but nobody ever has. There has not in living memory been a coal seam gas project or coalmine that has been refused under these laws or even under the previous laws. That is exactly why we need landholders to have the right to say no. It is all very well to give the minister the ability to do so, but if you are in the pocket of the fossil fuel industry it is no wonder that you just tick off on everything that passes your desk.

I am really proud that we have had folk here from the Lock the Gate Alliance. They are here to support this bill. They are here to support their own right to protect their land and continue to farm it into the future and to provide the food that we all rely on. Some people say that this is just a country issue. It is not just a country issue. We all eat and we all drink. You cannot eat coal and you cannot drink gas. I know that in Brisbane there is a growing movement of people—I am convinced that it is around the country as well—who want to support our farmers by buying locally produced food. They want to keep their own carbon footprint low and they want to support their local farmers. This is an issue that touches all of us in Australia.

Last weekend, I worked with our mining spokesperson in New South Wales, Jeremy Buckingham, to fund the travel of a rancher from Wyoming, John Fenton. If you have watched the movie GasLand—if you have not, please do—you will know that his ranch has been completely destroyed by fracking for shale gas. His water has been poisoned to the extent that the authorities have said to him, 'You'd better leave the windows open when you take a shower because your water might actually explode.' That is no joke; it is actually what John and his family are living under. It is what could happen here if we do not arrest this dangerous industry. Seriously, are we going to let that happen to our own people? I hope not. This bill is one way of helping to stop that.

If you will not listen to the science, and we know that science ain't so popular anymore under this government, more's the pity—we have no science minister, as we all know, and apparently climate science is still crap—if you want to listen only to the polls, there have been some recent polls in New South Wales that show that 75 per cent of voters oppose coal seam gas on agricultural land. That follows an earlier poll that showed that 68 per cent of Australians want to stop coal seam gas until it has been proven safe for our land, our water, our environment and our communities. Clearly, this is a concern to Australians. It is something that represents a massive risk. It is an industry that has rolled out so quickly it has gotten ahead of the science. I think that in Queensland it almost got ahead of the communities, but now we have strong networks of people, both in the bush and in the city, who are standing firm to protect land and water from coal seam gas.

I do not want to finish my contribution without mentioning that this bill also covers coalmining. We know that massive destruction that coalmining can do to forests. We know the interference that it can have with the water table. Of course we know the massive climate
impacts it has. I will mention again Phil Laird, the coordinator of Lock the Gate, who as I said is in the gallery. He lives near the Leard forest, which of course is going to be hugely impacted by the Maules Creek mine, a 23-megatonne coalmine that is proposed for there. Interestingly, of course, approval for that mine was given, because apparently all we do here is tick and flick when it comes to fossil fuel projects. That mine was required to offset the damage to the vegetation that it would clear—critically endangered box gum woodland; we do not have much of it left. An offset was required to be provided to offset the damage of the loss of that critical habitat. In fact, the offset that is now proposed has got five per cent box gum in it. The rest of it is a completely, entirely different ecosystem. The farce that is these approvals that are handed out with almost no scrutiny to an industry that is dangerous for the climate, rips up communities and undermines our precious habitat boggles the mind. The state laws are too weak. Landholders across the country, in the main, do not have the right to say no to this dangerous industry. They should have that right. This industry has rolled out too fast. It has gotten ahead of the science. We are doing potentially irreversible damage to our groundwater table and to our climate.

I have been out to these communities. I have been to Tara, I have flown over and seen the grill—it is hard to describe. There is a grill pad of wells. It does not look like a landscape anymore; it is pockmarked with wells. I have been out to Narrabri. I have been to Roma. I have been to the Kimberley. I have seen the beauty of these places and the damage that can be done. Please, today, search your consciences. Have a look at the science. Take the chance to speak with the people who have come from your state, from Lock the Gate Alliance, to speak with you and raise their concerns. Please think seriously about following through on the government's own election commitment to give landholders the right to say no. Don't just leave it up to the states—they are not doing it. That is why we need this bill. We have got to protect our land, our water, our communities, our climate and our reef from this dangerous industry. We have the opportunity today. I beg you to seriously consider supporting this bill.

Senator FURNER (Queensland) (09:52): I spoke about the Landholders' Right to Refuse (Gas and Coal) Bill 2013 previously in the chamber when it was under another title, before there were slightly amended provisions put into it. I do have some experience with this. We all know that the use of coal seam gas as an energy source is longstanding and accounts for 33 per cent of the eastern states' domestic gas production. For example, 90 per cent of gas used in Queensland comes from CSG. CSG powers a number of domestic electricity generation projects throughout Queensland, including the Origin Energy operated Darling Downs Power Station and the Braemar 2 power station. The policy challenge for state governments is twofold: firstly, to ensure the appropriate compensation of landholders for access and use of their land and, secondly, to ensure that coal seam gas is exploited on behalf of its citizens—unlocking an important transitional fuel, providing an important source of employment and export income, and generating a long-term revenue source through royalties and rents. This bill seeks to shift from a state-based system that ensures proper, and if necessary judicially determined, compensation for affected landholders to a Commonwealth-imposed system that transfers 'all power' to the rights of landowners, at the expense of all citizens.

Coal seam gas exploration represents an immense opportunity for Australia, particularly regional Australia. It is in these regions and we need to generate employment. I am sure that many of the senators in the chamber would accept this as being a fact. LNG projects in
Queensland and the CSG to LNG conversion industry are worth more than $70 billion and are responsible for almost 30,000 jobs. We know Queensland, my home state, is an area that needs jobs—with the state Liberal-National Party government having terminated thousands of jobs in the state there is an obvious need for the generation of more employment in this area to replace those jobs that have gone. Unfortunately, and sadly, the unemployment rate in Queensland has now increased to 6.1 per cent—one of the highest in this country—as result of the actions of the LNP government in Queensland. We had doctors up there, just last night, rallying about their employment conditions and being forced onto individual contracts. Some 900 doctors attended a rally at the Pineapple Hotel on the south-side as a result of the actions of the LNP government. But, I digress.

The policy challenges for the Commonwealth are to ensure more gas production and the best possible level of environmental protection. In Queensland, since December 2013 there have been 4,037 voluntary land access agreements signed between gas companies and landholders. Queensland land access laws provide landholders with protection and security in relation to secure exploration and development activities, including coal seam gas activities being undertaken on their land. The laws ensure that the landholders are fairly compensated for activities on their land and resource companies must minimise the impact of existing operations. The resources industry in Queensland must comply with the Queensland Land Access Code, which outlines the Queensland government’s expectations of how resource companies communicate and consult with landholders and how they behave while on a landholders property. I appreciate that this is a vexing issue. In fact, on my travels throughout the state, I have had discussions with landholders and groups about that. What I have found as a result of those discussions and communications is that there is a lot of misinformation.

One of the things we did well when we were in government, in partnership with the previous Labor state government, was to make contributions towards research and science—Senator Waters touched on science. Science is an important issue affecting the environment and it should never be dismissed or discounted. In July 2011, I was fortunate enough to be present at the launch of the Gas Industry Social & Environmental Research Alliance, a partnership of the CSIRO in Queensland and Australian Pacific LNG. We, along with the state Labor government, at the time contributed $14 million over the next five years for funding research into the social, economic and environmental impacts of the natural gas industry. We need to make sure there are further opportunities for this sort of contribution so we can better understand the science behind these matters. There is not much point in dismissing the science and having a view that something else applies. It is important to listen to those who are expert in these areas to make sure their point of view is heard.

The University of Queensland has recently released findings of research, incorporating a recent survey conducted by Nielsen covering 1,700 residents in the Greater Brisbane area—I am sure there will be further surveys conducted out in the regions to get a better understanding of the concerns expressed by those people who live in regional Australia. It is clear from the findings of the research and the survey conducted that there is a lack of information and a lack of understanding by people in regard to what CSG is about, and the impact it has not only on their communities but also on the environment. I want to touch on some of the findings. Firstly, most people who responded were aware that coal, iron-ore and gold were mined in Australia—that is a given; most people would realise that—but only 70
per cent of people were aware that CSG was extracted and most of them needed prompting on this to get a true understanding of what their concerns were. With regard to attitudes, and this is where the rubber hits the road, people who indicated that they knew a lot about CSG were more likely to indicate it was having a positive impact on Queenslanders. People who only had a little bit of knowledge of CSG were more likely to indicate that it was having a negative impact on Queenslanders. Unfortunately, people's perspectives were being encouraged or driven by the stories in the media. You would know, Mr Acting Deputy President, that sometimes the media has the ability to influence people's views about what is happening in their communities and in their environment, and without the knowledge of the science behind it to back up they do not really understand what the facts are on particular issues such as coal seam gas or other matters that affect our environment.

People also have a strong view about farmers' rights and what the government does with the royalties on coal seam gas. In my travels to western Queensland, I found that it is one of the areas that is a bit of a myth as well. People were unclear about what happens with royalties. In many cases, a farmer might release some information on the royalties they have been receiving on their land, and then the neighbouring farmer or someone down the road might find that being less or greater on their land, depending on the size of the extraction. This is where the confusion and misunderstanding arise of what generates fair compensation on the farmer's behalf in respect to what sort of extractions and issues are being generated on their land.

With respect to knowledge, people were generally uninformed about coal seam gas but were interested in learning more. In fact, during the campaign of the federal election, I remember having a discussion with a gentleman up in Bowen. At that particular time, there were concerns around that township about the Abbott Point coalmining port. This particular gentleman, at the time of our discussion, was relating stories about earthquakes as a result of coal seam gas extraction. I have heard media reports on that sort of issue associated with the United States, but I have not yet heard of any issues associated with extraction from Queensland or other parts of our country where there have been earthquakes associated with the extraction of coal seam gas. This is just another example of how misinformation gets out into the public. As you know, someone will tell someone else that story and then it turns into something even greater, but it is important that people rely on the facts and the science when it comes to these issues.

When it came to trust—and this is my point about ensuring that science and, particularly, organisations like the CSIRO are trusted and competent enough to provide this information—people indicated in the survey that the CSIRO and universities were seen as the most trustworthy providers of information on coal seam gas. It is important that this parliament continues to fund the CSIRO to make sure that the science is available and the facts are forthcoming to everyone to make sure that we know what is happening out there.

I can only relate furthermore in regards to my travels last year, when I went out beyond Roma to Miles on an RDA Fund release that I was involved in on behalf of the minister in that particular part of the world. Driving out through that area, you notice a lot of four-wheel-drive vehicles—particularly at the airport when you fly into Roma—and no doubt there is an exploitation increase in these areas to make sure that employment is generated to ensure that
these regions are kept viable and alive, and it is important that we do not discount this and affect their conditions or turn them into ghost towns.

In conclusion, I think we need to have a look at the science behind these particular matters and make sure that we communicate with the communities in these areas so that they have the right information, the understanding and the facts to ensure that their communities are being served well and are looked after by, in this case, the state governments that are responsible for this particular area and ensuring that their jurisdictions are upheld. That is why we, on this side of the chamber, are opposed to this particular bill.

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (10:04): I was waiting to see when we were going to hear whether Labor, after all of that, was going to cave in to the coal seam gas industry and the alternative gas industry. Clearly, we have seen that.

The Landholders' Right to Refuse (Gas and Coal) Bill 2013 is a really important piece of legislation. I have had years of working with rural communities around Australia, and they are fed up with the hypocrisy of politicians. I want to start with a quote from the Minister for Agriculture, Barnaby Joyce, who only last week, in terms of drought relief, said:

These are people who are not backed up by a multiple-billion dollar company. They are individuals, they are mums and dads, they are Australian citizens. This is all about backing farmers until the multinational gas corporations and the coal seam gas industry come along, and then the farmers can just be left off the agenda. It is disgraceful, but it has always been thus.

I started my political career in Tasmania with North Broken Hill, in cahoots with the Liberal government at the time of Robin Gray, wanting to build a pulp mill right in the middle of the Wesley Vale district—where I was brought up—which is very rich farmland. The farmers were shocked at the extent to which both Liberal and Labor in Tasmania abandoned them in favour of the dollars from North Broken Hill, and that has happened every single time. Whenever farmers come up against multinational corporations, governments sell them out, and that is why we need this legislation, which at least gives farmers the right to say no.

It is critical legislation. In the bigger picture, we are living in a climate emergency. We are on track for four degrees of warming and the drought in northern New South Wales is just a part of what is happening around Australia. We should be protecting our farmland, our water systems, our landscape and our ecology, because they are going to come under huge pressure due to global warming. We need to be maximising food production in Australia, exporting what we can, looking after our own food security and contributing to global food security—not trashing agricultural land and water for these fossil fuels. I emphasise that the International Energy Agency has come out and said that fossil fuel reserves have to stay in the ground. That is, coal does not get dug up and coal seam gas does not get pulled out of the ground—and shale gas, in the Tasmanian context. We need to leave it there. Those reserves need to stay in the ground if we have any hope of constraining global warming to less than two degrees.

I point out to the Senate that the biggest increase in greenhouse gas emissions in this last 12 months has been from two things: from deforestation—ripping down biodiversity because beef prices have gone up—and, secondly, from fugitive emissions because of the expansion of coal seam gas. So you have a two-pronged attack here: not only is this industry driving
global warming but it is actually destroying our farmland. And because global warming is going to create even more of a food security crisis, we are undermining our own capacity to grow food. It is stupid, what is happening in Australia! And if the Norwegian sovereign wealth fund does as I hope it will do, and divest itself entirely of coal and gas investments, then we will see that what we are doing is not only destroying our farmland and our food capacity but actually leaving us with stranded assets all over the place. It is dumb to be doing it.

I particularly wanted to follow up from my colleague Senator Waters, who has been doing a fantastic job on this, supporting farmers from around the country. I have been out to visit many of these farming areas on the mainland as well and, overwhelmingly, rural communities are opposed to what is going on.

I want talk about Tasmania, in particular. In July last year the company Petrogas lodged an application for a shale, oil and gas exploration licence in an area covering much of Tasmania's southern midlands. Investigations by the community revealed that two similar exploration licences had already been granted for the northern midlands and part of Tasmania's north coast. A fourth application for much of the Huon was proposed and subsequently withdrawn, but that, I presume, is just for now. In total, the shale, oil and gas exploration licences cover 17,000 square kilometres. That is a staggering 25 per cent of Tasmania's total land area.

Earlier this year, that licence for Petrogas covering 3,900 square kilometres in the southern midlands and upper Derwent Valley was granted. It covers the farming communities of Ouse, Westerway, Hamilton and Gretna in the Derwent Valley and knocks right up to the doorstep of the town of New Norfolk. It covers the historic towns of Richmond and Campania and into the Coal River catchment. It covers communities such as Brighton, Elderslie, Broadmarsh, Mangalore, Bagdad, Colebrook, Oatlands, Bothwell and Melton Mowbray in the Southern Midlands. What we have now is horrified rural communities in Tasmania, who feel they have been abandoned as once again Liberal and Labor come out backing the right of the companies to come onto people's land to undermine their way of life. More particularly, what on earth will it do to their water systems? They have had public meetings and they cannot believe that they are being ignored in the way that they are. I am very pleased to say that my state Greens colleague, Tim Morris, represented the concerns of the community when he took a motion to state parliament to give landowners the right to say 'no'. But the Liberal and Labor parties in Tasmania voted in lock step to deny that right.

So we have it happening federally and we have it happening in Tasmania. So please do not get up in this parliament and start talking about how you care about the mums and dads, the small farmers, who are not backed by multibillion-dollar companies, as Barnaby Joyce, the minister, describes them. If you cared about them, you would be giving them the right to say 'no' because of what the impacts are. The impacts are recorded right throughout Australia. You only have to look at what has happened in the United States to see what the impacts are.

I, too, want to add my congratulations to Lock The Gate Alliance. They have been doing a fantastic job around the country. It certainly has made a lot of farmers aware of just how important nonviolent direct action is in bringing these issues to the fore. It should not be necessary. If you had governments looking at future trends and genuinely caring for the environment and the farmers, this would not be necessary. But it is happening because they have no other choice.
People are asking what does all this mean for the Tasmanian Midlands, with nine complex and separate groundwater flow systems all prone to salinity. What on earth does that mean for them? What does it mean for water competition from the new Midlands irrigation scheme? Or the farmers who rely on their water allocation in the Derwent Valley to survive? And, of course, the Midlands is one of Australia’s national biodiversity hotspots. Millions of dollars of public money, together with the stewardship of landowners, has gone into that region to protect it for future generations.

It is an extraordinarily important area in terms of biodiversity, and that is why it should be looked after. It is also an area which is rich in plant and animal species, many of which are endemic or endangered, including the 32 nationally threatened species and more than 180 plants and animals that are threatened in Tasmania. That is why every Tasmanian, like every other Australian, must have the right to say ‘no’ to unconventional gas mining on their land. They cannot trust their governments to protect their farming land, water and natural environment, and until we have a government that abandons the madness of championing the fossil fuels that are driving our planet to destruction by climate change, the only thing they can do is fall back on their natural resilience and fight.

I want to say that the Greens stand with them. We will stand with the farmers, saying they should have the right to say ‘no’. We will stand up to these multinational corporations which are jeopardising not only food security but jeopardising rural communities, jeopardising future production and jobs and jeopardising the biodiversity which we all rely for our health and wellbeing.

Senator FARRELL (South Australia) (10:13): I would like to respond to a couple of things that Greens senators have raised this morning in support of their bill, known as the Landholders’ Right to Refuse (Gas and Coal) Bill 2013, and indicate quite unequivocally that the position of the Labor Party—the opposition in this parliament—is to oppose this legislation, which Senator Milne seemed a little bit surprised about. It should not have come as any surprise because, when a previous version of this bill was raised in 2011, it was the policy of the Labor Party—then in government, to oppose this legislation. It should not have come as any surprise to Senator Milne that we do not support this legislation. We do not support it for very good reasons, which I will go into in a moment. We particularly do not support it because we believe that the coal seam gas industry and agricultural land can coexist. It is not an either/or scenario.

Senator Waters interjecting—

Senator FARRELL: Senator, I was quiet throughout all of your speech. I listened to what you had to say in silence. I am not sure why you cannot offer me the same courtesy.

The ACTING DEPUTY PRESIDENT (Senator Sterle): Senator Farrell, I am in agreement with you, but I would ask you to direct your comments through the chair. Senator Milne, everyone did listen to you in silence.

Honourable senators interjecting—

The ACTING DEPUTY PRESIDENT: Sorry, I should have been referring to Senator Wright.

Honourable senators interjecting—
The ACTING DEPUTY PRESIDENT: Three in a row! I am sorry. Third time lucky: I should have been referring to Senator Waters.

Senator FARRELL: I note your statements and I will address my comments through the chair. It was Senator Waters who continued to interrupt me. I had given her the courtesy of sitting in silence to listen to her speech.

It should not have come as any surprise to the Greens that this is the position of the Labor Party. It is a very sensible position and one that is entirely justified on the facts. I would also like to respond to a rather unprovoked and unjustified attack by Senator Waters on Santos. She seemed to think it was remarkable that Santos should make a donation to a political party in this country.

Senator Brandis: What about Wotif?

Senator FARRELL: Yes, what about Wotif, and some of the other companies that donate to the Greens? We do not often agree, Senator Brandis, but I can tell you that we agree on this point.

Senator Brandis: I do not agree with that. I think we agree on a lot of things, Senator Farrell.

Senator FARRELL: Do not damage my reputation, please, Senator Brandis, any further than it has already been damaged!

Senator Brandis: You are one of the good guys in the Labor Party.

Senator FARRELL: Stop this! There was a quite unprovoked attack on Santos by Senator Waters. The company Santos is a good corporate citizen in this country. The company is an especially good corporate citizen in South Australia. They assist in a whole lot of community development programs in my home state, not least of which is the most recent one: the Tour Down Under, which they very prominently support in South Australia. That is good for health, exercise and a whole range of other things.

The important thing about Santos is that they do two things in my home state of South Australia and for Australia generally. They create jobs—generally speaking, high-paid jobs by comparison with jobs in the cities. They provide those jobs in regional areas of Australia. Lots of Australian regional centres are under pressure. This company provides good, well-paying jobs in those country regional areas of Australia. More importantly, they provide a great, clean source of energy. Let us be clear about this: there is a difference between the carbon-producing effects of coal versus gas. We know, by all of the science, that less greenhouse gas is produced by this form of gas.

It is completely inappropriate for Senator Waters to attack the coal seam industry on the basis that it produces as much, if not more, greenhouse gases than the coal industry. The Greens ought to be supporting the coal seam gas industry if one of their objectives is to reduce, in the longer term, greenhouse gases. Again, I do not accept Senator Waters's categorisation in terms of the difference between coal seam gas and coal in their effect on the greenhouse gas environment.

Santos is a good corporate citizen in this country. I think it was a quite unnecessary attack by Senator Waters on that company. Santos have been producing coal seam gas in this country for years and years. This is not a new development for this company. They have been
producing coal seam gas in the Cooper Basin in South Australia for years and years. To the best of my knowledge there has not been any issue with the production of that coal seam gas. I have not heard, particularly in South Australia, any complaints from landholders about—

An honourable senator interjecting—

Senator FARRELL: I do listen. I take a considerable interest in developments in my home state. I see Senator Wright in the chamber. When I proposed a piece of legislation a couple of sessions ago to open up mining to companies in the Woomera defence area, shockingly—Senator Brandis might agree with me—the government and the Greens joined forces to talk out that legislation. It was a private member's bill designed to allow mining in the Woomera defence area. It should have been passed last year. It did not, because the coalition and the Greens combined to refer it to a committee. The bill lapsed. I wanted to reintroduce that legislation, but what did the Greens do? They talked out the legislation. So here are the Greens, attacking coal seam gas—a good form of energy—but a couple of weeks ago Senator Wright was in here talking out a piece of legislation which would have allowed mining exploration in South Australia in the Woomera defence area.

Why are these things important to Australia but particularly South Australia? There is a very simple answer: we are in a transition mode. In my home state, we have seen the company Holden announce that they are closing down. That is obviously tragic news for the people who work in that industry, but it also has a long-term detrimental effect on the South Australian economy. Added to that, we then found that Toyota closed down, and many of the companies that supplied Toyota with their components also operated in South Australia. Many of the companies that supplied Holden also supplied Toyota, and those companies, of course, have had the bad news that Toyota has closed down. A company that you are very familiar with, Mr Acting Deputy President Sterle, Qantas, announced they are outsourcing their operations.

So there is a whole transition going on in the South Australian economy at the moment. As jobs go down in that industry, of course we have to see that they are replaced. Coal seam gas has in the past produced good, well-paying jobs. It has the potential into the future to continue to produce those well-paid jobs, and I think it is incumbent on the opposition to say, ’If the federal government is going to abandon industries like the auto industry, we need to do something responsibly to replace them.’ This particular industry, coal seam gas, has a great opportunity to do that. Senator Furner quite rightly pointed out that coal seam gas as an energy source both is longstanding and accounts for 33 per cent of the domestic gas production on the eastern seaboard. Just one example of that is that 90 per cent of the gas used in Queensland comes from coal seam gas.

So this is a very significant energy source for this country. It is an energy source that has been providing energy to the eastern seaboard for a very long period of time. What we need to do as a country and as a community is ensure that there is a balance between this industry, which provides high-paying jobs and job security, and agricultural interests. This bill does not do that. Whatever the objective might be of the bill, this bill does not achieve that. This simply closes down an industry which I think not only currently supports a very significant portion of Australia’s energy requirement but into the future is going to be expanded—and, of course, we have the opportunity for export industries. We are on the cusp now of a great deal of development within our region.
We are seeing the growing economies to our north; their standard of living is rising; their energy needs will, as a result, continue to rise. We have the opportunity to assist in that growth and in that development. We should not be putting any impediments in the way of doing that. We ought to be working cooperatively, not with this heavy-handed fist that this legislation provides to one section of the industry which, for some reason or another, the Greens have decided to dislike.

I want to state very clearly the opposition oppose this legislation. We do not think that this is the direction that this country should be heading in. There has to be cooperation between the coal seam gas industry and agricultural landowners. We believe that can be achieved through other mechanisms and we will not be voting for the legislation.

**Senator WRIGHT** (South Australia) (10:27): I rise to speak in support of the Landholders' Right to Refuse (Gas and Coal) Bill 2013, which has been introduced into this place by my colleague Senator Larissa Waters. This important bill supports the rights of landholders across Australia in the face of significant and increasing mining activity. The unconventional gas industry, in particular, is on its way to a massive exploration in Australia, including in the south-east of South Australia—the state that I am proud to represent. I am proud to speak in favour of this bill because I think it is actually a very, very important bill, and it acknowledges the realities of the challenges that we are facing in Australia this century; the scientists are almost unanimous in warning us about what is coming. It is absolutely important that we do everything we can in these early decades of this century to safeguard the very aspects that we rely on for life on this planet.

In South Australia the language is about unconventional gas, and this includes coal seam gas, tight gas and shale gas—all of which require hydraulic fracturing, or what is often known as 'fracking', to extract the gas, which is predominantly methane. You could also add underground coal gasification to that list of processes. Fracking involves pumping large volumes of water and chemicals into the earth at high pressure to force open, or fracture, cracks in the rock, allowing gas to escape to the surface. This is an extraction technique that has been banned in France. It has created environmental issues in Queensland, New South Wales and in the United States after freshwater aquifers have become polluted. Many of us, indeed, were horrified to see the US documentary *GasLand* a few years ago, where we were able to see water that could physically be set alight because of its methane content and find out about the impacts of this activity on agricultural land in the United States. Indeed, only last year the ABC *Four Corners* program *GAS LEAK!* revealed not only a hasty and incompetent process in the approval of thousands of coal seam gas wells in Queensland in 2010 but also a potentially illegal process. Some of the approvals that featured in the *Four Corners* program were forwarded to the Queensland Crime and Misconduct Commission. The referral was made by Drew Hutton, National President of the Lock the Gate Alliance—who has been a shining light in the movement to oppose what is really the life-defying, incessant forward movement of this sort of mining—and Simone Marsh, the government whistleblower who featured in the program.

Both the CSIRO and the National Water Commission, the federal government's own independent expert adviser on water, have stated that fracking's impacts on underground water levels, the amount of emissions and the long-term impacts on local environments and farmland are still poorly understood, and yet there is this relentless push to set out on this path.
across Australia. The National Water Commission in particular said that CSG development is a substantial risk to sustainable water management. Preliminary research tells us that it will take up to 75 years for a gas site to recharge its previous groundwater levels.

Let us pause to think about the implications of the warnings that we are hearing from these bodies: threats to underground water, local environment and food-producing land—these are unacceptable risks. What this Australian Greens bill would do is give people who are living and working on the land a right to participate in the decision-making process around the use of that land, and indeed the bill would give landholders the right to refuse gas mining and coal mining activities on food-producing land.

Australia is a big continent, but the proportion of Australia that is quality agricultural land is actually severely limited. We must protect it from land uses which would threaten that, particularly now, with what we know in this 21st century. The pressures on our food supplies and our water supplies are immense. We now have a world population of seven billion people, approaching 10 billion by 2050. Add to this the sobering fact that report after report is warning us of the threats to food production in this century, especially from climate change. Whether from the London School of Economics, the Intergovernmental Panel on Climate Change or our own CSIRO, we know that the negative impacts of global climate change on agriculture are only expected to worsen. There is increasing concern among respected international bodies that climate change could so destabilise the world's food system that it would lead to rising hunger, even mass starvation, and of course to the conflicts that would be associated with that on a world scale. There are similar threats and warnings about our water supplies, with predictions about resource wars this century centred on water and food. So it is understandable that there is increasing community concern about mining's impacts on Australia's food security.

With unconventional mining spreading its tentacles across Australia, it has been extremely heartening to see civil society come into action, with strong and diverse alliances across sectors and the community to protect what we know we must protect and to oppose the health, social, cultural and environmental threats that coal mining and unconventional gas mining pose. We are seeing farmers, traditional owners, tourism operators and conservationists coming together to stand against these threats. In fact, the campaign is deriving support from very unlikely sources. We even have Sydney broadcaster Alan Jones—definitely not a card-carrying member of the Australian Greens—as a vocal critic of coal seam gas, particularly because of its impact on farmland.

According to the Lock the Gate Alliance, titles for gas and coal exploration cover more than 54 per cent of Australia's land mass right now—more than half of Australia's land mass—at 437 million hectares. In South Australia, my home state, a map outlining the potential for unconventional gas exploration was released by the state government and was reported in the Stock Journal as showing many of the sites earmarked for rapid unconventional gas exploration being smack in the middle of our most prized agricultural land. Prized arable land is precious in Australia but never more so than in South Australia. There is very little land left in South Australia for our clean green food bowl—the food bowl that will help feed the population of Australia and the population of the world in future decades. Only 4.6 per cent of prime agricultural and cropping land is left outside of pastoral areas in South Australia. Water supplies are also becoming scarce. In Australia we cannot
afford to be profligate with our water resources, and again never more so than in South
Australia, the driest state on the driest continent.

I would like to give you an example of the folly of this untrammelled expansion—a case
study in the south-east region of South Australia. It is the Limestone Coast area and it is a
region surrounding the city of Mount Gambier. In this area many people have been working
together to actively highlight the risks of the expansion coming down the line. The Greens are
proud to be supporting them. I would particularly like to commend the work of the Leader of
the Greens in South Australia, Mark Parnell, a member of the Legislative Council, who has
been speaking on this issue and working with the community to highlight the threats of
unconventional gas mining.

The south-east is a beautiful part of South Australia; it is characterised by vineyards, dairy
industry, cropping, stock production, timber, aquaculture and seed production. These are all
dependent on reliable water supplies. The number of workers in the south-east region
employed in agriculture, forestry and fishing is above the state average. The whole of the
lower south-east region is mapped out for unconventional gas exploration, with a number of
exploration licences proposed for mineral mining and coal. All of these proposed projects will
impact the aquifers upon which the region relies. These aquifers underpin the productivity of
the region. Indeed, they provide the sustainability for human life in this region.

Much of the lower south-east region is dependent on two aquifers for these industries. The
Mount Gambier water supply and 80 per cent of the region's irrigation come from the
unconfined aquifer. The Dilwyn aquifer contains 30 per cent of my state's potable water—that
is, 30 per cent of the potable water in the driest state in the driest continent. Much of this
water is at least 2,500 years old and there is a minimal recharge available. The risk is that
once this water is gone it is gone for all time, certainly within the foreseeable future. At this
point, I would like to give a shout out to some particularly active people from South
Australia: Anne Daw, Doug Balnaves and many other people who have been working with
the Lock the Gate Alliance and other local organisations to make sure that the Australian
community is very clear about the threats of these proposals.

The Greens are working at every level of government—federal, state and local—to support
our food growers against the threats posed by this industry because, fundamentally, we
believe that farmers are the custodians of our future when it comes to our food supply.
Simply, then, farmers and landholders should have the legal right to decide whether to keep
farming on their land and whether to allow these threats to occur. Merely being able to
negotiate the price of entry with a coal or gas company is not good enough. It does not change
the fundamental power imbalance.

This Greens bill gives landholders the right to decide whether coal or gas mining activities
will take place on their land. It would mean that gas and coal corporations would have to
secure a landholder's written authorisation before entering their land. That written
authorisation would have to contain an independent assessment of the current and future risks
associated with the proposed mining activities and any associated groundwater systems. It
would ensure informed consent, and a landholder would be advised to seek independent
advice and could refuse to give written authorisation if they were to so choose.

The Greens are standing strong with those in the community who want the benefits of long-
term food production and potable water supplies over the risks of fracking. I pose the
question: why would we risk our future merely to prolong the life of industries which belong in the past? I finish by referring to an oft-quoted edict. It is attributed commonly to the Cree Indians. But wherever this idea came from, wherever this notion came from, I think we would all be hard pressed to argue with just how sensible it is: 'When the last tree has been cut down, the last fish caught, the last river poisoned, only then will we realize that one cannot eat money.' We rely on our environment for our very future and our survival. We must not risk it.

Senator MADIGAN (Victoria) (10:39): The Landholders' Right to Refuse (Gas and Coal) Bill 2013 is one of those common-sense bills. The bill challenges the idea of corporations being able to enter a private landholder's agricultural land without the permission of the owner for the purpose of exploring for coal or gas and for mining or producing gas or coal. The bill is not just a toothless tiger; it has simple and effective measures to ensure that corporations take this legislation seriously—as they should.

Often I hear stories from constituents who have had corporations barge into their land as if they own the place and start sizing up what rewards they can reap. When we talk about the coal seam gas aspect of this bill, we can see that Senator Waters, who has proposed this bill, has to a large extent been very measured and could certainly be calling for much more. The DLP believes that there should be an immediate moratorium on all coal seam gas mining until independent, transparent and scientific research overseen by federal government representatives, along with the proponents and the opponents, can irrefutably prove it is entirely safe and harmless to the human population and to our water resources. To that end, it also should conclude that there is no risk of contamination to our groundwater aquifers and it is entirely safe for the land and environment.

In my first speech I said that, if we are not making decisions that make the lives of Australians better, then we should at least make sure that we do not make them any worse. The great economies of the world do not survive by simply digging holes in the ground, turning their country into a quarry and educating their competitors on how to bury them. The science of coal seam gas extraction is not settled—not by a long shot. Currently, the technology presents an unacceptable threat to the watertable and we cannot let this go within cooee of our prime agricultural land.

At the invitation of the Lock the Gate Alliance yesterday, I had the privilege of co-hosting a cross-party briefing about the impacts of coal seam gas fracking. We heard from the national director, Phil Laird, as well as delegates from communities from the Coonawarra to the Kimberleys who are all gravely concerned about the impacts of coal seam gas fracking. Australians do care about this issue. After reading an article in this morning's Herald Sun—by the editor of The Weekly Times, Ed Gannon—I do believe they have a right to feel concerned. Indeed, we could accept the advice of a Mr John Fenton from Wyoming in the US, who has 24 gas wells on his property:

Yes we make some money from it, but then came the smell and the odours and people getting sick. Then the neighbour's water turned black. All the things they said wouldn't happen were happening.

Mining companies are getting wealthier while water is turning black and people are getting sick. Mr Fenton does not believe that $48,000 a year is enough compensation for that, and rightly so.

Successive governments of all persuasions have done the bidding of foreign corporations, in many cases at the expense of Australians. But we need to be proactive now and not reactive.
later. How many of you know that the Murray-Darling Basin is now down to 54 per cent of its capacity? How many of you care? Are these coal seam gas companies going to care as they frack the life force out of Asia's potential food bowl? What do we as a nation want to be? Where is the independent, eminent Australian research that tells us that we have got it right?

Much like there is a need to undertake wind-farm health research, we must undertake urgent research, with an agreed testing methodology and all results available to all parties, in order to ascertain whether the science behind CSG initiatives is safe. Until safety can be proven under these conditions, there can be no such assurances and a moratorium should be placed on CSG developments.

This bill means a lot to a lot of Australians. It provides some certainty in an area where people's livelihoods and communities are seen to be a hurdle which, at best, might need to be negotiated with. The bill sets in stone some rights for Australians who want to go about living their lives without being harassed or made to feel insecure about what they are entitled to. It is for these reasons and many others that I will be supporting this bill. Lastly, we are ultimately custodians of Australia for a very short period of time in the overall framework of things. If we do not hand it on any better, we should not hand it on any worse.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:45): I rise to support the Landholders' Right to Refuse (Gas and Coal) Bill 2013 wholeheartedly. A large number of farmers and citizens across the country are extremely concerned about the impact that the exploration and production of unconventional gas is having across this country. So I very strongly support Senator Waters' bill. This bill has been introduced as a result of concern around the country from farmers, landholders and the broader community about the impact of gas and coal exploration and production and, in particular, unconventional gas across this country.

It should come as no surprise that we have just heard members of the ALP speak in opposition to this bill and about the benefits of unconventional gas—ignoring, of course, the science. They argue that it can be a replacement because it contributes slightly less greenhouse gas to our atmosphere than fossil fuel does. It is a flawed discussion because, combined with the efforts by the government to allow coal to keep getting mined and to allow the fossil fuel producers to rampantly contribute to our ever-climbing greenhouse gas emissions from the fossil fuel industry, any money invested in this delays the progress that we absolutely need to make in renewable energy. They continue to pursue a flawed argument. They continue to put the profits of big business and the exploration and production companies above the profits of farmers, above the need for land for food production, above food production and, of course, above damage to our environment.

This bill takes an important step in addressing the proper regulation of unconventional gas. It gives the power back to farmers and growers. It gives them the power to say no, to refuse the rampant expansion of this dinosaur industry across the landscape and across Australia. This bill will give landholders the right that they should have to refuse the undertaking of this mining activity on their land.

I will go into the impacts of this particular industry only briefly because my colleagues have covered it very well. I remind people that the chemicals used in extraction can be toxic to humans, animals and our environment. It can contaminate groundwater. Shale and tight gas drilling requires vast amounts of water. It is particularly problematic in my home state of
Western Australia, where we do not have a lot of water. The disposal of the waste water is highly problematic. Drilling can cause land disturbances.

Although people will argue that the regulation of fracking is technically a state responsibility, the federal government has stepped in on this issue more than once in the past few years—in other words, this is a fallacious argument. In June 2013, just last year, a bill was passed through the federal parliament to protect groundwater resources in every state except Western Australia. WA was not included because the legislation was limited to areas where coal seam gas is found; Western Australia's reserves are shale gas. My colleague Senator Ludlam proposed an amendment to the legislation as it went through the Senate in an attempt to include Western Australia and the impacts of shale gas production. Unfortunately, that amendment was voted down by the major parties. Apparently they do not care about the protection of groundwater resources in Western Australia.

Fortunately, a Western Australian parliamentary inquiry has been launched into the effect of fracking in Western Australia. That inquiry is ongoing. Submissions to the inquiry, which I will come to in a moment, have been very enlightening about the impact on Western Australia. It is very disappointing that neither of the major parties care enough about the situation in Western Australia to ensure that Western Australian groundwater resources, which are very scarce, are protected.

I will go into a few of the impacts, particularly on the environment, of this activity. Shale and tight gas fields involve the industrialisation of whole landscapes with numerous closely spaced wells. Typical gas fields can contain thousands of wells. I have flown over a few sites in the Kimberley, just outside Broome, where Buru has already established some exploration wells. You can see from the air the impact that this industry has on the landscape and how it cuts it up with the pads for the exploration wells. This is in bushland. You can see the impact of roads and pipelines dissecting the landscape, which of course results in clearing. In farmland, paddocks are interrupted by thousands of wells and infrastructure. Gas wells also require vast networks of access roads, gas pipelines, compressor stations, processing plants and waste-water holding dams and treatment plants. Tight gas uses large amounts of water. It requires the pumping of acid into the well to dissolve concrete between the rock grains, and the use of toxic chemicals.

We then need to look at the disposal of the waste water. In addition to the chemicals used in extraction flow-back, this 'produced water' can contain naturally occurring substances, such as heavy metals; radioactive metal materials, including radium; and high concentrations of salt. All these of course need to be disposed of in the landscape. Vast amounts of water are used in the extraction process. The amount varies from project to project. However, CSIRO says:

No two wells or coal seams behave identically and water production can vary from a few thousand to hundreds of thousands of litres a day, depending on the underground water pressures and geology.

Water extraction during unconventional gas processes is often referred to as 'produced water'. It is generally salty and can contain toxic and radioactive compounds, and heavy metals, as I have articulated. Once this water is extracted it then has to be stored in tanks or holding ponds, which of course are then in the landscape. CSIRO also says:

… quality is highly variable from site to site, but it is generally not fit for human consumption.
There is a high risk of contamination of groundwater and surface water. There is also the issue of how much water the gas companies actually use in their production.

I would like to focus the rest of my contribution on Western Australia because Western Australia often gets left out of the debate nationally on unconventional gas activity. The WA parliament has established an inquiry which, as I said, has not yet reported. It has taken submissions. Submissions from both the Department of Health and the Water Corporation raised public health concerns. They raised concerns about the fracking process and, in particular, highlighted the risk of contamination of groundwater. The Water Corporation noted the trouble—surprise, surprise!—that they had in getting any proper advice from the Department of Mines and Petroleum. Unfortunately, they have changed the assessment process in Western Australia and have put Dracula back in charge of the blood bank. In fact, the Department of Mines and Petroleum now have a lot more control over environmental assessments and determining what needs to be assessed than they did in the past.

This is extremely concerning, given that the Western Australian government has a poor track record of late when it comes to following due process and environmental assessments. I need go no further than using the example of James Price Point, in Western Australia, where in fact the court has now outlined the flaws in the process. A lot more effort would have needed to be put into it had Woodside not pulled out, very sensibly, from putting their infrastructure onshore at James Price Point. However, there were numerous errors both in the process and in the documentation for that assessment. So people in Western Australia do not have confidence that they can rely on their state government to ensure that a proper environmental assessment process occurs.

Oil and gas exploration and development are occurring in some of the most sensitive areas in Western Australia. I will start with the Kimberley, where it is well known that it will be ramping up this year, with the state government proceeding with their acquisition of land at James Price Point and still talking about putting in infrastructure there. They have granted 25 new fracking leases in the Canning Basin. We have heard a great deal of concern expressed by the community in the north-west. Some of these areas include coastal permits around Roebuck Plains and Roebuck Bay. This is a particularly important area. In fact, it is a most beautiful area. It is also a critical part of the internationally recognised Ramsar wetlands, with much of this land being inundated by floodwaters in the wet season. Of course, that raises the issue of the inappropriateness of allowing this form of unconventional gas activity and the exploration and proposed development in areas that are subject to inundation.

I would also point out that, over the years, there have been numerous mining attempts in Roebuck Bay. It is extremely disappointing that, time after time, the community has to keep fighting these inappropriate developments in some of the most beautiful and environmentally significant areas. The same goes for farmland. We have to keep fighting proposals as they come up. This also applies to areas around the mid-west, which I will come to in a moment.

Not only do you have these sorts of problems on land itself, on farms and in these really sensitive areas, but infrastructure has also been proposed. There are proposals that Buru Energy expand port facilities in Broome. That will of course impact on Roebuck Bay—again, impacting on an environmentally sensitive area, an internationally important Ramsar area, where people from around the world come to observe the birds that stop off in Roebuck Bay on their migration every year. So, on one hand, we have the Premier of Western Australia
saying that we need to industrialise the Kimberley to make a lot of money out of the resources that are there; yet, on the other hand, we know that this will directly impact on other industries, such as tourism—not to mention disrupting the birds’ migration paths.

Other proposals, targeted by Key Petroleum, include Mandora marsh and wetlands—again, extremely important areas on the coast of Western Australia. When considering development of the Canning Basin reserves, clear boundaries need to be established that specifically exclude unconventional oil and gas exploration.

There is a strong push in the Western Australian community for a moratorium on fracking, which I strongly endorse. Community groups are opposed to the practice of fracking developing across Western Australia because of the rampant approach of this industry in parts of our state that have not only important environmental values but important gardening and food production values. Fracking is now popping up in the mid-west of Western Australia. Local groups have been liaising with the Lock the Gate Alliance nationally and I thank the alliance for the support that they are giving the groups in Western Australia. Frack Free Geraldton has been holding forums in Geraldton as well as towns around the mid west aiming to inform the public and raise their concerns.

It is extremely concerning to see the proposals to develop unconventional gas in the mid west, particularly in the area around Lesueur. This is particularly poignant for me, because 25 years ago I helped lead the campaign that stopped coalmining. At that time we knew that coalmining in that area and the power station they wanted to put up there were totally inappropriate. It was dinosaur technology. A group working with farmers and landowners up there recognised the inappropriateness of the development as well as the biodiversity value of the Lesueur area. It is one of the most biodiverse areas not only in Western Australia but in the whole of Australia, with endemic species that are found nowhere else. It has the most beautiful heath-type vegetation you could ever hope to see. But here they are again, 25 years later, proposing inappropriate, dinosaur developments of products that are at the end of their life as a fuel for the globe. This is a dinosaur industry, and farmland that we need for food production is being threatened. It has never been more important that we ensure that we are protecting our farmland for food production and giving our farmers the right to say, ‘No, this is not an activity that is appropriate on my farm’, to enable people to farm. We need this bill to enable landholders to say, ‘We don't want this activity on our farm’. Western Australians need this bill so they can say, ‘We don't want this activity on our farms’.

I would like to finish by quoting Ian James, a farmer from Cunderdin, whom I have worked with quite a lot. He is a wonderful man and very insightful. He said, about unconventional gas:

It's a landscape holocaust, which is really going to be unstoppable under current laws.

The farmers have absolutely no rights, and the gas companies are intent on opening up and mining on all this land.

I want to help Ian James, to give him some power to refuse this rampant activity on his farmland and on other farmland and to give landholders the right to say no.

Senator RHIANNON (New South Wales) (11:02): I welcome this important initiative from Senator Larissa Waters—the Landholders’ Right to Refuse (Gas and Coal) Bill 2013. It is an opportunity for this parliament to consider the very future of our nation. We go to issues here that are critical to food security and to protecting our water resources, which are
obviously central to how we function as a society and to the strength of our economy. The role of our agricultural industries needs to be maintained, and, at the moment, under present federal and state laws, farmers are put in a very difficult situation. I travel extensively in rural New South Wales and have heard stories of people just trying to protect their land, so often not being able to do their farming because they are often in court or at meetings or are writing submissions on issues that should have been worked out long ago. That is why we need to pass this legislation.

This legislation is about protecting the economy from the one-track path that successive governments—sadly, along with the big end of town, where the mining companies come from—have pushed us towards. Wherever the mining industry wants to go, it goes. What we have seen time and time again is that whatever the mining industry wants from governments the mining industry gets. Even when there are wins—and sometimes communities do get wins in the court—you will see governments then amending the legislation to stop those aspects of the laws being used by communities. So endangered habitat, water resources, agricultural land and regional communities are all suffering at the hands of mining companies that are putting their own interests—their profit lines—first and not looking at the immediate needs of our communities or long-term issues. This policy of ‘dig it up and sell it off’ really does not work. We cannot have the narrow focus which comes with that approach.

Farmers across the country have been struggling for years with the rapid expansion of the mining industry. Even if they are not coerced into agreements—and that certainly happens; I have heard many stories from farmers about how they have been intimidated and left few options by mining companies moving into their area—when the agreements are reached, landholders, if they have not already sold up, are not left many options. Some find that they cannot even sell their land, because by now they are surrounded by mines and it is not attractive for anybody else to buy. The mining companies know that they have bought out most of the land and that they can get away with it. Some of the landowners are then bound by confidentiality and cannot speak about their situation.

There are many moving stories of farmers taking these giant multinational mining companies on, and it is worth sharing some with you. One that I was inspired by, because it was such an extraordinary David-and-Goliath struggle, was the protracted battle of Ian and Robyn Moore, cattle graziers in Jerrys Plains in New South Wales. This really illustrates the need for this legislation. They were forced to allow NuCoal on to their land. Mr Moore is actually legally blind, and his ability to run the farm is dependent on his visual memory. He told of how he was nearly in tears when he discovered the intention of this mining company to explore on his land. These farmers, as well as fellow farmer Bryan Chapman, described the way in which the community was divided, with some people actually spying on their neighbours and threats being made against those who resisted mining. That is one of the saddest aspects I find when I go to these communities—division where you have had very united communities who have had a rich life, often over many generations of farming, and then this is what it comes to. The Moores’ story is significant because it is a most blatant example of a government colluding with the mining industry.

The granting of the Doyles Creek mine exploration licence was found by the corruption watchdog ICAC to be corrupt—and, thankfully, five years later it has now been stopped. But imagine the stress that the Moore family and Bryan Chapman have gone through as they have
tried to deal with this. The Moores' comments to the *Newcastle Herald* on this is telling. They said:

We haven't got university degrees; we are just farmers. Why should we have to fight like this to defend our livelihoods?

That was a point that Senator Christine Milne made when she spoke about the direct actions—the courageous, innovative stands that these people are taking—and that they should not have to do that. These people want to get on with their farming or their small businesses in the country town—they want to be able to get on with their daily work—but so often they have to take on these mining companies in what are incredibly challenging battles.

The stories that come out of these communities are from right across the country. I also pay tribute to cattle farmer Wendy Bowman, in the Upper Hunter, from whom I have learnt a great deal in terms of how she has very consistently fought, for more than a decade. In fact, it would go back much longer than that. When the mining companies came to the Upper Hunter they saw the threat that was posed to not just their very livelihood but also to the future of fertile land in this wonderful valley. Wendy's farm is largely surrounded by mines these days but she continues to battle these companies.

This is not always a depressing story in terms of how these struggles are taken on, because the rampant invasion of the mining industry has caused something really extraordinary to happen—and that is reflected in the bill. People from all over the country and from all walks of life are calling on their governments to slow down. They are taking a common-sense approach. It is obvious that something is amiss. You just have to travel through these mining areas and talk to the communities to see that clearly something has to change.

This is where I pay tribute to mining-affected communities and to the Lock the Gate movement, which has grown exponentially by linking up people who have just recently been facing similar problems to those which more experienced farmers have had to face and sharing their knowledge, working out how they can write their submissions and even talking about taking direct action and going to the workshops. It is truly inspiring how this struggle is gathering momentum across the country.

I particularly wanted to mention Liverpool Plains, where both the Pilliga and Maules Creek are under threat from different mining projects. I was in the area recently and the campaign was so impressive, with such a diverse range of people taking action there. Only last weekend 600 people in the town of Narrabri gathered to voice their concerns over the extensive plans that Santos has to produce coal seam gas in the Pilliga.

Then, in February just past, Coonamble farmer Mark Robertson locked himself to the gates of the coal seam gas drill-rig in the Pilliga. Also in the Pilliga, more recently, Coonabarabran farmer Ted Borowski brought a massive line-up of coal seam gas trucks to a halt by locking himself to one of them.

They are courageous actions, and it takes a lot of consideration to take those steps. These people should not be put in this position. It is common sense that we allow farmers to protect their land. They should not have to be fighting against the industrialisation of their landscape.

A number of the members of the Lock the Gate allowance are in the gallery today, and I commend their work. I look forward to meeting with them later today and learning more about the great work they are undertaking. I congratulate my colleague Senator Larissa
Waters. This is a bill that should pass this chamber. It is one small way we can help ensure that we protect our farming land and our water resources.

**Senator WHISH-WILSON** (Tasmania) (11:11): I also rise to support the Landholders' Right to Refuse (Gas and Coal) Bill 2013. I am very proud of the leadership shown by Senator Waters in bringing this to the Senate, because this is exactly where this type of bill needs to be debated.

As a Tasmanian I have a really simple proposition to put to the Senate today. My colleagues have done a very good job of explaining the risks of coal seam gas to farming communities and to the environment. Tasmania is a bit different in the sense that we have not had any coal seam gas exploration. However, six months ago we had official applications put in, through the state government, for exploration for shale gas—which of course is a little bit different from coal seam gas but which nevertheless has also been dogged by significant problems and community division in countries like America and Canada where shale gas is more common.

I am not going to dwell on going through the risks; they have been very well covered today. The proposition I want to put here today is that Tasmania just does not need coal seam gas. It really does not need it. It is not that it just does not need the conflict or the threats to what is the best asset in my state—that is, some of the richest soils with some of the highest rainfall in the country. Our competitive advantage is around our agricultural industry, and this will cause division and fear in our communities. But Tasmania does not need it because 86 per cent of our power generated in Tasmania is renewable and because it is very achievable for us, in the next six years, to reach 100 per cent renewable.

Apart from Iceland this is a unique proposition for my state, and a proposition that we can take and develop around our brand—our clean, green and clever brand. We hear those terms used often but I would like to highlight for the Senate today that those words were first coined by the Leader of the Australian Greens, Senator Christine Milne: clean, green and clever. Those words are often quoted, but they are absolutely critical to the brand of my state. Because we are an island on the bottom of Australia and close to the bottom of the world, we need advantages and we need to trade on those advantages. The fact that we are close to being 100 per cent renewable is pretty special and pretty unique.

The history of this comes from hydro-electric power. Of course, that hasn't been without its controversies in the past. I recognise here today that unintended consequences are something that we deal with in our society, and certainly something parliamentarians deal with.

We now have a situation where we have a state owned enterprise, Hydro Tasmania, that owns the assets and the generation of power from hydro. They have also invested significantly in other types of renewable energy generation, such as in very large wind farms—including potentially the biggest wind farm in the Southern Hemisphere, on King Island, a $2 billion project that will generate a significant proportion of this country's renewable energy if it goes ahead. There is also research and development going into areas like tidal power in places like Flinders Island and the Tamar Valley, where I live. I know some of the PhD students at the Australian Maritime College who are working on these projects.
This is innovation around clean tech and clean energy. This is the future of Tasmania. Why are we even contemplating letting in exploration companies that, I must say, look like penny dreadfuls to me? I should be careful about that term, because I used to be a stockbroker. They do look like very small companies with very low share prices. I cannot help thinking about the opportunistic grab to try to find gas buried deep below the beautiful fields of Tasmania—a very isolated place a long way from gas markets.

This brings me to the next question I want to raise, and I would like to answer it too. Do we have gas already in Tasmania? It is a bit of a sordid history. Babcock & Brown built a gas fired power station, the Tamar Valley power station—sometimes referred to as the Bell Bay Power Station—over a decade ago. Because Babcock & Brown ran into financial troubles, that station was purchased by the Tasmanian government for around $100 million. It is not currently operational, and there have been rumours that it has not been operational for some time. Official statements I could find this morning, from Hydro Tasmania, were that it ‘stands in operational readiness’. In other words it is a backup power station. But to get gas to that power station it cost $400 million to build a pipeline under the ocean, from Victoria into Tasmania. That $400 million pipeline was recently sold for half that price—$200 million.

In Tasmania we face a situation where we actually have the potential for a surplus of power. Because we still have one or two large users of hydro-electric power in Tasmania, like the Comalco operation in Bell Bay, we face a very significant risk that these types of operations are going to shut down, and it is only a matter of time before they do. They have done so recently in Victoria—in Geelong—and Comalco’s refinery in Bell Bay is one of the oldest in the country. We will have a significant surplus of power.

So at this critical juncture my state faces the issue of what to do with the power. How do we sell it? How do we capitalise on this advantage? These are all big decisions that have been looked at strategically by the state government and no doubt by many senators in this chamber. So why are we even contemplating opening up access to a new source of energy and gas that we do not need? It will be very difficult to sell in Tasmania and overseas. The tyranny of distance just happens to be a geographical fact in my state. More importantly, we are very close to being 100 per cent renewable.

I would like to take the opportunity today to commend my state colleagues, in particular Cassy O'Connor, recently a minister in the Labor/Greens government. Under her four years as a minister in government she instituted what was called Climate Smart Tasmania: A 2020 Climate Change Strategy. It is the most comprehensive plan by any Australian government to reduce carbon emissions and help communities adapt to climate change and issues around climate change. It has been built on nearly a decade of careful research and consultation. It aims to eliminate the use of dirty fossil fuels, which includes gas from coal seam or shale. Our dirty fossil fuel usage is about 14 per cent of our energy.

In the last four years, Cassy’s department has put up more than 80 strategies on public transport, new energy ratings for buildings, carbon farming initiatives and forest sequestration, including a lot of significant research into carbon farming through the University of Tasmania and other research institutions. So we are making real progress in Tasmania.

We have also invested around $18 million to provide energy efficiency upgrades to nearly 10,000 low-income homes in Tasmania. I am also proud to say we have rolled out a state
initiative to help farmers have access to renewable energy projects, such as solar panels. It is remarkable how just a few simple energy-efficiency tweaks can make a major difference to a family or to a community's health and happiness. It also has the potential in the future to significantly reduce power costs and power bills.

But, once again, you need incentives in place for renewable energy. You need incentives in place to generate energy efficiency schemes. These incentives have to be provided by strong leadership to transition our economy into a low-emissions future and to reduce the impacts of climate change, not just in Tasmania but also nationally. We have discussed this in this chamber this week ad nauseam.

I am very proud that my party nationally and at state level—and it cannot be disputed—has been the party that has been pushing this transition in our economy. The Clean Energy Australia Report said that in Tasmania renewable energy or clean tech was estimated to produce 2,000 new jobs in my state, which desperately needs new jobs and new employment. This was also backed up by the Climate Institute, who said that the renewable energy sector would generate thousands of jobs.

Not only do we need strong signals like a price on carbon and all the schemes in the clean energy package that are bringing on the structural change that creates jobs, creates innovation and drives research into new areas but also we need to think about the environment, because the two go together. Trying to bring a dirty, divisive and totally unnecessary new industry into my state should not be contemplated. I am very grateful to Senator Waters for bringing this bill on today and giving me the chance to talk about a very optimistic view of Tasmania’s clean energy future and why we do not need shale gas.

Senator WATERS (Queensland) (11:23): I rise to make some concluding remarks about the Landholders’ Right to Refuse (Gas and Coal) Bill 2013. I am really proud of all of my fellow Greens senators for the contributions they have made, speaking on behalf of the communities in their respective states about the rights of those people to clean air, to clean water, to a healthy climate, to strong and united communities and to continue to grow the food that we all rely on into the future.

I was saddened that we did not have any contributions from the government, either the Liberals or the Nationals, on this bill, particularly when those folk have been so hasty in the bush to make promises to people. Sadly, they did not see fit today to make a contribution on this issue to say that they support it or oppose it. They have instead chosen to remain silent. I understand that is because they do not support this bill and because they think it is not their problem but the problem of state governments to fix this issue. The state governments are not fixing this issue, and it is about time—in fact, it is well past time—that the federal government stepped in and gave the communities that we are all here to represent the right to protect their land, their water and our climate from these dangerous industries.

With great sadness, I want to particularly mention some of the Labor Party’s contributions to this debate. Senator Farrell was talking about the donation made by Santos—one of the big coal seam gas companies in this country—to the National Party. Somewhat perplexingly, he was defending Santos and the donation that they had made to the National Party. He went so far as to describe Santos as a good corporate citizen. He said that he had not heard any complaints from the community about Santos. Senator Farrell perhaps needs to listen a bit more closely to communities who have been tossed aside and bullied by Santos and a number
of the other big coal seam gas companies. To be honest, I was horrified to hear the Labor Party defending the rights of coal seam gas companies to buy support from other parties. That is horrific. He then went on to say that this parliament should not put impediments in the way of coal seam gas. We have some folk up in the gallery from Lock the Gate. Are those people impediments? Is their health an impediment? Is a continued fresh water supply an impediment? Is food security an impediment? Is a healthy climate an impediment? Is the integrity of our ecosystems an impediment to Senator Farrell? I was incredibly disappointed. Those things are not impediments; they are fundamental rights that all of us here in this chamber should be defending. The primacy of the private profits of multinational corporations over the rights of communities, the environment and our health is an insidious disease and it seems to have infected all parts of this chamber.

We know from studies done by the Australia Institute that many of the profits of those companies flow offshore. From memory I believe that 86 per cent of mining profits flow offshore, and I include gas mining in that term. That the private profits of overseas multinationals should somehow trump the health of communities, land, water, the climate and the reef, and that those things should merely be an impediment to those private profits, is incredibly disappointing. Sadly, it says to me that the fossil-fuel companies have got their hold on all of the big parties in this place.

One of the other speakers—and, again, there were no government speakers, so I am referring to the Labor speakers, because they at least did make a contribution, albeit to oppose the bill—Senator Furner, talked about the jobs that the coal seam gas industry in particular has provided, as he claims. I would say two things about that. Look at the job figures that were promised by those companies in their environmental impact statements and then look at the reality. You will find a great disparity, and that is not an uncommon occurrence. We routinely see vastly inflated claims about job numbers spruiked in the early approval stages for these big projects; then we see the reality, and the numbers rarely eventuate. The jobs are rarely for locals, they are often fly-in fly-out workers, and rarely does the time frame for those jobs ever provide any meaningful support to those people.

I want to mention another key point. What about the jobs in agriculture? What about the jobs in tourism industry? Why is it that those jobs are somehow worth less than jobs at coal seam gas companies? I do not understand. We have long-term, sustainable jobs in agriculture and tourism that could last us and could prop up this economy for years to come, and yet somehow they are less important than the short-term jobs for fossil-fuel companies. It does not add up in terms of the time frame for those jobs, and it does not add up in terms of the sheer numbers. At last count—and I acknowledge that my ABS figures are perhaps a year or so out of date—there are about 30,000 people in the mining industry in Australia. We have 63,000 people who need a healthy Great Barrier Reef for their livelihood so, even on a pure numbers parameter, that does not stack up. So I take great umbrage at Senator Furner's ability to sadly parrot back the rhetoric of the coal seam gas companies rather than properly consider the effect that this industry has on agriculture and tourism. Coal seam gas threatens the surface operations of farming and it threatens the groundwater. It cannot coexist with agriculture. It cannot coexist with a thriving tourism industry when there are national landscapes across the country, which have been listed, threatened by coal seam gas and coalmining. Then there is the Great Barrier Reef, our greatest tourism asset, likewise
threatened by the export of those commodities. Some jobs are more important than others, it seems.

I again flag my concerns with the 'fan-girling’—if I can use the common term—that we saw from Senator Farrell in relation of Santos. He said that they are good corporate citizens and that we should not be putting impediments in their way. I do not like to get personal but, Senator Farrell, we are all here to represent people and to represent our communities; we are not actually here to represent Santos. They are doing pretty well by themselves.

I would ask all senators to reflect on the fact that we have had a delegation from Lock the Gate in this place this week seeking meetings with each of you, I understand. Certainly some senators and many members have met with that delegation, as they should. We get a lot of lobbyists walking these halls—a lot of big mining companies, a lot of gas companies, a lot of the big end of town. They get ready access to governments, whichever colour they are from. It is not often that the community has their voice heard or reflected. Now is the most crucial time for that to happen. As I say, we still have Lock the Gate folk in the public gallery and they have been here all morning. They will remain be here today. I would urge them, please, to continue to seek meetings with the folk who are from their states that they are here representing.

We have had no speakers from the government. I want to just highlight my disappointment that they say one thing when in the bush and then do another when they are in this chamber. Their election commitment document was very clear. I mentioned it earlier and I would like to mention it again because, as far as the coalition go, it is an okay policy position. It is not as strong as the Greens would like, but they do say that access to prime agricultural land should only be allowed with the farmers’ agreement. Tony Abbott made that promise to Debbie Orr in Tara in Queensland, which is where I am from. Nobody should be forced to have a gas well on their property. I welcome those comments. We agree, so please follow through. It is not okay to say one thing and then do the opposite or, worse, stay completely silent when legislation—the genesis of which was your original remarks—is now before the parliament for debate. Silence is not okay.

I acknowledge Senator John Madigan for the contribution he made and for his support for this bill. He made a very considered contribution, I thought, and referred to the science and to the uncertainty of long-term water impacts, which is precisely what the National Water Commission and the CSIRO have been warning this government and the last government about. I acknowledge and welcome that support. I am disappointed that his was a lone voice outside the Greens on this issue. We have had no contributions from the Nationals and nothing from the Liberals. We did not hear, sadly, from Senator Xenophon. We have had two contributions from Labor, who were so full of praise for the coal seam gas companies that one found it hard to not feel physically ill. Once again we see an issue where it is the Greens and a handful of others speaking supporting the community, and the rest are in bed with the mining industry. I think people across the country who are watching this debate will feel really let down. The contrast between the short-term interests of a vested few and the long-term interests of the nation have been brought into stark contrast this morning.

We are in an age of food insecurity and we are in an age of climate change on a continent that is in a permanent age of water constraints. But we are also in an age where we can run our cities and homes with renewable energy. We know that we have the technology. We
know that renewable energy production is actually more job intensive than traditional fossil fuel energy sources. We know, of course, that renewable energy does not have the terrible climate impacts that fossil fuel sources do. We know that we should be in an age where people have the right to be represented in this chamber, and where communities should have the right to resist the invasion of their properties by self-interested, profit-hungry, multinational corporations who want to destroy their land and water to make a quick buck and then bugger off and leave them with the remainder of what was once good quality farmland. These corporations rob future generations of the ability to keep farming that land and rob those communities of their heart, their soul and their sustenance.

I am hoping that between now and when this bill comes to a vote, which will be soon, people will have a change of heart. Sadly, with the contributions that we have seen this morning that looks incredibly unlikely. We Greens do not give up and neither does the community. I want to once again pay tribute to the Lock the Gate Alliance members who have been here this week. I want to particularly single out Drew Hutton who is the grandfather of that movement. He has really given people in the community hope, and they do have cause for hope. I have a fundamental belief in the goodness of people in this chamber. Clearly we have incredibly different policy perspectives on this and on a number of other issues, but I do like to think that we are all open to science and that we can act as rational representatives for our communities.

I acknowledge that there are, at least, some senators in the chamber as often, when you give these speeches, there are not. Thank you for being present. I would urge you to listen to the community, to listen to the science and to think long term about the sustainability of the industries that we support in this country. Our water is too precious to lose. Our food security is on a knife edge. Our climate will affect our grandchildren's future and the future of every other single creature and human being that we share this planet with, as well as those to come. I urge your support for this bill.

The PRESIDENT: The question is that this bill be now read a second time.

The Senate divided. [11:40]

(The President—Senator Hogg)

Ayes ...................... 9
Noes ...................... 44
Majority .................. 35

AYES

Di Natale, R
Madigan, JJ
Rhiannon, L
Waters, LJ
Wright, PL

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

NOES

Back, CJ
Bilyk, CL
Bishop, TM
Cameron, DN

Bernardi, C
Birmingham, SJ
Brown, CL
Carr, KJ

CHAMBER
Question negatived.

PETITIONS

The Clerk: Petitions have been lodged for presentation as follows:

Atypical Haemolytic Uremic Syndrome: Life Saving Drugs Program
This petition of concerned Australians calls on the Australian Parliament to support Government funding for Soliris through the Life Saving Drugs Program (LSDP) for patients living with aHUS.
by Senator O'Sullivan (from 11,335 citizens).

Atypical Haemolytic Uremic Syndrome: Life Saving Drugs Program
Help save the lives of the two-in-one million Australians living with ‘aHUS’ — an ultra-rare, life-threatening, genetic disease.
Sign our petition today to rally the Australian Government to fund 'Soliris' on the Life Saving Drugs Program (LSDP) for those patients who require urgent access to this life-saving treatment.
Soliris is the only treatment proven to prevent premature death and vital organ damage in patients living with aHUS. Without Soliris, one-in-two aHUS patients will die, require dialysis or develop permanent kidney damage within a year of diagnosis.
Share this petition with members of your community today and encourage others to support this life-saving cause. Gather as many signatories as possible, noting this petition is limited to Australian citizens or residents only. For more information, head to www.ahus.com.au
This petition of concerned Australians calls on the Australian Parliament to support Government funding for Soliris through the Life Saving Drugs Program (LSDP) for patients living with aHUS.
by Senator O'Sullivan (from 10,322 citizens).

Kangaroo Island: Proposed Seismic Testing
To the Honourable President and members of the Senate in Parliament assembled:
The petition of the undersigned shows:
Kangaroo Island is a place filled with natural wonder that people from all corners of the globe love and appreciate.

Seismic testing poses significant threats to marine life, causing disruption to breeding and feeding patterns.

Australians do not want Environment Minister Greg Hunt to approve Bight Petroleum’s application to undertake seismic testing off the coast of Kangaroo Island because of the associated threats to the community, economy and environment.

Your petitioners ask that the Senate:

Call on the Environment Minister to recognise the ecological, economic and social significance of Kangaroo Island – to those who reside on the Island and the broader South Australian community; and

Urge the Environment Minister Greg Hunt to use his powers under the Environment Protection and Biodiversity Conservation Act to decide against the proposed action.

by Senator Wright (from 1,180 citizens).

Petitions received.

Atypical Haemolytic Uremic Syndrome: Life Saving Drugs Program


Leave granted.

Senator KROGER: I seek the indulgence of the Senate chamber, because Senator O’Sullivan has not made his first speech yet. There is a standing practice—although I understand there are no technicalities that prohibit it—that a senator does not speak to any aspect of business before the chamber before making their first speech.

Senator O’Sullivan says that today we have accepted two petitions with very similar wording, where some 22,000 Australians have expressed support for those amongst us who are suffering from the extremely rare condition of atypical haemolytic uremic syndrome, known more commonly by the acronym aHUS. There is a further petition, with 27,000 signatures to be tabled in this place at the next sitting, with a similar intent to the one presented today.

Those 50,000 Australians are supporting a campaign to have the drug Soliris included in the Life Saving Drugs Program, so that sufferers can have access to a drug that has a proven impact on the prevention of death and organ failure. This is an aggressive, ultra-rare, life-threatening condition, and I want to place on the record that we are very happy to support the petitioners in their request on behalf of those afflicted with the condition. I thank senators for the Senate's indulgence.

Kangaroo Island: Proposed Seismic Testing

Senator WRIGHT (South Australia) (11:46): by leave—I am proud to speak today on the petition to protect Kangaroo Island. It contains the signatures, obtained in just a few short weeks, of 1,180 people who want to see beautiful Kangaroo Island, off the coast of South Australia, protected from the risks of oil and gas exploration off its coast. They do not want to see seismic testing, with its threats to the marine environment, tourism and fishing, and they do not want to see the risks that would come with oil drilling.
As of Friday, Bight Petroleum have withdrawn their referral and plan to resubmit it under the new, streamlined application process through NOPSEMA. These signatures come from far and wide—from people who call KI home, other Australians and even people from overseas who cannot believe we would risk losing the very things that make this place so precious.

Bight Petroleum's proposal makes no sense. It is all risk and no gain for KI, and this petition ensures that decision makers know this. The Greens will continue to stand up for the KI community, and it is my privilege to speak to this petition today.

NOTICES

Presentation

Senator Siewert to move:
That the Senate—
(a) notes that:
   (i) on 21 August 2009, the Montara wellhead platform drill rig owned by PTTEP Australasia suffered a wellhead accident, resulting in the uncontrolled discharge of oil and gas until 3 November 2009, a total of 74 days,
   (ii) the resultant oil spill flowed into Indonesian waters to a 'significant degree', a fact acknowledged by the Montara Commission of Inquiry in 2010,
   (iii) the impact of the spill outside of Australian waters was not assessed and no comprehensive study has been carried out to date,
   (iv) there is a great deal of concern in communities in the Indonesian province of East Nusa Tenggara, particularly among fishers and seaweed farmers, that the spill has adversely affected fisheries and seaweed farms—there are credible preliminary reports available validating communities' concerns,
   (v) communities affected have yet to receive any compensation for their loss of livelihood, and
   (vi) East Nusa Tenggara is already ranked among the top five priority provinces of the Australian aid program in Indonesia; and
(b) calls on the Government to:
   (i) review the need for an independent study into reported damage in East Nusa Tenggara, and
   (ii) liaise with the victims represented by East Nusa Tenggara provincial governments and their agents, the Indonesian Government and PTTEP, with the objective of setting up an effective working group to progress the matter, and to include representatives of these parties and the Commonwealth.

Senator Rhiannon to move:
That the Senate—
(a) notes:
   (i) the public has a right to know who may benefit from the work of lobbyists,
   (ii) the current regulation that covers lobbyists is deficient as it does not cover in-house lobbyists and lobbying of non-government and backbench members of Parliament (MPs),
   (iii) in its submission to the inquiry into the operation of the Lobbying Code of Conduct, the Department of the Prime Minister and Cabinet estimated that around 5,000 lobbyists would be required to register if in-house lobbyists were covered by the scheme, compared to 934 entities and individuals currently on the register, and
   (iv) the recent controversy about links between lobbying company Australian Public Affairs and the office of the Assistant Minister for Health (Senator Nash); and
(b) calls on the government to:
   (i) establish an Office of the Commissioner of Lobbying,
   (ii) provide a legislative framework for the regulation of lobbying,
   (iii) expand the scope of who is the subject of lobbying to include all MPs and senators, including cross-benchers and opposition MPs,
   (iv) expand the scope of lobbying to include corporations and organisations employing in-house lobbyists, and
   (v) ban the payment of success fees to lobbyists.

Senator Rhiannon to move:
That the following bill be introduced: A Bill for an Act to amend the Industrial Chemicals (Notification and Assessment) Act 1989, and for related purposes. Industrial Chemicals (Notification and Assessment) Amendment (Ban on Cruel Cosmetics) Bill 2014.

Withdrawal

Senator KROGER (Victoria—Chief Government Whip) (11:47): At the request of the Chair of the Standing Committee on Regulations and Ordinances, Senator Edwards, pursuant to notice given on 5 March 2014, I withdraw business of the Senate notices of motion Nos 1 and 2 standing in his name for the next day of sitting.

COMMITTEES

Selection of Bills Committee

Report


Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE

REPORT NO. 2 OF 2014

1. The committee met in private session on Wednesday, 5 March 2014 at 7.15 pm.
2. The committee resolved to recommend—that—
   (a) the provisions of the Crimes Legislation Amendment (Unexplained Wealth and Other Measures) Bill 2014 be referred immediately to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 15 May 2014 (see appendix 1 for a statement of reasons for referral);
   (b) the provisions of the Fair Work Amendment Bill 2014 be referred immediately to the Education and Employment Legislation Committee for inquiry and report, but was unable to reach agreement on a reporting date (see appendices 2, 3 and 4 for statements of reasons for referral);
   (c) the provisions of the Land Transport Infrastructure Amendment Bill 2014 be referred immediately to the Rural and Regional Affairs and Transport Legislation Committee for inquiry and report by 24 March 2014 (see appendices 5 and 6 for statements of reasons for referral);
   (d) contingent upon its introduction in the House of Representatives, the provisions of the Qantas Sale Amendment Bill 2014 be referred immediately to the Economics Legislation Committee for inquiry and report, but was unable to reach agreement on a reporting date (see appendices 7, 8 and 9 for statements of reasons for referral);
(e) the provisions of the Social Security Legislation Amendment (Green Army Programme) Bill 2014 be referred immediately to the Community Affairs Legislation Committee for inquiry and report by 25 March 2014 (see appendix 10 for a statement of reasons for referral);

(f) the Tertiary Education Quality and Standards Agency Amendment Bill 2014 be referred immediately to the Education and Employment Legislation Committee for inquiry and report, but was unable to reach agreement on a reporting date (see appendices 11 and 12 for statements of reasons for referral); and

(g) the Trade and Foreign Investment (Protecting the Public Interest) Bill 2014 be referred immediately to the Foreign Affairs, Defence and Trade Legislation Committee for inquiry and report by 16 June 2014 (see appendix 13 for a statement of reasons for referral).

3. The committee resolved to recommend—That the following bills not be referred to committees:
   - Adelaide Airport Curfew Amendment (Protecting Residents’ Amenities) Bill 2014
   - Commonwealth Electoral Amendment (Reducing Barriers for Minor Parties) Bill 2014
   - Customs Tariff Amendment (Tobacco) Bill 2014
   - Excise Tariff Amendment (Tobacco) Bill 2014
   - Farm Household Support Bill 2014
   - Farm Household Support (Consequential Amendments) Bill 2014
   - Live Animal Export (Slaughter) Prohibition Bill 2014
   - Governor-General Amendment (Salary) Bill 2014
   - Native Title Amendment (Reform) Bill 2014
   - Quarantine Charges (Collection) Bill 2014
     - Quarantine Charges (Imposition—Customs) Bill 2014
     - Quarantine Charges (Imposition—Excise) Bill 2014
     - Quarantine Charges (Imposition—General) Bill 2014
   - Social Security Legislation Amendment (Increased Employment Participation) Bill 2014

The committee recommends accordingly.

4. The committee deferred consideration of the following bills to its next meeting:
   - Civil Aviation Amendment (CASA Board) Bill 2014
   - Export Market Development Grants Amendment Bill 2014
   - Great Barrier Reef Legislation Amendment Bill 2014
   - National Broadband Network Companies Amendment (Tasmania) Bill 2014

Helen Kroger
Chair
6 March 2014.

APPENDIX 1
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
   Crimes Legislation Amendment (Unexplained Wealth and Other Measures) Bill 2014

Reasons for referral/principal issues for consideration:
   Bill has serious implications for procedural fairness in relation to proceeds of crime matters.

Possible submissions or evidence from:
   Law Council of Australia; other legal bodies

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

Possible hearing date(s):
   April 14/15

Possible reporting date:
   May 15
   Senator Siewert
   (signed)
   Whip / Selection of Bills Committee member

APPENDIX 2
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:

Name of bill:
   Fair Work Amendment Bill 2014

Reasons for referral/principal issues for consideration:
   Detailed consideration of the Government's legislation that amends the Fair Work Act 2009 consistent with the Government's Policy to Improve the Fair Work Laws.

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

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

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

Possible reporting date:
   13 May 2014
   Senator Fifield
   (signed)
   Whip/Selection of Bills Committee Member
APPENDIX 3

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee:

Name of bill:
Fair Work Amendment Bill 2014

Reasons for referral/principal issues for consideration:
- Detailed scrutiny of consequences to employees and their rights and conditions in the workplace
- Thorough consideration of the impacts on union-employee and employer relationships
- Scrutiny of the proposed Individual Flexibility Arrangements
- Any other related matters

Possible submissions or evidence from:

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

Possible hearing date(s):
5 June, 2014

Possible reporting date:
June 5
Senator McEwen
Whip/Selection of Bills Committee Member

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APPENDIX 4

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee:

Name of bill:
Fair Work Amendment Bill 2014

Reasons for referral/principal issues for consideration:
- Research and consideration of Bill's implications
- Consultation with stakeholders

Possible submissions or evidence from:
ACTU, ETU, UFU, NTEU

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

Possible hearing date(s):
15 and 20 April or 15 and 20 May

Possible reporting date:
June 5
Senator Siewert
APPENDIX 5
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
   Land Transport Infrastructure Amendment Bill 2014
Reasons for referral/principal issues for consideration:
   The impact of the Bill in terms of Commonwealth spending on infrastructure and the relationship between Commonwealth and State funding of infrastructure. The impact of the Bill in terms of thresholds that are required to be met before infrastructure projects funded by State or Commonwealth governments are not put out to public tender.
Possible submissions or evidence from:
   Infrastructure Australia, Public Transport Users Association, Sub-Contractors Association.
Committee to which bill is to be referred:
   RRAT
Possible hearing date(s):
   28 March
Possible reporting date:
   13 May
   Senator Siewert
   (signed)
   Whip/Selection of Bills Committee Member

APPENDIX 6
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
   Land Transport Infrastructure Amendment Bill 2014
Reasons for referral/principal issues for consideration:
   • Scrutiny of detail of legislation
   • Scrutiny of impact of legislation on road, rail, intermodal programs
   • any other related matters
Possible submissions or evidence from:
   • Infrastructure stakeholders
   • Department of Infrastructure & Regional Development
Committee to which bill is to be referred:
   Rural and Regional Affairs and Transport Legislation Committee
Possible reporting date:
  March 24, 2014
  Senator McEwen
  (signed)
  Whip/Selection of Bills Committee Member

APPENDIX 7
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
  Qantas Sale Amendment Bill 2014
Reasons for referral/principal issues for consideration:
  To evaluate the impact of proposed amendments on the aviation sector and the wider Australian economy.
Possible submissions or evidence from:
  Qantas, unions covering the Qantas workforce eg. ASU, TWU,
Committee to which bill is to be referred:
  Rural and Regional Affairs and Transport
Possible hearing date(s):
  31st March/1st April
Possible reporting date:
  13th May
  Senator Siewert
  (signed)
  Whip/Selection of Bills Committee Member

APPENDIX 8
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
  Qantas Sale Amendment Bill 2014
Reasons for referral/principal issues for consideration:
  • Scrutiny of detail of legislation
  • Scrutiny of impact of legislation
  • Impact on other Acts
  • any other related matters
Possible submissions or evidence from:
  • Aviation stakeholders
  • General community
Committee to which bill is to be referred:
Rural and Regional Affairs and Transport Legislation Committee

Possible hearing date(s):
March

Possible reporting date:
24 March, 2014
Senator McEwen
(signed)
Whip/Selection of Bills Committee Member

APPENDIX 9
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Qantas Sale Amendment Bill 2014
Reasons for referral/principal issues for consideration:
Consideration of the opportunities the Bill will provide for Qantas to increase its competitiveness through the harmonisation of Australia's aviation regulatory framework.
Possible submissions or evidence from:
Qantas
Virgin Australia
Regional Express Airlines
Aviation Associations
Committee to which bill is to be referred:
Senate Economics Committee
Possible hearing date(s):
To be determined by the committee
Possible reporting date:
17 March 2014
Senator Fifield
(signed)
Whip/Selection of Bills Committee Member

APPENDIX 10
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Social Security Legislation Amendment (Green Army Programme) Bill 2014
Reasons for referral/principal issues for consideration:
- Consideration of the industrial and workplace safety coverage of the program.
- Scrutiny of income, tax and benefit payments
- Consideration of training hours, outcomes and accredited recognised training.
- Any other matters.

Possible submissions or evidence from:
- ACTU
- ACOSS
- Welfare Rights
- Job Services Australia
- Department of the Environment/Social Services/Employment

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

Possible hearing date(s):

Possible reporting date:
- 25 March 2014

Senator McEwen
(signed)
Whip/Selection of Bills Committee Member

APPENDIX 11
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:

Name of bill:
- Tertiary Education Quality and Standards Agency 2014

Reasons for referral/principal issues for consideration:
- The Bill requires further scrutiny and consultation with higher education providers, students
- Principle issues for consideration include possible ramifications of: changing TEQSA’s delegation power; changing Ministerial power of direction; and dismissing commissioners through legislation
- To what extent the Bill addresses the findings of the Review of Higher Education Regulation.
- To what extent the Bill will affect quality assurance and accountability in the higher education sector

Possible submissions or evidence from:
- Professor Kwong Lee Dow, Professor Valerie Braithwaite, Group of Eight, Innovative Research Universities, Regional Universities Network, Australian Technology Network, Universities Australia, Council for Private Education and Training, Council of International Students, Australian public and private higher education providers.

Committee to which bill is to be referred:
- Senate Education and Employment Legislation Committee
Possible hearing date(s):
Dependent on submissions

Possible reporting date:
16 June 2014
Senator McEwen
(signed)
Whip/Selection of Bills Committee Member

APPENDIX 12
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Tertiary Education Quality and Standards Agency Amendment Bill 2014
Reasons for referral/principal issues for consideration:
The impact of the proposed de-regulation across the wider higher education sector, particularly on staff and students is the principal issue for consideration. Another issue to consider is the use of legislation to dismiss the TEQSA commissioners.
Possible submissions or evidence from:
National Tertiary Education Union, Universities Australia, TEQSA, National Union of Students.
Committee to which bill is to be referred:
Education and Employment
Possible hearing date(s):
11 April
Possible reporting date:
18 April
Senator Siewert
(signed)
Whip/Selection of Bills Committee Member

APPENDIX 13
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Trade and Foreign Investment (Protecting the Public Interest) Bill 2014
Reasons for referral/principal issues for consideration:
Investor State Dispute Settlement clauses are extremely complex parts of trade agreements. There is community concern about what the clauses in the recently signed free trade deal with Korea means for environmental and health regulation. The Trans Pacific Partnership Agreement which Australia is negotiating currently also may include ISDS cases.
Australia is still fighting a high profile ISDS case against Phillip Morris regarding plain packaging for cigarettes.

**Possible submissions or evidence from:**
Department of Foreign Affairs and Trade, international trade law practitioners, ACTU, Choice, Business Council of Australia, Australian Chamber of Commerce and Industry, Productivity Commission.

**Committee to which bill is to be referred:**
Foreign Affairs Defence and Trade

**Possible reporting date:**
June 16 2014
Senator Siewert
(signed)
Whip/Selection of Bills Committee Member

**Senator KROGER:** I move:
That the report be adopted.

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:48): I move the following amendment:

At the end of the motion, add, "and, in respect of:

(a) the Fair Work Amendment Bill 2014, the provisions of the bill be referred immediately to the Education and Employment Legislation Committee for inquiry and report by 13 May 2014;

(b) the Qantas Sale Amendment Bill 2014, the provisions of the bill be referred immediately to the Economics Legislation Committee for inquiry and report by 24 March 2014; and

(c) the Tertiary Education Quality and Standards Agency Amendment Bill 2014, the bill be referred immediately to the Education and Employment Legislation Committee for inquiry and report by 20 March 2014."

We are suggesting these dates to the chamber. We recognise the important role that the committees of the Senate play in scrutinising legislation, but we also recognise that there is a significant legislative agenda and that we do need to endeavour to set reasonable reporting dates to enable the passage of legislation in good time. Obviously, that is not in conflict with the committees of the Senate doing their important work.

**Senator MOORE** (Queensland) (11:49): I move the following amendment to the amendment moved by Senator Fifield:

Paragraph (a), omit "13 May 2014", substitute "5 June 2014".

Paragraph (c), omit "20 March 2014", substitute "16 June 2014".

In moving these amendments we strongly support, as Senator Fifield has done, the role of the committees in looking carefully at significant legislation. We have heard, over the last couple of weeks, significant discussion about what the important processes of this place are. The government has moved many times, and publicly stated, that their priorities for the legislative process include a number of bills, but the two of which they speak most often are the repeal of the carbon tax bill and the minerals tax repeal bill. Both of those bills are still before this chamber and are subject to continuing scrutiny and discussion, taking up significant time of senators who wish to take part in that debate.
We heard only yesterday a government senator express concern about the process that they are facing in looking at a range of issues within their committees. On this point, we believe that for the two bills where we have submitted extended reporting dates—the Fair Work Amendment Bill and the Tertiary Education Quality and Standards Agency Amendment Bill—there are real reasons for them to be subject to scrutiny by the community and through the Senate process because they bring in a range of significant changes. These are not bills that simply reflect what the government said they were going to do; they bring in a further range of issues. You would know, Mr President, that the issues of the Fair Work Amendment Bill and the Tertiary Education Quality and Standards Agency Amendment Bill engage a wide range of our community.

Sometimes in committee processes we select a list of what we know as 'the usual suspects'—people who work in these areas. The usual suspects are already aware of the provisions. They are ready to talk about them. They have done the work within their own organisations about consultation and discussion.

We believe that on these two particular issues the impact of the bills has a wider range, and that many people need to know about what exactly is in these pieces of legislation so that they can have their opportunity—the opportunity which this Senate committee process allows them to consider the detail of the legislation, consider the personal impact that that may have and, also, work with the government, the opposition, the minor parties and Independents who choose to take part in the committee process—to look at exactly what will be the best impact for them and also the future impacts that will follow as a result of the change in legislation.

The dates that we propose allow that to happen. I know that there was some discussion about this at the Selection of Bills Committee last night. I believe that there is a real argument that, with the current roles and responsibilities of the committees that we have in front of us—the number of references, both in legislation and in wider areas, that the committees are handling at the moment—the later date allows an effective work program for these committees. It is important that senators have the opportunity to attend, that the community has the opportunity to be engaged and that we are able to look at the process effectively through setting our program. Mr President, as you know, the opposition does not set the program of debate in this place—that is the responsibility of the government.

What we are saying is that the role of our committees is to ensure that there is the best possible opportunity for scrutiny. In fact, we say that the role of committees is to scrutinise. Rushing processes limits the availability and the effectiveness of this scrutiny. We believe that the amendments we have made allow that program to operate more effectively, allow the input that you need to have and, also, provide the best possible information for our Senate to then debate effectively what the legislation is, what it means and what possible amendments could be made. We know the role of the committees is to recommend suggestions for how legislation can be made better and work more effectively. Actually, it is the role of our committees, working through the parliament, to ensure that the legislation is effective. We strongly say that these two dates should be amended to allow that to work.

**Senator Fifield:** Mr President, I just wish to clarify something for the chamber. I think, when moving the motion, in relation to (c) the Tertiary Education Quality and Standards Agency Amendment Bill 2014 I may have inadvertently referred to the foreign affairs
committee rather than the Education and Employment Legislation Committee, though I am certain it was the understanding of all in the chamber that that was the case.

The PRESIDENT: That was the understanding I had of the amendment—that it was the foreign affairs committee.

Senator MOORE: We acknowledge that. I did not pick that up myself, so thank you.

Senator KROGER (Victoria—Chief Government Whip) (11:55): I rise to speak on the Selection of Bills Committee report and on Senator Fifield's amendment, and I do so with significant reservations and concerns. We have just heard from Senator Moore, the Manager of Opposition Business, how the opposition do not set the program; the government does. Yet I have to say, sitting through that committee meeting last night, it was very blatant, the way in which the opposition are trying to set the program by referring legislation to committees with reporting dates that are close to the end of this Senate and the deadline of 30 June. They are using that as a means to influence what we can and cannot debate in this place.

I think that is a great tragedy, because I know as Chief Government Whip and formerly Chief Opposition Whip last year that within the Selection of Bills Committee there was a tremendous will and professional approach to accommodate the wishes of all. When we were in opposition, if we disagreed to a committee reporting date—and there were some good reasons why we did—we would seek to compromise and accommodate the wishes of the then government and agree to a compromise date. At no stage in the Selection of Bills Committee these days is there a willingness or a professional approach to accommodate the will of all parties and discuss a compromise situation. An obstructionist approach is being taken by the opposition. The Greens' blind support for the opposition's position and, likewise, the opposition's blind support for the Greens are yet another demonstration that they are wholly owned subsidiaries of each other. I think that is a great shame for this Senate and a great shame for this country.

I will just go through a few numbers. After the meeting last night I sat down and did some arithmetic. It sounds impressive from the outside. There have been 180 days since the coalition was elected to government—and what a win that was. But those on the opposite side still do not accept that we won a huge majority and that there was a huge swing against Labor and the Greens. Since this parliament commenced on 12 November, 89 hours and 12 minutes have been spent on business other than government legislation. Of the 132 hours and 58 minutes that the Senate has been in session for the 44th Parliament, only 28 hours and 40 minutes—just under 29 hours—have been spent considering legislation. If you do not accept anything else, the facts do not lie.

The suggestion that the government is setting the legislative program—Mr President, I have to say through you: Senator Moore, you are very good at spin, because that in itself demonstrates the way in which you are biasing the legislation that we are dealing with. We saw it in the Senate yesterday, where there was a disgraceful attempt, a disgraceful stunt, to hijack debate in this place; we spent hours discussing and debating a censure motion that had no basis whatsoever. The matter had been prosecuted through estimates. A whole day of estimates was spent on asking questions about it. You wasted the Senate's time yesterday in bringing forward a censure motion, again using up time that could have been spent on government legislation. You are absolute hypocrites. You should look at Hansard to see what you said last year.
The PRESIDENT: Order! Senator Kroger, you need to withdraw that comment. It is not in order.

Senator KROGER: Thank you, Mr President.

The PRESIDENT: No, you need to withdraw.

Senator KROGER: Mr President—

The PRESIDENT: Senator Kroger, you need to withdraw that comment. You cannot make that comment about people in this parliament.

Senator KROGER: I withdraw that comment.

The PRESIDENT: You withdraw the comment, thank you.

Senator KROGER: I withdraw the comment in relation to any senator individually.

The PRESIDENT: Thank you.

Senator McEWEN (South Australia—Opposition Whip in the Senate) (12:01): I will be very brief in my contribution to this debate. I believe Senator Kroger has a very selective memory about what has happened at Selection of Bills Committee meetings over the long period of time that I have been a member of that committee and also as chair of that committee in the previous government. It is true that most of the bills that are introduced into this parliament are probably not referred to committees for inquiry and pass this chamber with the support of all parties. Some bills are referred to committees for inquiry. In the main, those referrals, which are made by all parties, are agreed upon by recommendation of the Selection of Bills Committee, and that recommendation is subsequently endorsed by the Senate.

But, in my experience, and I am sure in the experience of all senators who have sat on the Selection of Bills Committee, there is always robust debate about the appropriate committee to which to refer a bill and also about the reporting date for a bill. We all understand the importance of setting reporting dates and how that impacts on the business of the Senate. That is why there is robust debate about it. It is an absolute whitewash by Senator Kroger to say that it is all sweetness and light at Selection of Bills Committee meetings. That is not necessarily the case. We of course try and reach consensus. When we cannot reach consensus, the committee quite rightly says that it was unable to do so, and the matter is referred to the floor of the Senate for decision. That is what is happening today.

Senator Kroger, unfortunately, your party—or fortunately for us—does not have the numbers on the floor of the Senate, and it is up to the Senate to decide what the reporting dates for these various references of bills to committees will be. I am pleased to be able to engage in the absolutely democratic process that is being undertaken at the moment. I think your description of senators as hypocrites demeans both you and your role as Chief Government Whip in the Senate.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:03): I will keep my contribution fairly short. I indicate that we will be supporting Senator Moore's amendment. In fact, we had a separate referral to the opposition on the Fair Work Amendment Bill 2014 and the Tertiary Education Quality and Standards Agency Amendment Bill 2014, and we will be supporting reporting dates of 5 June and 16 June.

I think that, of the current members of the committee, I have been on the Selection of Bills Committee the longest. We do try to work in a cooperative way in that committee, but it is not
fair to characterise that committee as always agreeing on everything. I would like to remind the chamber that we have had a number of debates in this place regarding disagreements on reports from the Selection of Bills Committee, including under the previous government. A number of senators have also brought separate references to the chamber directly, having not referred bills through the selection of bills process.

It has always been a robust process. We do not always agree, although we try to. Sometimes we just cannot reach agreement on reporting dates through that committee process. I think we should stop canning and caning the selection of bills process and accept that we will not always agree, though we try our hardest to. The right and proper place to have a debate is in this place.

**Senator IAN MACDONALD** (Queensland) (12:05): It is an honour for me to speak after a very fine speech by Senator Kroger and also to highlight how the Labor Party will not accept the decisions of the Australian public as expressed at the last election. I want to emphasise the statistics Senator Kroger cited: 28 hours of the Senate’s time spent on government business and three times that amount taken up by non-government business. The Labor Party are quite clearly living in the past. They refuse to accept the verdict of the Australian public. We have been trying to get through discussion on two bills on the major policy issues that the coalition took to the last election. One of those is abolishing the carbon tax. As an aside, I remind everyone that at the 2010 election the Labor Party promised never to introduce a carbon tax, so they should be voting with us in order to honour their original promise. It was quite clear to everybody that if we won the election we would abolish the carbon tax, and people voted for us on that basis. However, the Labor Party will not even allow the matter to be put to a vote, let alone get on with other business that was clearly given to the coalition in a mandate.

In her contribution, Senator Moore made reference to the fact that there had been some discussion about how busy the Senate committees are. She may have been referring to what I said, because I did raise that twice yesterday. I point out that, on one hand, the Labor Party are saying, 'We need to extend this because there are too many committees,' but, on the other hand, they vote with the Greens to set up yet another inquiry into the recent incident on Manus Island. This is the fifth inquiry into Manus Island. I see the Prime Minister of Papua New Guinea, overnight, has been very critical about a committee of the Australian parliament looking into something that occurred in Papua New Guinea sovereignty, on a Papua New Guinean island, and which the Papua New Guinean authorities are fully investigating. The Labor Party are adding to the work of the committees through this useless inquiry into the incident on Manus Island—an incident that, as I said, is already being investigated by five other properly resourced investigative teams.

It is simply part of the Greens-Labor Party political campaign against the work of the government in stopping the boats. Stopping the boats was, again, a policy that the coalition took to the federal election and, overwhelmingly, it was a policy endorsed by the Australian voter. Yet again, the Labor Party and the Greens cannot accept the verdict of the Australian voter and continue to frustrate the government at every turn in its determination to protect Australia's borders.

If the Labor Party are so concerned, as I am, about useless inquiries being set up by this chamber, they should put their foot down and say to the Greens that they are not going to
willy-nilly, without any care or consideration, support their proposals for yet another inquiry into Manus Island. That is just one example I raise. There are too many committee inquiries being done. The essential work that has to be done by this chamber, which is looking at the legislation that comes through, should take precedence. That should be the work that takes the time and exercises the minds of senators on those committees. You do not delay important legislation. In so doing, you are rejecting the view of the Australian public and stopping the government's legislative program, which it needs to operate.

**Senator KIM CARR** (Victoria) (12:09): I turn to the substance of this proposition we have before us—that is, why do we need an extended period of time? I particularly want to talk about the Tertiary Education Quality and Standards Agency Amendment Bill 2014. Quality and standards are fundamental issues when it comes to our higher education system. I remind the chamber that, if Labor's forward projection on funding and higher education assistance stands, by 2017 we will be spending $17.7 billion every year on higher education in this country. This is a sector of the economy that is producing some $15 billion a year and employing over 100,000 Australians by attracting international students, so the issue of quality and standards is of some significance.

I think we need to state, and the chamber needs to examine, the way in which we have a genuine national regulator for the higher education system—a regulator that is able to preserve the international and domestic reputation of our higher education system in this country, particularly in the context where the government has explicitly put the view that it wants to expand the provision of private operators in the system. We need a regulator that is independent yet accountable. We need to be able to assure the public, given that so much of their money is engaged in the higher education sector, that it is actually money well spent and includes appropriate probity arrangements. We need genuine quality assurance by universities, as they are self-accrediting institutions, but we need a quality assurance regime by those universities that is verifiable. We need to be able to recognise that there will be different approaches for the research system, as there are for the teaching programs in this country. These are significant issues that require our attention.

The last time conservatives were in office and allowed the extension of private operators into the system, we saw a number of very damaging scandals for universities in this country. I just remind the chamber, because I spent a lot of my time on my feet on these issues, of those occasions. I remind the Senate about Greenwich University, which was operating from Norfolk Island and marketing itself as an Australian university. We had the University of Asia, registered in the Turks and Caicos Islands, operating from a post-office box in Adelaide and offering Australian degrees to international students via the internet. We had St Clements University—this was a real beauty—which was operating through a whisky distributing company. These are quite clearly unacceptable, and so the issue of quality assurance and the issue of standards are pretty fundamental to the way in which we operate in terms of our higher education system.

This is a government that dropped this bill into the House of Representatives last Thursday. They dropped in the bill with no consultation. There was no consultation with vice-chancellors; no consultation with the reviewers of the current regulatory regime, Professors Lee Dow and Braithwaite; and no consultation with students. They just dropped the bill in the
chamber—in secrecy yet again. Why? Why would you need to do that on such an important matter?

We know that there was a review process which the Labor government introduced. In fact, the reviewers reported to me, so I am very concerned about pursuing this issue. I will quote directly from the report. Many people may well say what a quality report Professors Lee Dow and Braithwaite produced. They said:

It is easy to recommend apparently straightforward amendments to legislation which appear agreed by everyone. But this is worryingly simplistic, patching individual pieces of legislation can fix functional irritations, but will not necessarily change the way in which the legislation is being applied and why.

If ever there was a reason for proper scrutiny of an important piece of legislation which will have profound consequences for many years to come, it is surely a piece of legislation such as this, and how we develop a system in which there is genuine partnership that allows for a cultural and mutual respect to develop and which we can all be confident will be able to protect the reputation of this country at home and abroad.

**Senator RHIANNON** (New South Wales) (12:14): My colleague Senator Siewert has set out that we will be supporting this amendment. We have just heard from Senator Carr a very clear case for why there should be an extension of the reporting time for the TEQSA bill. So many of the arguments that he put really also should be applied to why there should be an extension of time for reporting on the inquiry into the Qantas Sale Act. As Senator Carr said, the TEQSA bill will have profound consequences for many years to come. He set out the enormous interaction higher education has with our economy and how important it is to the strength of our economy. Well, the same argument could be put for the Qantas Sale Act. We know that there are 32,000 jobs involved in Qantas. That is why the Greens want to put on the record that the committee inquiring into the Qantas Sale Act should have a longer time before it is required to report. The amendment bill has wide-ranging implications for Qantas workers. A fundamental change would be brought about if the Qantas Sale Act is amended. It clearly has implications for the wider economy. That is why we should have time to have considered deliberations on it. Clearly more time is needed. I find it concerning that we have Labor and the coalition working together to provide for only minimal time to undertake this important work. There does appear to be a shift in how Labor is working with the coalition on Qantas, and it is disturbing.

**The PRESIDENT:** The question is that the amendment moved by Senator Moore to Senator Fifield's amendment be agreed to.

The Senate divided. [12:21]

(The President—Senator Hogg)

Ayes ....................37  
Noes ....................29  
Majority ...............8

**AYES**

Bilyk, CL 
Brown, CL 
Carr, KJ 
Dastyari, S 
Farrell, D 
Bishop, TM 
Cameron, DN 
Collins, JMA 
Di Natale, R 
Faulkner, J
Thursday, 6 March 2014

AYES

Furner, ML
Hanson-Young, SC
Lines, S
Madigan, JJ
McEwen, A (teller)
Milne, C
O’Neill, DM
Polley, H
Siewert, R
Stephens, U
Thorp, LE
Urgahart, AE
Whish-Wilson, PS
Xenophon, N

Gallacher, AM
Hogg, JJ
Ludwig, JW
Marshall, GM
McLucas, J
Moore, CM
Peris, N
Rhiannon, L
Singh, LM
Sterle, G
Tillem, M
Waters, LJ
Wright, PL

NOES

Back, CJ
Bernardi, C
Birmingham, SJ
Boswell, RLD
Boyce, SK
Brandis, GH
Bushby, DC
Colbeck, R
Edwards, S
Eggleston, A
Fawcett, DJ
Fifield, MP
Heffernan, W
Kroger, H (teller)
Macdonald, ID
Mason, B
McKenzie, B
Nash, F
O’Sullivan, B
Parry, S
Payne, MA
Ronaldson, M
Ruston, A
Ryan, SM
Scullion, NG
Seselja, Z
Sinodinos, A
Smith, D
Williams, JR

Question agreed to.

The PRESIDENT (12:23): The question now is that the amendment, as amended, be agreed to.

Question agreed to.

Original question, as amended, agreed to.

BUSINESS

Rearrangement

Senator FIFIIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:24): I move:

That—

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

Governor-General Amendment (Salary) Bill 2014
Primary Industries (Excise) Levies Amendment (Dairy Produce) Bill 2014

CHAMBER
Excise Tariff Amendment (Tobacco) Bill 2014
Customs Tariff Amendment (Tobacco) Bill 2014
(b) government business be called on after consideration of the bills listed in paragraph (a) and considered till not later than 2 pm today.

Senator MOORE (Queensland) (12:24): I move:
Omit paragraph (b), substitute:
(b) business of the Senate notice of motion no. 1, proposing the disallowance of the Civil Aviation Order 48.1 Instrument 2013, and business of the Senate order of the day no. 2 (proposed disallowance of the Clean Energy Auction Revocation Determination 2014) be called on after consideration of the bills listed in paragraph (a) and considered till not later than 2 pm today; and
(c) if consideration of the items listed in paragraph (b) concludes before 2 pm, then government business be called on and considered till not later than 2 pm today.

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

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:25): I move:
That the order of general business for consideration today be as follows:
(a) general business notice of motion no. 164 standing in the name of Senator Carr, relating to the shipbuilding industry; and
(b) orders of the day relating to government documents.

Question agreed to.

Leave of Absence
Senator McEWEN (South Australia—Opposition Whip in the Senate) (12:26): by leave—I move:
That leave of absence be granted to Senator Pratt for today, on account of electorate business, and to Senator Wong for today, for personal reasons.

Question agreed to.

NOTICES
Postponement

The following items of business were postponed:

MOTIONS

Lock the Gate Alliance

Senator WATERS (Queensland) (12:28): I move:
(a) notes:
(i) the serious concern shared by communities and experts across Australia about the significant risks coal and gas developments pose to our communities, public health, water resources and natural areas, and

(ii) that in the week beginning 2 March 2014, a delegation of 16 community representatives from the Lock the Gate network have travelled to Canberra from across the nation, seeking the support of their elected representatives to protect their communities, their water and their land; and

(b) calls on the Federal Government to urgently act on the concerns of the Lock the Gate network by:

(i) passing national laws to protect food-producing land from coal and gas mining and give landholders the power of veto over mining on their land,

(ii) protecting communities by establishing a national Environmental Protection Authority and a new Clean Air and Water Act, and

(iii) excluding from the Trans Pacific Partnership Agreement any clause or instrument that undermines the power of Australian governments to protect land, water and communities.

Senator RONALDSON (Victoria—Minister for Veterans’ Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (12:28): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator RONALDSON: Resource development has long been the backbone of Australia’s economy. The resources sector employs thousands of people and supports regional communities across Australia. Coal and gas provide the majority of Australia’s energy needs. The development of resources must occur with the involvement of local communities. That is why this government supports the responsible development of resources under three co-existence principles: (1) access to prime agricultural land should only occur with the farmer’s agreement; (2) there is no long-term damage to underground water supply; and (3) agricultural production is not permanently impaired. Again, I say: this government not only supports but expects the responsible development of resources, with appropriate rights for landholders, and we will continue to work closely with all stakeholders to provide leadership on this important issue.

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

The Senate divided. [12:31]

(The President—Senator Hogg)

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

AYES

Di Natale, R                      Hanson-Young, SC
Madigan, JJ                      Milne, C
Rhiannon, L                      Siewert, R (teller)
Waters, LJ                       Whish-Wilson, PS
Wright, PL

CHAMBER
Question negatived.

COMMITTEES

Foreign Affairs, Defence and Trade References Committee
Reference

Senator WHISH-WILSON (Tasmania) (12:35): I seek leave to amend general business notice of motion No. 5 standing in my name by omitting '14 May' and substituting '24 June'.

Leave granted.

Senator WHISH-WILSON: I move the motion as amended:

That the following matter be referred to the Foreign Affairs, Defence and Trade References Committee for inquiry and report by 24 June 2014:

Australia's activities and responsibilities in the Southern Ocean and Antarctic waters, including:
(a) Australia's management and monitoring of the Southern Ocean in relation to illegal, unreported and unregulated fishing;
(b) cooperation with international partners on management and research under international treaties and agreements;
(c) appropriate resourcing in the Southern Ocean and Antarctic territory for research and governance; and
(d) any other related matters.

Question negatived.
Rural and Regional Affairs and Transport References Committee
Reference

Senator STERLE (Western Australia) (12:36): I, and also on behalf of Senators Rhiannon and Xenophon, move:

(1) That the following matter be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 27 March 2014:

The Committee must consider what initiatives can be taken by Government to ensure Qantas remains a strong national carrier supporting aviation jobs in Australia, including:

(a) a debt guarantee;
(b) an equity stake; and
(c) other forms of support consistent with wider policy settings.

(2) That, in conducting the inquiry, the committee should consider:

(a) any national security, skills, marketing, tourism, emergency assistance or other benefits provided by a majority Australian-owned Qantas;
(b) the level and forms of government support received by other international airlines operating to and from Australia;
(c) the ownership structures of other international airlines operating to and from Australia;
(d) the potential impact on Australian jobs arising from the Government's plan to repeal Part 3 of the Qantas Sale Act 1992; and
(e) any related matter.

Senator Rhiannon: Mr President, firstly, a point of clarification: I understood this was going to be moved in the names of three senators—Senator Xenophon's, Senator Sterle's and mine. Can I get clarification on that, please?

The PRESIDENT: I cannot clarify that for you; I do not know. I look to Senator Sterle as the mover.

Senator STERLE: Yes, absolutely—there is no doubt on that.

The PRESIDENT: That has been clarified.

Senator RHIANNON (New South Wales) (12:37): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator RHIANNON: Thank you. This inquiry is indeed needed. This is really where we see the Senate coming into its own. This inquiry should be precisely what the government itself is doing, rather than just pushing Qantas in the direction of foreign ownership where it becomes a has-been airline at the end of its days. This inquiry is the opportunity to have a wide investigation into the options of the government possibly taking an equity stake or a debt guarantee. These are the things we need to explore so we can ensure that Qantas is retained as a strong national carrier and that jobs are maintained onshore. This is the critical work that this inquiry has been set up to achieve, and it is very pleasing that we have been able to come together and finalise the terms of reference for it.

Question agreed to.
BUSINESS

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:38): I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the following bills, allowing them to be considered during this period of sittings:

- Customs Tariff Amendment (Tobacco) Bill 2014
- Excise Tariff Amendment (Tobacco) Bill 2014
- Governor-General Amendment (Salary) Bill 2014
- Primary Industries (Excise) Levies Amendment (Dairy Produce) Bill 2014
- Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014

I table statements of reasons justifying the need for these bills to be considered during these sittings and seek leave to have the statements incorporated in Hansard.

Leave granted.

The statements read as follows—

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2014 AUTUMN SITTINGS

EXCISE TARIFF AMENDMENT (TOBACCO) BILL
CUSTOMS TARIFF AMENDMENT (TOBACCO) BILL

Purpose of the Bill

These bills amend the Excise Tariff Act 1921 and the Customs Tariff Act 1995 to validate changes to tobacco excise and excise equivalent customs duty, which were given effect to under tariff proposals. The changes:

- increase tobacco excise and excise equivalent customs duty through a series of four staged increases of 12.5 per cent each, the first of which took effect on 1 December 2013; and
- index tobacco excise and excise equivalent customs duty to average weekly ordinary time earnings (AWOTE) instead of the Consumer Price Index (CPI). The last CPI indexation occurred on 1 August 2013 and the first AWOTE indexation will occur on 1 March 2014.

Reasons for Urgency

Tariff proposals were introduced in the 2013 Spring sittings to give effect to these changes, the first of which took effect on 1 December 2013. Validating legislation must be passed within 12 months of the tariff proposals to ensure that any additional duty collected under the authority of the tariff proposals was validly collected.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2014 AUTUMN SITTINGS

GOVERNOR-GENERAL AMENDMENT (SALARY) BILL

Purpose of the Bill

This bill sets the salary for the incoming Governor-General.
Reasons for Urgency
The Prime Minister has announced that General Peter Cosgrove AC MC will be sworn as Governor General on 28 March 2014.

The salary of the Governor-General is laid down in the Act and, by operation of section 3 of the Constitution, cannot be varied during the term in office.

In line with convention, the Governor-General’s salary has been calculated to exceed moderately the estimated average salary of the Chief Justice of the High Court of Australia over the notional term of the appointment.

To enable the salary to be set in time, the Governor-General Amendment (Salary) Bill must pass both Houses and receive Royal Assent before General Cosgrove assumes office on 28 March 2014.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2014 AUTUMN SITTINGS

PRIMARY INDUSTRIES (EXCISE) LEVIES AMENDMENT (DAIRY PRODUCE) BILL 2014

Purpose of the Bill
Changes to primary industries levies are brought into effect by government in response to a request from a relevant peak industry representative body. The Primary Industries (Excise) Levies Act 1999 provides maximum amounts or ‘caps’ for each specified levy.

The purpose of the bill is to increase the Australian Animal Health Council (AAHC) levy caps for milk fat and protein to provide a higher ceiling for the levy rates, to allow Australian Dairy Farmers to increase the levies in the future if required. The increase to the caps will not increase the current operative rate of the levies. Should Australian Dairy Farmers consider it necessary to increase the operative rates in future, it will be required to demonstrate widespread industry consultation and majority support—as outlined in the Australian Government’s Levy Principles and Guidelines.

Reasons for Urgency
In the case of the AAHC levy for the dairy industry the current operative levy rates for milk fat and protein are set at the maximum levels. These caps were last set in 1999. Without these cap increases, a risk exists that Australian Dairy Farmers, the peak industry representative body for the dairy industry, will not be able to provide increased funding to AAHC by subscription fees for animal health and welfare initiatives. AAHC subscription fees provide funding for core Animal Health Australia programs to benefit the dairy industry. This amendment was first requested by industry in early 2012 and has been delayed. Introduction and passage in autumn 2014 will ensure that legislative arrangements are in place to increase the levy rates if required.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2014 AUTUMN SITTINGS

TAX AND SUPERANNUATION LAWS AMENDMENT (2014 MEASURES NO. 1) BILL

Purpose of the Bill
This bill will:
- amend the Superannuation Industry (Supervision) Act 1993 to introduce penalties to deter the promotion of illegal early release schemes; amend the Superannuation Industry (Supervision) Act 1993 and the Taxation Administration Act 1953 to provide for administrative directions and penalties for contraventions of the superannuation law by self managed superannuation funds;
- amend the tax law to phase out the net medical expenses tax offset (NMETO) by 1 July 2019;
and
update the list of specifically listed deductible gift recipients.

**Reasons for Urgency**

The new penalties for the promotion of illegal early release schemes, criminalises conduct undertaken after Royal Assent of the bill. Urgent passage is necessary to prevent future inappropriate conduct which is detrimental to the retirement savings of Australia.

The administrative penalty regime will start on 1 July 2014 and the Commissioner of Taxation needs time to implement systems and provide information to industry.

As the NMETO measure commences from 1 July 2013, this measure needs to be enacted by 30 June 2014 or earlier to provide individuals with certainty about the transitional arrangements and their entitlement to NMETO for the 2013-14 income year.

Keeping the list of specifically listed deductible gift recipients up to date is necessary to provide certainty for affected organisations and their donors.

Question agreed to.

**COMMITTEES**

**Legal and Constitutional Affairs References Committee**

**Reference**

*Senator XENOPHON* (South Australia) (12:38): Before moving this motion I wish to inform the chamber that Senator Ludlam's name has been added as a mover of the motion. I, and also on behalf of Senator Ludlam, move:

That the following matter be referred to the Legal and Constitutional Affairs References Committee for inquiry and report by 15 May 2014:

The current investigative processes and powers of the Australian Federal Police in relation to non-criminal matters, with particular reference to:

(a) thresholds, including evidentiary thresholds, relating to the obtaining of production orders and search warrants, and in particular whether these reflect the rules applicable to civil litigation discovery rather than coercive search;

(b) procedures preparatory to seeking production orders and search warrants, including taking into account the conduct of the recipient of such orders;

(c) procedures for executing search warrants;

(d) safeguards relating to the curtailment of freedom of speech, particularly in relation to literary proceeds matters;

(e) safeguards for ensuring the protection of confidential information, including journalists' sources, obtained under search warrants, and particularly where that information does not relate to the search warrant;

(f) the powers available to the Australian Federal Police to intercept telecommunications in circumstances where the matter being investigated does not involve criminal conduct;

(g) the priorities of the Serious and Organised Crime Division, and the circumstances under which they should appropriately be deployed in relation to non-criminal matters; and

(h) any related matters.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: Thank you, Mr President. The government opposes this motion. Both internal AFP governance documents and independent judicial oversight ensure appropriate thresholds are met and issues such as privacy and cooperation are considered prior to the issuing of either warrants or production orders. Both production orders and search warrants under the Proceeds of Crime Act 2002 are issued by order of a magistrate. For search warrants the magistrate must be satisfied by information on oath that there are reasonable grounds to suspect that evidential material or tainted property will be on the premises within the next 72 hours.

Internal AFP governance instruments provide guidance to the investigators in determining the appropriate stage to seek a search warrant. Matters relating to the Seven West warrant and production orders are currently before the courts and it is appropriate to let that litigation run its course before considering referral. Similarly, the actions of some AFP officers are the subject of internal and ACLEI investigations and those should be allowed to run their course.

Question agreed to.

BILLS

Social Security Amendment (Caring for People on Newstart) Bill 2014

First Reading

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:41): I move:
That the following bill be introduced: A Bill for an Act to amend the Social Security Act 1991, and for related purposes.

Question agreed to.

Senator SIEWERT: 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 SIEWERT (Western Australia—Australian Greens Whip) (12:41): 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 SIEWERT: I table an explanatory memorandum, and I seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

SOCIAL SECURITY AMENDMENT (CARING FOR PEOPLE ON NEWSTART) BILL 2014

In a world that is getting harsher, it is government's role to make things easier for all Australians. Punishing job seekers by condemning them to poverty is not contributing to the caring society that the majority of Australians want for themselves or for their children.
The Australian Greens recognise that single people living on Newstart and Youth Allowance are the ones who are the most disadvantaged by Australia’s current income support system. The maximum single rate for Newstart was $246.30 in September 2012; $140 less per week than the rate of payment for singles (including the fortnightly pension supplement) on the age and disability pensions. The maximum rate of payment for Youth Allowance (living away from home) was $203.75 in September 2012; $42.55 less per week than the single rate of Newstart.

The Social Security Amendment (Caring for People on Newstart) Bill 2014 will give effect to the Australian Greens commitment to increase the base payment rate by $50 per week for single people living on Newstart and Youth Allowance (living away from home). The Bill will also index other social security allowance payments and pensions to the higher of CPI, MTAWE or the pensioner and beneficiary living cost index. This will ensure that the gap between pensions and allowance payments does not continue to widen.

Raising the single rate of Newstart by $50 per week, will bring relief to almost a million households on the very lowest rates of income support, including single parent families, by increasing the amount of financial support they receive on a fortnightly basis. The Bill will also ensure that the single rate of Newstart is finally increased to two-thirds of the combined couple rate, as recommended by the Henry Tax Review and 2009 Harmer Pension Review.

The focus on singles is based on evidence that these households are the most at risk of poverty. The ACOSS Poverty Report 2012, which drew on 2010 census data, found that single people generally faced a significantly higher risk of poverty than couples (25% to 9%) while 25.3% of single parent families with children are living in poverty compared with 8.4% of couples with children. This reflects in part the economies of scale available to people living with partners.

As well as assisting people out of poverty, the key reasons for increasing the base rate of Newstart and Youth Allowance include:

(a) the extended length of time that many recipients spend on the payment;
(b) the cost of living pressures faced by those in receipt of the single rate of the allowance; and
(c) the growing gap between the pension and allowance payment types due to different methods of indexation.

A recent inquiry by the Senate Education, Employment and Workplace Relations Committee examined cost of living pressures for allowance recipients including housing, food and the costs of searching for work and concluded its section on the adequacy of allowance payments by stating:

"On the weight of evidence, the committee questions whether Newstart Allowance provides recipients with a standard of living that is acceptable in the Australian context for anything but the shortest period of time."

The inquiry was also presented with evidence from Centrelink that 42% of new recipients of Newstart each year do not transition quickly back into the workforce.

Similarly, many Youth Allowance recipients are expected to be in receipt of the payment for an extended period of time while they complete their studies or look for work. Recipients on Youth Allowance have access to better employment income arrangements, which allow Youth Allowance recipients to build up their income bank or gain working credits and earn more per week before their payments are reduced. However, a single person on Youth Allowance is still on a significantly lower payment than any other allowance recipient and highly likely to be in receipt of the payment for an extended period of time.

The call for an increase in the base rate of allowance payments has received widespread support from not only welfare and social service groups but also from business groups, unions, various economists and members of parliament. The Business Council of Australia argued in its submission to the Inquiry into the adequacy of allowances payments that there is a need for an increase in the
Newstart Allowance on an 'adequacy and fairness basis' and that 'there is concern that the low rate of Newstart itself now presents a barrier to employment and risks entrenching poverty.

The government has acknowledged on a number of occasions that it is not easy for a person to live on the current rate of Newstart allowance. However, the suite of measures that have been introduced by the current Government so far have been inadequate to address the level of need that those on the lowest rates of payment experience while they study or look for work.

For example, the new Income Support Bonus will offer eligible singles the equivalent of around $4 extra a week as a lump sum twice annually. Those who receive it will still be in receipt of payments that are $130 below the poverty line.

Other supplements have been made available to some allowance recipients, but those supplements reflect the higher costs incurred by the recipients, such as illness, high private rental costs, or the costs of raising children and do not resolve the inadequacy of the base payment.

This Bill will directly assist single people living on Newstart and Youth Allowance for an extended period of time by providing them with a more stable, adequate base income.

The gap between the allowance and pension payments is increasing. Between March and September of 2012, the gap between Newstart and the pension (including pensioner supplement) rose by $7, because of the use of different indexation methods. Newstart Allowance is indexed to movements in the Consumer Price Index (CPI) in March and September each year and Youth Allowance is indexed to the CPI once a year in January. Pensions are indexed twice a year (in March and September) by the greater of the movement in the CPI or the Pensioner and Beneficiary Living Cost Index (PBLCI)—an index designed to better reflect the price changes affecting pensioners—and the rise is also benchmarked to Male Total Average Weekly Earnings.

The effect of differences in indexation is that pensions have, since 1997, been increasing in line with wage rises or the CPI while allowances have increased only in line with the CPI—and over this period, wages have generally increased at a greater rate than prices.

The Henry Taxation Review examined the long term impact of this difference in indexation methods and found that:

"... some difference in the level of payments can be justified on the basis of differing needs and presenting different incentives to different groups … Harder to justify is the fact that rates of pension and allowances are not merely different, but the gap between them is widening … If the current indexation arrangements remain in place, it is likely that by 2040, a single pensioner would be paid more than twice as much as a single unemployed person. A continuous decline in Newstart Allowance against community standards would have major implications for payment adequacy and the coherence—in terms of horizontal equity—of the income support system."

This Bill will address the widening gap, by ensuring that these classes of payment are all indexed by the same methodology and that they are in line with changes to both prices and wages.

A $50 increase to the base rate of eligible payments will ensure a fairer, and more straightforward social security system and immediately reduce the extent to which Australian people are living in poverty. Better indexation will help maintain the value of an increase into the future.

I commend the Bill to the Senate.

Senator SIEWERT: I seek leave to continue my remarks later.

Leave granted; debate adjourned.
Competition and Consumer Amendment (Misuse of Market Power) Bill 2014

First Reading

Senator XENOPHON (South Australia) (12:42): I move:

That the following bill be introduced: A Bill for an Act to amend the Competition and Consumer Act 2010, and for related purposes.

Question agreed to.

Senator XENOPHON: 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 XENOPHON (South Australia) (12:42): 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 XENOPHON: I table an explanatory memorandum and I seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

COMPETITION AND CONSUMER AMENDMENT (MISUSE OF MARKET POWER) BILL 2014

[Mr President]

The need for the measures in this Bill is painfully obvious. The amount of power that Woolworths and Coles have over our food industry is genuinely frightening, with the two chains holding around 80% of the dry grocery market. They are the ones who decide whether to stock local or overseas products for a massive part of the market.

They also have influence over the country of origin labelling laws, and despite massive community support for change, we are yet to see any positive and real advances on this front. A Roy Morgan survey of Australian consumers released in August last year found that more than half of all respondents—55%—said that buying Australian-made had become more important to them in the last 12 months. Of those surveyed, a staggering 78% were happy to pay a little extra to buy local.

With control of four-fifths of the market in some categories, Coles and Woolworths are in an extraordinarily powerful position to be part of the solution, or a key cause of the problem. To put this duopoly into perspective, in the UK four separate chains—not two—hold a similar percentage of the market, and in the US the largest chain can only hold around 20 per cent, with the top four only holding 35 per cent. This is thanks to laws that limit the amount of market share a corporate entity can hold.

The United States divestiture laws focus on monopolies and monopolistic behaviour, and so tend to prevent the kinds of issues this Bill addresses before a corporation has enough market share to be able to abuse its power.

We need similar safeguards here in Australia, and that is what this Bill aims to establish.

In case you need any evidence that some suppliers feel bullied and afraid of these two very powerful players, you only need to look to the actions of the ACCC.
In early 2013, ACCC Chairman Rod Sims encouraged suppliers for Coles and Woolworths to bring forward evidence of unconscionable conduct. However, it wasn’t until the ACCC guaranteed a confidential process that suppliers felt safe to provide information.

Mr Sims has also identified the main focus of the ACCC’s attention as being shopper docket schemes. In the last week, the consumer watchdog has launched court action against the two supermarket chains over the fuel shopper docket schemes, following the failure of Coles and Woolworths to abide by the limits set by the ACCC.

These most recent developments are further evidence of their striving for market power in Australia and, as Mr Sims says: "if these shopper dockets continue at these levels, it's going to be very hard for other players to compete and we may end up with just two companies in the country selling petrol". The purpose of this Bill is to give the ACCC and the Courts another option when it comes to tackling misuse of market power. The provisions in this Bill will allow the ACCC, or any other person, to make an application to the Court for a divestiture order. The Court can choose to apply this order when a corporation has breached Section 46 of the Competition and Consumer Act.

The Court also has the option of agreeing to a consent order with a corporation, whether or not a breach of the Act has occurred. A corporation can also offer to enter into an undertaking with the Court, rather than waiting for the Court to issue an order.

Requests for orders can be made within three years of the offence occurring. The Court can order a corporation to reduce its market share or market power within two years.

The provisions in this Bill provide both punitive measures and act as a deterrent. I acknowledge that there are still many concerns about how breaches of section 46 can be proven, and I agree that section of the Act needs to be reviewed. However, it is time that more effective measures were put in place to sanction companies abusing their market power.

The mere existence of such provisions will, I believe, in itself act to change the culture and behaviour of large corporations for the better.

Senator XENOPHON: I seek leave to continue my remarks later.

Leave granted; debate adjourned.

NOTICES
Withdrawal

Senator XENOPHON (South Australia) (12:43): On behalf of myself and Senator Rhiannon I withdraw notice of motion No. 3.

BILLS
Flags Amendment Bill 2014
First Reading

Senator XENOPHON (South Australia) (12:44): I, and also on behalf of Senator Madigan, move:

That the following bill be introduced: A Bill for an Act to amend the Flags Act 1953, and for related purposes.

Question agreed to.

Senator XENOPHON: 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 XENOPHON (South Australia) (12:44): 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 XENOPHON: I table an explanatory memorandum and seek leave to have the second reading speech incorporated in Hansard.
Leave granted.
The speech read as follows—
NATIONAL FLAG ACT AMENDMENT BILL 2014
The aim of this Bill is to require Australian flags flown, used or supplied by the Commonwealth to be made in Australia from materials manufactured in Australia.

The provisions in this Bill follow information disclosed by the Department of Parliamentary Services during Senate Estimates hearings in February 2014. According to the evidence provided by DPS, the Commonwealth procurement guidelines do not allow tenders to specify a country of origin for goods. As such, the flag flying above Australian Parliament House may not be Australian made.

The reasons behind this Bill, however, are not based solely on patriotism; instead, they are prompted by serious concern for Australia’s manufacturing sector.

Senator Madigan and I believe that the Australian Parliament, and more broadly the Commonwealth, should be doing more to support our manufacturing sector. Australian taxpayers deserve to have their money used to benefit the Australian economy. While goods made overseas may be cheaper in the short term, they lack the beneficial long term flow-on effects, such as greater employment, that Australian spending creates.

There are also additional benefits. When the Parliament or Commonwealth tenders to an Australian company, we know that Australian taxpayer money is supporting companies that comply with workplace relations laws, including workplace safety requirements. The recent public outcry that followed the tragic collapse of a clothing factory in Bangladesh last year, which resulted in the deaths of over 1,000 people and injured thousands more, has shown how strongly Australians believe and support workplace rights.

We need to do more to ensure the Parliament and the Commonwealth can support the Australian economy and our manufacturing sector, despite free trade agreements. Most Australians would agree that the flags flying from our Commonwealth buildings are an excellent place to start.

Senator XENOPHON: I seek leave to continue my remarks later.
Leave granted; debate adjourned.

Governor-General Amendment (Salary) Bill 2014

Second Reading

That this bill be now read a second time.

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (12:45): In commending the bill to the chamber I would like to congratulate General Cosgrove on his
appointment and reiterate the Prime Minister's words—namely, that he cannot think of a finer or more suited candidate for the position of Governor-General than General Cosgrove. I would also like to acknowledge and thank Her Excellency the Hon. Quentin Bryce for her work throughout her term as Governor-General of Australia.

In line with past practice the proposed salary has been calculated with reference to the Chief Justice's salary, and at the request of General Cosgrove it has been reduced by the amount of his military pension. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (12:46): I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Primary Industries (Excise) Levies Amendment (Dairy Produce) Bill 2014

Second Reading

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

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (12:46): I commend the bill to the Senate.
Question agreed to.
Bill read a second time.

Third Reading

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (12:47): I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Excise Tariff Amendment (Tobacco) Bill 2014

Customs Tariff Amendment (Tobacco) Bill 2014

Second Reading

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

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (12:47): I commend the bills to the Senate.
Question agreed to.
Bills read a second time.
Third Reading

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (12:48):
I move:
That these bills be now read a third time.
Question agreed to.
Bills read a third time.

Tax and Superannuation Laws Amendment (2014 Measures No. 1) Bill 2014

Second Reading

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

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (12:48):
I thank senators for the brevity and precision of their contributions, and I commend the bill to the Senate.
Question agreed to.
Bill read a second time.

Third Reading

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (12:48):
I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

REGULATIONS AND DETERMINATIONS

Civil Aviation Order 48.1 Instrument 2013

Disallowance

Senator XENOPHON (South Australia) (12:50): I move:
That the Civil Aviation Order 48.1 Instrument 2013, made under subregulations 5(1), 5.55(1) and 215(3), and regulation 210A of the Civil Aviation Regulations 1988, subregulation 11.068(1) of the Civil Aviation Safety Regulations 1998, section 4 and subsection 33(3) of the Acts Interpretation Act 1901, and paragraph 28BA(1)(b) and subsection 98(4A) of the Civil Aviation Act 1988, be disallowed.
The aim of this motion is to disallow the Civil Aviation Order 48.1 Instrument 2013, which outlines provisions in relation to fatigue management in the aviation industry. At the outset I want to thank the Australian International Pilots Association for their assistance in these matters. I also want to acknowledge representatives of CASA, including the director of aviation safety, who spent time discussing the regulations with me, although they were not able to address my concerns.

These regulations are in some areas a significant improvement over the existing framework. I want to make it very clear, however, that in other areas they are incredibly behind the level Australia should be aiming for as an aviation world leader and that they are, quite frankly, potentially unsafe. There is an argument that the regulations should not be disallowed, because of these improvements. But my concern is that it has taken many years
for these regulations to be updated. In my view it is unlikely they will be refined or improved in the near future. That is why this disallowance motion is so important. It would force the relevant parties to go back to the table to come up with a much better outcome. It is far more likely that these regulations will be the ones we have to live with for years to come. So near enough must not be considered good enough, simply because CASA is under pressure to produce the new long-delayed rules.

Part 48 of the civil aviation order was introduced in the 1950s and was based mostly on empirical evidence from World War II and from the expansion of commercial aviation rather than any scientific knowledge or evidence. It remained largely unaltered until the 1990s, when standard industry exemptions were introduced in response to commercial demands. These exemptions were not based on available scientific evidence and instead were aimed at allowing airlines to maximise profits, regardless of the safety of their crews or passengers.

Mr Acting Deputy President Sterle, you well know—you sat on an inquiry into aviation safety several years ago—that there was a leaked email from a Jetstar pilot who had responsibility for the Perth base of Jetstar where some of the pilots complained about fatigue. The email was famously headed 'Toughen up princesses!' That is a real concern. Senator Heffernan, who was the chair of the Rural and Regional Affairs and Transport Committee, was there on the day that evidence was given.

The new rules in this instrument still retain that commercial bias. They allow operators to use fatigue risk management systems to exceed duty limits in a way that may be unsafe and not subject to any independent scrutiny. The International Civil Aviation Organisation, or ICAO, has set out requirements for fatigue management which explicitly state that regulations should be based on scientific principles and knowledge. Instead, CASA has based many of their regulations on so-called 'operational experience', a tainted concept that can mean little more than what operators are already doing. I believe, if I can put it in these terms, it is a regulatory version of 'because I said so'.

We have already seen in previous Senate inquiries that operators, including Jetstar, Pel-Air and Avtex-Skymaster, are not even meeting the poor requirements we have now. Worse, CASA does not always enforce those regulations. Its special audit of Pel-Air's FRMS, their fatigue risk management system, revealed in the Senate inquiry into aviation accident investigations—and I note that Senator Fawcett, who is in the chamber, played a critical and very constructive role in that—stated:

Previous CASA oversight did not provide sufficient evidence to confirm the Pel-Air FRMS had ever been managing fatigue risk to a necessary standard.

Another example of CASA's lax attitude, as I put it, to fatigue can be seen in the Senate's earlier inquiry into pilot training and airline safety. Responding to a question on notice regarding significant duty extensions for Jetstar crew in 2011, CASA responded:

CASA does not consider that these extensions require continual monitoring.

The duty extensions recorded in January 2011 by Jetstar were a result of flight crew agreeing to operate beyond the standard 12 hour initial limits as provided for within Civil Aviation Order 48 Exemption. No breaches of the 14 hour condition were recorded.
Yet crews had to extend beyond the maximum normal limit due to inadequate planning by Jetstar which CASA, I believe, chose to ignore. Again, CASA's position is that the duty extensions are safe 'because they said so'.

There are some new controls on extensions, but there are other permissible delays to extending a flight that may well render the changes redundant—ineffective, in a sense. This is simply not good enough. Australia should be aiming to set a world standard in aviation, not to put in place the bare minimum to scrape by. A common response to discussions about fatigue is that pilots are the only ones who can decide if they are too fatigued to fly. Even Mr McCormick, Director of Aviation Safety at CASA, apparently subscribes to this view. He stated on ABC's Four Corners in relation to the Pel-Air incident:

In the end it's only the pilot who can decide whether he is fatigued or he or she is fatigued and unable to conduct a flight.

Unfortunately, this view—while common—ignores both scientific studies of fatigue and common sense. It is also extremely concerning that CASA's Director of Aviation Safety states this, because apparently he believes it to be true. Firstly, the director should know that asking someone to describe their fatigue levels is a bit like asking someone how drunk they are. Because fatigue impairs our ability to reason and make accurate judgements, you cannot ask someone who is fatigued to make a reasoned and accurate judgement about their own fatigue levels. Like the drunk who is convinced he is fine to drive, someone who is fatigued may feel fine or think they are functioning well enough to fulfil their tasks, until circumstances prove them wrong. It is not that they are irresponsible or taking risks but simply that their ability to make the decision has been compromised. Secondly, this argument ignores the broader context in which pilots operate. They might be under pressure from their employer to work, or their workplace might have a culture of 'pushing through' sickness or fatigue. Their hours may be uncertain, and they may want to take work whenever it is available.

Evidence provided to a UK parliamentary transport committee inquiry by the European Cockpit Association in 2012 stated:

More importantly: fatigue is significantly under-reported by the pilots themselves. This is because pilots do not file reports on an aspect that has become a "normal" part of their daily work. Many are afraid their fatigue reports could have negative consequences for their professional future (ie reprisals by management)—a phenomenon that is growing—particularly when pilots refuse to fly because they are too fatigued. Indeed UK polling results show that 33% of pilots would not feel comfortable refusing to fly if fatigued, and of those who would, three quarters would have reservations. Once a pilot has decided they have no option but to fly, a fatigue report would be tantamount to writing the evidence for their own prosecution.

I am informed that the situation in Australia is very similar.

It makes sense, therefore, that fatigue regulations should create a safety net that takes the decisions away from pilots and from their employers and fosters a culture where 'pushing through' is no longer acceptable. My concerns relate to specific provisions in the regulations, including rest requirements in preparation for a flight, maximum flight-duty periods, delayed reporting times, extensions of duty, standby times and augmented operations. These new regulations pay nothing more than lip service to the science behind the 'window of circadian low' and instead retain 5 am as the start time for a flight-duty period that does not incur additional rest requirements. The window of circadian low, or WOCL, refers to the time when
most people have their deepest sleep and the body is most likely to need sleep. The most widely accepted scientific definition of this time is between 2 am to 6 am, although CASA defines it as between 2 am and 5 am. Either way, duties starting at 5 am have a significant impact on pilots' ability to sleep during this crucial period, particularly given that pilots obviously need to be awake on average two hours before their shift begins. This start time has been carried over from the previous regulations and has its origins in commercial imperatives: if pilots can start at 5 am without penalties, then the high consumer demand for 6 am flights can be more easily met. In practice a pilot could be rostered to start at 5 am, five days a week, every week. This will obviously create a significant sleep debt in a very short period and have serious impacts on a pilot's ability to function.

I note that the regulations do include new provisions in relation to sleep opportunity where time between shifts includes a minimum number of sleep hours plus additional time for reasonable requirements of bodily functioning such as eating, washing, dressing and so on. This is an improvement on the previous regulations where all of these tasks were bundled into one relatively short rest period, and I acknowledge that.

However, there are also provisions to allow reduced rest periods in certain circumstances. It is particularly concerning that these regulations actually increase the number of hours that can be flown after reduced rest, essentially allowing a normal shift to take place even where the minimum rest requirements have not been met. This is not scientifically sound. Neither the FAA in the United States nor the EASA in Europe allow this to happen outside their minimum standards, which are 10 hours with an eight-hour sleep opportunity.

CASA has also set maximum flight duty periods beyond what other regulators consider acceptable by fixing flight duty periods at 14 hours with 10 hours at the controls. In contrast, the FAA and the EASA have set their normal maximums at 13 hours. The FAA refused to extend time at the controls to 10 hours and stated:

The FAA agrees with the overwhelming number of commenters who stated that a ten-hour flight-time limit is not justified by current scientific data. A series of studies examining the national accident rate has shown that ten hours spent at work pose a much greater risk of an accident than eight or nine hours spent at work.

It is important to note that these maximum FDPs are tightly controlled in other jurisdictions. For example, while EASA allows 14-hour FDPs as an operational extension to a duty, the other limitations it has in place mean that a pilot regularly performing these maximum duties would only be flying an average of seven days a month.

In Australia, a pattern of very long duties followed by a shorter duty can result in flying a 14-hour duty every three to four days consistently until other limitations finally come into play. Further, the changes to delayed reporting times in the regulations could extend a pilot's time awake far beyond what is considered reasonable or, if we consider the scientific research, safe. For example, the allowable flight duty period for one to two sectors is 13 hours. Given that a pilot would likely need to be awake at least two hours before the start of the FDP and that the reporting time can be delayed for four hours, a pilot could finish that FDP some 19 hours after waking up.

Even worse, the regulations allow an additional sector to be added to the pilot's FDP on top of this, increasing the total time by one hour, with 30 minutes extra at the controls. These extensions can occur in 'unforeseen operational circumstances'. While the regulations
obviously need to allow extensions to take place, there should be reasonable limits in place to ensure fatigue is appropriately managed where various stand-alone extensions overlap.

The instrument also does not adequately manage the need for pre-flight rest during standby periods. It is important to note that standby cannot be equated with being off duty or even on a rest period. Being on standby presents its own challenges in relation to fatigue, because the pilot needs to remain sufficiently rested to begin a shift at any time during the standby period. For example, a pilot might be on call from the morning to the evening and end up beginning a duty just when they would be preparing to sleep in a normal situation. Anticipatory stress can also impact on sleep and rest. I believe that has not been incorporated in these regulations to any sufficient degree at all.

This part of the regulations is based purely on regulatory experience, so-called, rather than science. It is the old 'because we say so' argument again. For example, in a worst-case scenario a pilot could be on standby for 12 hours before being called out for a 14-hour duty. That duty could then be extended by an hour due to 'unforeseen operational circumstances'. That would mean the pilot would finally finish their FDP 27 hours after they first prepared to fly.

In 2007, CASA, Qantas, AIPA and the University of South Australia undertook comprehensive research into pilot fatigue. The report contributed significantly to the understanding of this issue in Australia, but its findings and research seem to have been largely ignored in the shaping of these regulations. That is extraordinary—you do not ignore compelling evidence like that. In particular the information in the report indicated that FDPs and rest facilities for augmented crews needed further refinement, which is something the regulations do not address.

The regulations regarding consultation through the fatigue safety action groups are also a concern. While the regulations account for consultation with all stakeholders when operators develop their own fatigue risk management system, there is no requirement for consultation through this process where operators choose to work according to the base regulations. This consultation process is vitally important and should be specifically mandated in the regulations. Further, the regulations should also contain a specific dispute resolution process.

Essentially, while there are improvements in these regulations, we must take this opportunity to address these valid points, based on evidence, as a matter of urgency. Australia has always been considered a world leader in aviation safety, and we should seek to uphold that reputation. Scientific research can provide us with far greater insights into fatigue risks and management than ever before. There are areas of these regulations that are far behind that research and, to put it bluntly, pose a safety risk. Safety regulations should be constantly evolving in line with research and technological developments. They should not be static, as Australia's fatigue regulations have largely been for over 60 years. My reason for moving to disallow this instrument is that, if we consider the history of aviation safety regulations in Australia, we are unlikely to get a further update to these areas of concern any time soon. It may take many years.
If it has taken us 60 years to get to this point, we cannot put our trust in a short-term or even a medium-term fix. The largest group of airline pilots in Australia, AIPA, has suggested that we form an independent scientific panel to review the instrument. They have committed to accepting the panel's findings. I fully support this review prior to finalisation of these regulations. This is our chance to maintain Australia's reputation and to reclaim our position as world leader. When it comes to a dispute between the regulator or the pilots, I really have to side with the pilots. This is also our chance to save lives, and that alone should be reason to support this motion.

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (13:07): We in the opposition do not support the disallowance. When we were in government we did not support the disallowance. The only ones who have changed their position are the now government.

Senator FAWCETT (South Australia) (13:08): I rise to speak on Senator Xenophon's disallowance motion against the Civil Aviation Order 48.1 Instrument 2013. I will first correct the record. There was dialogue in the previous government, and I commend Minister Albanese, as he was then, for his willingness to engage. In fact, I remember attending a meeting with Senator Xenophon, with then Minister Albanese's staff, with Minister Truss's staff, with representatives of the Australian International Pilots Association and with CASA where we talked through this issue at length. At the end of that meeting, the position that was adopted—certainly by me—was that the disallowance should not be supported. Minister Truss's position was the same. So the comment by the opposition that we have now changed our position is not correct, and I make that point before addressing the issue at hand in any more substance.

I commend Senator Xenophon for his interest in and commitment to the aviation industry in Australia. We have worked very collaboratively on a number of aspects around regulation and other things that affect the viability and safety of aviation. I again put on record my appreciation for the engagement of both the then minister and the current minister around this issue. I have not personally changed my position from when we were dealing with this in opposition for the reason that where this brings us to is safer then where we were. I acknowledge that there are still outstanding issues, as Senator Xenophon has highlighted. But, as he has also highlighted, some of those issues leave us in much the same position as we were in previously. The previous position may not have been ideal, but we are in no worse a position now. Given that in net terms there is an improvement, I think it is appropriate to adopt those changes. I will go through why I take that position in a little more detail.

I will talk firstly about the broad context of regulatory reform and then come in a little more detail to 48.1. The regulatory reform process, as anyone engaged with the aviation industry in Australia knows, has been long and drawn out to the point of being dysfunctional because of the length of time and the different strategic approaches that CASA has taken to the reform process, particularly when it comes to the engagement of industry. I have long been an advocate of the approach taken by the former director, Mr Byron. He argued that industry, as the current subject matter experts in a particular area of operation, are probably best placed to know what will work for them and their sector.

Despite the fact that there are some rogue operators in the aviation industry, whether they be people in workshops or people operating airlines or charter companies, the vast majority of operators have invested hugely, in personal terms and in terms of their shareholders. They
have a huge incentive to make sure their operations are safe because, if they have an accident, gaining insurance or contracts—particularly if they are operating in a contract environment within the resources sector—becomes almost impossible. Once an airline has an accident, attracting customers is difficult. So people have a huge incentive to get it right. I am a great believer that industry should be leading in the development of both regulations and standards, in conjunction with the regulator, and that only if there is a safety case that the regulator can prove should the regulator discard the industry’s position.

I am aware that CASA’s point of view is that the drafting of 48.1 involved working groups with industry and scientific experts, but I would have to say that CASA’s track record of engagement with industry has not been wholesome. On many occasions it appears to have been a one-way process where they might have listened but did not take due regard or, in some cases, they just transmitted what they were planning to do and called it consultation. There are examples where it has worked well, but there are many where it has not. This is one area where we need to fundamentally reform the process, not only at the drafting stage but also, importantly—as Senator Xenophon has highlighted—once a regulation comes into force, because there is often very little appetite to revisit it for an extended period.

As we look at our regulatory reform process we see that not only does industry need to have a stronger voice up front in setting the regulations and the manual of standards that goes with them but also there needs to be a review mechanism where, if there are outstanding issues, there is an opportunity—a framework—for industry to have quick and effective remedy to them. Senator Xenophon mentioned the expert panel that was discussed at the meetings we had last year with then Minister Albanese’s staff, Minister Truss’s staff, CASA and the industry body. This concept, situated in a more structured framework, is something that I am very much pushing for as part of the review of aviation safety and regulation. I am also in discussions with the current minister’s office about this concept in regard to CAO 48.1. I think the review that is being conducted by David Forsyth has terrific potential to reform how industry and the regulator engage. A key part of that—and we have seen that legislation has just been introduced in the parliament by the government—is reforming the role of the board so that we have people on the board with aviation experience.

That board’s role really needs to be one of governance, as opposed to hands-off oversight, so that they are setting the strategic direction for the regulator. That strategy would go to the culture of the regulator, whether it is a big ‘r’ regulator—a policeman with a big stick—or further along the spectrum towards an educator and supporter. That balance in the middle needs to come through a strategic decision. So, regardless of who is the director of the regulator, we should see a consistent approach that industry can plan for and engage with—an approach that will keep the industry not only safe but viable in terms of the cost bases they have to meet. And there are many costs associated with changing or rejecting regulation.

That brings me to CAO 48.1 and this disallowance motion. As I have stated, overall it is safer, and in the areas where there are points of contention we are no worse off than we were. If we were worse off in significant areas then clearly there would be a case to reject the regulation. But, if we are no worse off and in other areas we are better off, then the travelling public and the industry are better served in finding a way to effectively and quickly review the regulation and modify those areas of concern.
Senator Xenophon mentioned the window of circadian low. Whilst I have never been a long-haul pilot, I have had many years of flying what we call reverse-cycle operations, where we fly by night—in the military's case, often using night-vision equipment, which brings fatigue issues of its own—so I am well aware of, and I am concerned by, the fact that we have had a grandfathering of that 5 am start point in these regulations. But if we are no worse off than we were before we should review that, as opposed to rejecting the whole package out of hand.

The position that I am taking on this—it is the government's position—is not to support the disallowance, but I am working with the minister's office. That is partly because many industry players, since the order was introduced in April 2013—with a transitional window to 2016—have already invested in changing how they work to meet the new regulations. And, as I have said, change does not come cheaply to industry players. Not only are we going a step backwards in safety if we adopt this disallowance but we are disadvantaging those industry players who have invested in adopting the new regulations. I am seeking to make sure that we have, in a very timely manner, the opportunity for the concerned parties in the industry—I know the Virgin Independent Pilots Association and the Qantas group have raised the concerns of, predominantly, long-haul pilots—to help select subject-matter experts who can form this independent panel to review the specific areas of concern. We would then have an independent umpire to bring a recommendation back to the minister so that he can work with the regulator to address those concerns in a timely manner.

Obviously, I cannot speak for the review being led by David Forsyth, nor the recommendations that they will bring forward, but, having met with many players from the maintenance, manufacturing, engineering and operations areas of the industry, I am aware that one of the critical things that we need is a system whereby industry can have a timely remedy to decisions of the regulator that have a material impact on their business and where the safety case is disputed by industry. Whilst, hopefully, the remedy for this will not necessarily be part of the broader regulatory reform and a change of structure, it may well be a test case of how that could work. That may then lead to ideas around how we adopt the broader regulatory system and provide an opportunity for industry to have that timely remedy.

The government will not be supporting the disallowance. I maintain the same position I have had since I was in opposition: in net terms we would do better to adopt the new 48.1. But there is a need to have that independent panel to work with industry and the regulator to review the points of concern and come up with an agreed position so that we can quickly amend that part of the regulation that needs changing.

Senator XENOPHON (South Australia) (13:19): I will first go to Senator Bilyk's contribution to the debate. It was short but not so sweet. I do not think it addressed the issues. That is not a criticism of Senator Bilyk; that is the position of the opposition. There are a number of serious issues in relation to these regulations. This is an opportunity lost to fix what is clearly a most unsatisfactory situation that still exists.

In relation to Senator Fawcett's contribution—hopefully this will not damage Senator Fawcett's preselection chances with the Liberal Party!—we are lucky to have him in this place, given his considerable expertise in aviation safety. The contribution he has made on Senate committees on this issue has been outstanding. I am very grateful to have worked with him. I think both sides of the chamber can safely say that.
But the points that he makes to rebut this motion are, in fact, points that can be used to support it—equally or with greater force. Senator Fawcett acknowledges quite openly that the length of time to change regulations is unsatisfactory and that the industry should be more involved in the process. He says, in his usual diplomatic way, that 'the track record of engagement with industry from CASA has not been a wholesome one'. That is an incredibly polite way of putting a situation where industry is incredibly frustrated and concerned, and the pilots are gobsmacked that we are left with these regulations that do not address fundamental issues of fatigue. I outlined those concerns in my earlier contribution.

There are real problems in the regulation-making process, as Senator Fawcett, with his expertise and involvement in these issues, acknowledges. We need to have a mechanism to deal with these. The independent scientific panel is something that would see a way through this. That is what we need to have. To say that we are no worse off than we were does not address the fundamental issue that these regulations are simply inadequate. While this instrument does bring us, in some respects, to a relatively safer position than the previous regulation, we must take this opportunity to address the significant concerns about this instrument. In many respects, there are huge gaps in safety, and the concern of pilots—those whom we trust to fly us from A to B around this great continent—are still there. They have serious concerns about these regulations; I have outlined those.

Senator Fawcett is right when he says that the consultation process for these regulations has been long and almost dysfunctional. We simply cannot go through this process again. We cannot sit and wait for improvements to be made—because will it be another five years or six years or will it be 60 years before this process is revisited? We need to take a proactive stance and push for something better, and now is the time and the opportunity to do so.

I hope that the government will not let CASA wipe this task off its books. I hope, from Senator Fawcett’s comments, that the government will be pushing for a continual consultation and a review process and not leave these issues at a dead end. And I hope that this instrument will not become another regulatory dead end, with all the implications it has for airline safety and passenger safety in this country. I urge my colleagues to support this disallowance motion.

**The ACTING DEPUTY PRESIDENT (Senator Smith):** The question is that the motion moved by Senator Xenophon be agreed to.

The Senate divided. [13:27]

(The Acting Deputy President—Senator Smith)

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

AYES

Di Natale, R  
Madigan, JJ  
Rhiannon, L  
Waters, LJ  
Wright, PL  

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

CHAMBER
Thursday, 6 March 2014

SENATE

NOES

Back, CJ
Bilyk, CL (teller)
Bishop, TM
Bushby, DC
Colbeck, R
Dastyari, S
Farrell, D
Fifield, MP
Gallacher, AM
Lines, S
McKenzie, B
Moore, CM
Parry, S
Peris, N
Ryan, SM
Singh, LM
Smith, D
Sterle, G
Tillem, M
Williams, JR

Bernardi, C
Birmingham, SJ
Boswell, RLD
Cameron, DN
Cormann, M
Edwards, S
Fawcett, DJ
Furner, ML
Kroger, H
Ludwig, JW
McLucas, J
O’Sullivan, B
Payne, MA
Ruston, A
Seselja, Z
Sinodinos, A
Stephens, U
Thorp, LE
Urquhart, AE

Question negatived.

**Clean Energy Auction Revocation Determination 2014**

**Disallowance**

Debate resumed on the motion:

That the Clean Energy Auction Revocation Determination 2014, made under subsection 113(1) of the *Clean Energy Act 2011*, be disallowed.

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (13:31): I began last night by pointing out that the auctions that this regulation will disallow are a critical part of the implementation of the clean energy package as is legislated and is the law in Australia. It is the law right now. The reason that you would allow the auctions is to allow companies to buy permits ahead of the move to flexible pricing on 1 July 2015. The only reason that you would seek to overturn this regulation is if you were second-guessing the Senate after July this year and assuming that, in the future, the Senate would repeal the clean energy package. That is why I am so disappointed that the Labor Party has fallen in line with this stunt from the government. It is incredibly arrogant of the government to be removing the regulations which underpin the law because they are anticipating that they will be able to repeal the law at some point in the future. That is where I think there is a serious degree of difference, because I have no intention of allowing this legislation to be repealed. I want the underpinning regulations to stand, and I think that is the appropriate way to go.

As I said last night, it makes absolutely no sense for the Labor Party to agree to finishing and undermining the auctions on the basis that they want to have an emissions trading scheme brought forward to 1 July 2014, because in that case they would need to be having auctions right now. This really makes the lie of the argument they mount that they are getting rid of this regulation because, if they got their scheme to start on 1 July 2014, they would bring in a regulation that supported an auction that could precede that. Well, we are in March now. If it
started on 1 July 2014, the auctions should be underway right now, and you would not be removing the regulation; you would simply be seeking to amend the date of it, if you thought you had the power. That proves my point that the Labor Party knows full well it does not have the numbers. Even if it got the numbers in the Senate, it absolutely does not have the numbers in the House of Representatives, so it is a complete nonsense argument. If you were serious about carbon pricing, you would maintain the existing law and the existing regulations that underpin the law as it currently stands.

That is exactly what the Australian Greens are doing, because right around the world this legislation—this clean energy package, this emissions trading scheme which is now the law—is widely regarded as being template legislation for other developed countries. It is working in terms of reducing emissions from the sectors that are covered, in particular the electricity sector. Given that 50 per cent of Australia's emissions come from 12 businesses, 12 sites—and they are overwhelmingly coal fired generators—you need an emissions trading scheme that puts a price on those emissions, a price on pollution, so that you drag those emissions down, which is happening. Not only that; the flow-on effect of the pricing means there has been a collapse in demand for electricity as well, and that has to be a good thing. Energy efficiency is a good thing. This is working effectively to do exactly as we wanted it to do.

Together with this clean energy legislation, there is the Clean Energy Finance Corporation; ARENA, the Renewable Energy Agency; and the Renewable Energy Target. All these things are working together to start and build to where we need to go. We are actually at the absolute beginning, because we need to ratchet this up. We have to get 40 to 60 per cent emissions reduction by 2030. That is a mega shift from where we are now, and you have to have a scheme which is able to be scaled up. What the government is proposing has no hope of meeting five per cent emissions reduction, let alone scaling up to 40 to 60 per cent emissions reduction by 2030.

So I call on the Labor Party to reconsider their position here. They should be standing here supporting the Greens in disallowing Tony Abbott's attempt to tear down the regulations underpinning our only legislation that is addressing global warming. They should be standing here, if they are serious about this, and supporting the Greens in saying we need a higher price, not a lower price, on carbon in order to drive the transformation to the low-carbon economy. The only reason you would be considering bringing emissions trading forward at the moment is if you wanted a lower price, if you wanted to say, 'We want to link to the European Union right now because the European Union price is low and that would set the price for the scheme.'

If the European price was $60 a tonne, would we see the Labor Party moving to bring it forward? I do not think so. That is the reality: they want to make it cheaper. If you are serious about global warming, you need to get the transformation happening fast, it needs to be scalable and efficient, and businesses need to be able to decide how they will achieve it. That is exactly what we do not have from the current government; we do not have any kind of plan that will achieve that. That is why it is essential that we maintain the emissions trading scheme and the auction system as they were designed to play into that scheme.

Why have I got the confidence that it will remain in place after July? I just want to talk about the Western Australian election. The coalition in Western Australia have three seats out of six as it stands. There is one conservative Independent, one Labor and one Green. If Scott
Ludlam holds his seat and if the side of politics that supports emissions trading wins one more Senate seat, we will keep the Clean Energy Finance Corporation, we will keep the Climate Change Authority and we will have a very good chance of keeping the emissions trading scheme. The International Energy Agency have a major report out this week saying that we have to drive renewable energy as hard as we possibly can. CSIRO are saying that global warming has impacted Australia by 0.9 of a degree in the last century and that is likely to rise an additional 0.6 to 1.5 degrees by 2030. That is a lot of heat coming our way. Australia is one of the most vulnerable countries, as most people here recognise or at least the people who are scientifically literate or open to science recognise. This would mean more bushfires, more heatwaves and more people dead from those extreme conditions, not to mention extreme flooding and the impact this would have on the human population and our natural environment—on everything from coral reefs through to all our ecosystems. This is why we need to be building resilience by protecting our ecosystems, not opening up national parks to logging and mining, opening up farmlands to coal seam gas and more fossil fuel mining, opening up coalmines and exporting more coal and their emissions overseas.

It is essential that we stand here today and draw a line in the sand under the clean energy package and the regulations that underpin it. I will never support any of the regulations underpinning the clean energy package being repealed, nor will I ever support the package being repealed. As we have stood here and saved the Clean Energy Finance Corporation and the Climate Change Authority, I will stand here and defend our emissions trading scheme. I will also stand here time after time to say we should end this faux, fake, absolutely phony debate about a carbon tax. What is legislated in Australia is an emissions trading scheme, pure and simple. That is the legislation. It is an emissions trading scheme with a fixed price period going to flexible pricing on 1 July 2015. Labor are saying that they are going to remove the carbon tax and bring in an emissions trading scheme, but what is the extent of the amendment? It is simply bringing forward the date by one year.

If you had a carbon tax and you needed to bring in an emissions trading scheme, you would have to bring in a huge bulk of legislation, as we did back in 2011 when we legislated this whole package. Let us get rid of that completely phony debate. The environment movement in Australia know it, people in the renewable energy industry know it and people in business know it—they want and understand we have an emissions trading scheme. That is why I was disgusted by the dishonesty of the Australian Industry Group, who put their name to the release by the Business Council of Australia, the Minerals Council and ACCI—all of them were into it yesterday. They were totally wrong because they know as well as I do that there is no carbon tax in Australia; there is an emissions trading scheme. I say it is dishonest because the Australian Industry Group says it supports an emissions trading scheme. It was dishonest of them to put their name to that release yesterday. It is a complete nonsense for them to have done that.

It is inconceivable to me that anyone who regards themselves as a representative of the people of Australia could stand here and undermine action on global warming. It is absolutely inconceivable to me that people could do that, because our job as legislators is to look after our communities and our environment and look out for the best interests of future generations and the whole environment that sustains us. If you vote down a clean energy package then future generations will judge you very poorly. They will look back and ask: 'What on earth
happened to people back then? How can they possibly have justified it? I want to put on the record now that I am speaking for those future generations and I am speaking to them when I say: do not believe them when they say in the future, 'We didn't know. If only we had known.' We do know. The science is there. There is a deliberate decision to ignore the science in order to maximise the fossil fuel interests in Australia and the profitability of those in the longer term against the best interests of future generations and the community.

I commend this disallowance motion to the house. We should not be getting rid of a regulation that supports our clean energy package. (Time expired)

Senator KIM CARR (Victoria) (13:44): I indicate that the opposition will not be supporting this disallowance motion. The revocation of the voluntary auction for carbon units is, in our judgement, nothing more than a political stunt by the government. Labor's position is clear. We are committed to ending the carbon tax as long as it is replaced with an emissions-trading scheme. Labor's clean energy bill amendments will propose a shift to an emissions-trading scheme by 1 July 2014. The voluntary auction would have no impact on the introduction of Labor's ETS. If the government would support our position, the auctions could be brought on again. It is clear that business would not have participated in this auction, given the level of uncertainty in the market that has been created by the government's attempt to dismantle Labor's clean energy policy.

In fact, the Clean Energy Regulator told an estimates hearing of the Senate Environment and Communications Legislation Committee that there was no evidence of any market interest for the carbon units, given the uncertainty of the current government's legislation. The CER would be going through the motions to create an auction at some considerable expense and with no meaningful outcome. The government is clearly trying to get some political mileage from this issue; yet, there is none. It is clearly a ploy by the government to paint Labor as backing down on climate policy. That is simply not the case.

We will allow the auctions to be stopped and we maintain our position that Australia needs an effective policy to tackle climate change. It is equally clear that this government has no credible policy to achieve that outcome.

Senator BIRMINGHAM (South Australia—Parliamentary Secretary to the Minister for the Environment) (13:46): I rise to speak on this motion of the Greens to disallow the Clean Energy Auction Revocation Determination 2014. This was a determination issued by the Minister for the Environment, Minister Hunt, on 24 February this year. In doing so, the minister gave business certainty that they no longer need to take part in carbon unit auctions. In doing so, the minister removed the requirement for the Clean Energy Regulator to hold periodic auctions of carbon units, in particular the three auctions that were scheduled to take place prior to 30 June 2014. The determination is important because it gives the business community certainty that those auctions will not take place. It gives them clarity that they need not make a judgement call on what this parliament may or may not do with the carbon tax and that they can continue about their business operations with confidence in the hope that the carbon tax will be eliminated.

I welcome Labor's support of the government in the cancellation of these auctions. It is pleasing to see that. But I am slightly astounded by the confusion that that support brings to Labor's position in relation to the carbon tax. I may not agree with much of what Senator
Milne has said over the course of yesterday and today, but I do think that Senator Milne was on to something when yesterday she said:

You would agree to this regulation being overturned and disappearing only if you did not think the emissions trading scheme would stay in place after 1 July this year.

That is right. Senator Milne made clear that you would only agree to this regulation being overturned if you thought the carbon tax would no longer be in place after 1 July. Senator Milne is in many ways correct with that statement, which poses the question: what do the Labor party think will happen to the carbon tax? Is Labor’s support for the government on this motion a case of their half-heartedly waving a white flag in relation to their carbon tax position? Is their support yet again an example of the fact that when it comes to the carbon tax Labor do not really know whether they are Arthur or Martha, whether they are Kevin or Julia, whether they are for it or against it, whether they will ultimately buckle? Mr Butler, the shadow environment minister, in stating that Labor would support the government in cancelling these auctions, did so under a press release headed: ‘Labor reaffirms commitment to ETS.’ We heard similar words from Senator Carr earlier.

Opposition senators interjecting—

Senator BIRMINGHAM: The question that Mr Butler has failed to answer and that you, Senator Carr and Senator Dastyari, have failed to answer is: how are you going to have an ETS without auctions? You are supporting us in cancelling the auctions that would provide for the floating price of the carbon tax that you supported and implemented. Yet you state that you remain committed to a floating carbon tax. How on earth does that stack up as policy logic? It does not stack up at all. It shows that Labor’s position in relation to this policy area is inherently confused. It shows that Labor really do not know what they are doing or where they are standing in relation to this matter. I welcome their support for the cancellation of the auctions, but if those opposite are willing to cancel the auctions they should be willing to cancel the carbon tax. If they are willing to support the government on this motion they should be willing to support the government on all the motions relevant to the axing of the carbon tax.

Senator Milne has essentially belled the cat on Labor, in that through this vote they are half-heartedly waving a white flag on their position on the carbon tax, they are demonstrating extreme inconsistency in relation to their position and they are setting themselves up in a situation where they say, ‘We are for a floating carbon price, but we are against auctions of carbon permits.’ It just does not make sense. That is because Labor are going weak at the knees when it comes to their opposition to the carbon tax. When presented with this issue by the government, when Minister Hunt issued this regulation and the Labor shadow cabinet sat down to discuss their position, they were not game to have yet another fight on this topic. They did not want to be the ones to have to force business to have to go into an auction period. If you do not want to force business to go into an auction period, that must mean you do not want businesses to have to comply with the carbon tax or to have to pay the carbon tax, fixed or floating—because you cannot have a floating carbon tax without having auctions. By supporting the government on this motion the Labor Party, be in no doubt, is indeed supporting the abolition of the transition to a floating carbon tax. That is what Labor is supporting today. It goes directly against what Senator Carr claimed in here as being the
Labor Party's policy and goes directly against what Mr Butler claimed as being the Labor Party policy. However, I say welcome Labor comrades to opposition to the carbon tax. I welcome you, in your opposition to this one step. But, having taken a tiny step it is now time for you to take the full step. The Labor party should take the full step by realising that the carbon tax has been a failure in terms of its impact on emissions. For $7.6 billion of revenue stripped out of Australian companies we have only seen an emissions adjustment of 0.1 per cent—0.1 per cent for $7.6 billion. Of course, that is because the carbon tax the Labor Party created with the Greens is so poorly targeted—so poorly targeted that it does not focus on emissions reduction activities or on abatement activities of the like that the coalition have proposed.

We will focus on the ways in which we can get emissions down. That is what our policies do. Labor and the Greens simply created a tax giant that has taxed some 76,000 Australian businesses—many more than they have claimed—and generated some $7.6 billion in revenue. Given the imminence of question time and the fact that I am eager to have these matters dealt with by the chamber I will not detain the chamber for any longer, aside from saying welcome and thank you to the Labor Party for their support on this matter. We hope it is an indication that they are awakening to the position of the Australian people in their support for the coalition on the total repeal of the carbon tax.

Senator MILNE (Tasmania—Leader of the Australian Greens) (13:54): I think it is disgraceful that a lie was perpetrated over the course of the 2013 election when former Prime Minister Kevin Rudd went out into the community and said that he would get rid of the carbon tax as long as it was replaced by an ETS. He put that right out there and it was a lie because an emissions trading scheme is already legislated for—it is the law; we have one right now. I would again urge Labor to support the Greens in disallowing the government's attempt to tear down the regulation that allows for the carbon permit auctions to take place. If the repeal bill does not get through the next Senate, businesses will rush to buy future-dated permits but they will not be able to because the Labor Party has sided with the Prime Minister. What the Labor Party are actually doing is disadvantaging Australian businesses and throwing them into turmoil by taking away the mechanism to buy permits and move to an emissions trading scheme in the specified time frame. I urge the Senate to support the disallowance.

The PRESIDENT: The question is that the motion moved by Senator Milne be agreed to.
The Senate divided. [14:00]
(The President—Senator Hogg)

Ayes .....................8
Noes ......................60
Majority ...............52

AYES

Di Natale, R                      Hanson-Young, SC
Milne, C                         Rhiannon, L
Siewert, R (teller)              Waters, LJ
Whish-Wilson, PS                 Wright, PL

CHAMBER
My question is to the Minister representing the Minister for Infrastructure and Regional Development. I refer to the Deputy Prime Minister's 2009 demand that any changes to Qantas's foreign ownership rules be accompanied by safeguards for the flying public and 'particularly those in regional areas'. What safeguards are in place under the government's proposed scrapping of the protections in the Qantas Sale Act?

Senator JOHNSTON (Western Australia—Minister for Defence) (14:04): The Air Navigation Act is the answer to the senator's question. I love these quotes, Mr President. I want to take the senator, for his benefit, to a quote from Mr Anthony Albanese, the former Labor minister for transport, who said in 2008:

The new Rudd Labor government will drive an active strategy to further liberalise the aviation sector, seeking cooperation with like-minded partners.

He continued:

Question negatived.
In a system of unbalanced economic advantage, we must take a pragmatic approach to our liberalisation strategy, acting in the overall national interest.

Let me say that again, Mr President:

... acting in the overall national interest. We will aim to reduce restrictions which limit growth while ensuring that the Australian industry can compete with international operators—

**Senator Cameron:** Mr President, I rise on a point of order, on relevance. The question that has been asked—and I am sure that the National Party are keen to hear the answer—is: what safeguards are in place under the government's proposed scrapping of the protections in the Qantas Sale Act?

**The PRESIDENT:** Order! There is no point of order at this stage. The minister still has 59 seconds remaining.

**Senator JOHNSTON:** To go on with what Mr Albanese was saying which, strangely enough, is something now that the Labor Party in this place wants to turn their backs on:

We will aim to reduce restrictions which limit growth while ensuring that the Australian industry can compete with international operators on a balanced playing field.

Now, what is going to retain those very important jobs, career prospects and business generally under the umbrella of Qantas's airline operations is a level playing field. If you look—

**Senator Cameron:** Mr President, I rise on a point of order. I want to persist with relevance because the minister is answering anything but the question that has been put, and the question is: what safeguards are in place under the government's proposed scrapping of the protections in the Qantas Sale Act? He has not gone near that.

**The PRESIDENT:** Order! With 20 seconds remaining I do draw the minister's attention to the question.

**Senator JOHNSTON:** As I said at the very beginning, the Air Navigation Act 1920 is a piece of legislation which I am sure the senator has not even heard of, because he does not bother to take the time to understand the industry upon which he seeks to ask a question.

*(Time expired)*

**Senator CAMERON** (New South Wales) (14:09): Mr President, I ask a supplementary question. I refer to the Deputy Prime Minister's comments on the Qantas Sale Act changes yesterday, when he said:

I don't believe it will make any difference to the number of Australians employed by this company.

As the government is repealing the part of the act which ensures that catering, head office and, critically, maintenance jobs are located in Australia, how will the government safeguard Australian jobs?

**Senator JOHNSTON** (Western Australia—Minister for Defence) (14:10): It might be convenient for this senator to run a scare campaign, but if he takes the time to look at Virgin, which conducts 70 per cent of all of its operations in Australia, with Australians—notwithstanding being virtually totally foreign owned—the answer to his questions and his concerns is met by the facts of what is actually happening in the industry.

Now, I know that the senator is not really interested in the facts of what is happening in the industry, because he comes into this place—
Senator Cameron: Mr President, I rise on a point of order. This is another pathetic performance from Senator Johnston—

The PRESIDENT: Order! No, this is not a debate!

Senator Cameron: I have simply asked about issues such as maintenance jobs, and he has not gone near that. So he should bring himself to the question and tell the Australian public what is going to happen to Australian maintenance jobs.

The PRESIDENT: Order! There is no point of order at this stage. The minister has 19 seconds remaining.

Senator JOHNSON: There is absolutely no reason, given the facts of the way the industry runs today, to believe that there will be any problem with Australian jobs were the sale act to be amended in line with the government's legislation.

Virgin directly employs 9,000 Australians. *(Time expired)*

Senator CAMERON (New South Wales) (14:11): Mr President, I ask a further supplementary question. Given that Virgin's Australian maintenance is done overseas, why is the Australian government trading away safeguards and support for Australian jobs? Can the minister explain how exporting jobs will save jobs?

Senator JOHNSON (Western Australia—Minister for Defence) (14:12): The good senator just does not get it, but he does not want to get it. Virgin directly employs 9,000 Australians, not to mention those indirectly employed adjacent to their industry. Around 75 per cent of its maintenance is completed in Australia. Its head office is here and its CEO is here. It is based here, injecting billions of dollars into the Australian economy. If that example is not enough for the senator, he simply refuses to look at the facts and understand the nature of this industry.

Given what we inherited in terms of our fiscal position, it is pretty obvious that he does not have the capacity to understand this industry. He should get off the hose and allow Qantas to compete on a level playing field.

Senator Cameron: It wasn't enough for Joe Hockey. It wasn't enough of the Nationals; they got done over again!

Senator JOHNSON: And, of course, he yabbers away over there and he hasn't got a case. He just yabbers away over there. *(Time expired)*

Asylum Seekers

Senator SMITH (Western Australia) (14:13): My question is to the Assistant Minister for Immigration and Border Protection, Senator Cash. I refer to the reported statement by former Prime Minister Rudd that:

… the number of folks coming by boat was overwhelming the whole refugee intake.

And that this posed a:

… practical, moral and political dilemma.

Can the minister update the Senate on why previous policies entrenched an inherent unfairness in Australia's migration program and how the coalition is addressing this inequality?
Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:13): I have to say that I think that was one of the more honest things that Mr Rudd actually said when he was assessing the policies that the former Labor government implemented.

Can I just advise the Senate, in addressing Senator Smith's question, that under the coalition government it has now been 77 days since there was a successful people-smuggling venture to Australia—77 days. This government took a commitment to the people of Australia to the election, that we would break the people smugglers' business model. Unlike those opposite, we are fulfilling our commitment to the Australian people.

In the discussion on immigration policy, there is a myth that those on the Left have a monopoly when it comes to the politics of compassion. It is nothing more and nothing less than a myth. The policies that those on the other side implement, with their alliance partners the Greens, prove this myth to be untrue. It is not compassionate to implement a policy that results in the confirmed deaths of over 1,000 people at sea. It is not compassionate to implement a policy that sees in excess of 6,000 children, with their parents, risk their lives trying to get to Australia by boat. It is not compassionate to implement a policy that denies a place in our humanitarian program to the in excess of 14,000 people who are languishing in United Nations camps overseas for decades and decades. That is what those opposite did. We, on the other hand, are restoring integrity to Australia's borders.

Senator SMITH (Western Australia) (14:15): Mr President, I ask a supplementary question. I refer the minister to another recent statement by former Prime Minister Rudd that the lesson being sent to people smugglers was: 'You come by boat, we'll get you there quickly; but if you stay in a camp somewhere around the world in some hellhole you are never going to get anywhere.' Can the minister advise the Senate of the message that is now being sent to people smugglers by Operation Sovereign Borders?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:16): Yet again we have an honest assessment by Mr Rudd of the policies that those on the other side, in conjunction with Senator 'Sea Patrol'—I mean, Hanson-Young—implemented—

The PRESIDENT: Order! That is not orderly. You must refer to senators by their correct title.

Senator CASH: Senator Hanson-Young, who is just fond of Sea Patrol, implemented those policies with those opposite when they were in government. Under our policies, we will restore integrity to Australia's borders. We will ensure that those people who are languishing in camps for not five, not 10, not 15 but in excess of 20 years are given priority under this government's policies. We will not make the fatal mistakes that those opposite made, which Mr Rudd, now that he has finally left politics, is prepared to admit. Let us just remind ourselves of what he said: 'You come by boat under Labor, we'll get you there quickly; but if you stay in a camp— (Time expired)

Senator SMITH (Western Australia) (14:17): Mr President, I ask a further supplementary question. Can the minister advise the Senate of any impediments to a consistent message being sent to people smugglers?

Opposition senators interjecting—
Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:17): I can hear the parrots on the other side of the chamber. They are the greatest impediment to the implementation of our policies. In the lead-up to the South Australian, Tasmanian and Western Australian elections, I think it is very important for voters to remember when casting their vote that a vote for Labor is ultimately a vote for the Greens. The divorce never happened; it was merely a trial separation. That is reflected in the stance that both Labor and the Greens have taken in every possible policy position on border protection. A vote for Labor is a vote for the Greens. Every time we have brought a policy into this place to restore the integrity to Australia's borders, Labor and the Greens have sided together to defeat that in the parliament. It is only a coalition government that will restore integrity to Australia's borders. When you vote for the coalition, you know what you are going to get. (Time expired)

Renewable Energy

Senator MADIGAN (Victoria) (14:19): My question is to the Minister representing the Minister for Health, Senator Nash. Minister, in my home state of Victoria residents impacted by the Toora, Waubra, Cape Bridgewater and Macarthur wind farm developments regularly contact my office describing adverse health effects that they say are caused by exposure to excessive noise from nearby wind turbines. None of those Victorian wind farms are compliant with the noise conditions attached to the conditional planning approvals. If a wind farm operator cannot demonstrate compliance with noise conditions attached to their planning approval, the acceptable noise standard has been exceeded. Does the government agree that adverse health effects reported under such circumstances should be investigated separately to ascertain whether there is any relationship between adverse health effects and exposure to excessive noise from unregulated wind farms?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:20): I thank the senator for his question and note his very genuine concern in this area. My understanding is that the planning relating to wind farms is a state issue, but I do understand that there is concern out there in the community about the real or perceived potential adverse effects of the wind farms. Indeed, prior to the last election, we in the coalition recognised that there were concerns out there in the community, which is why we said before the last election that we would ensure that there was an independent review of potential health impacts from wind farms.

I note that the NHMRC has just released a draft report relating to this issue. I also note that there has been some concern around some of the poor quality relating to that particular report, which, as Senator Madigan would understand, was raised at the last estimates committee hearings. In terms of the adverse impacts that the senator has raised, we in the government are well aware of the concerns in the community surrounding this and we will be putting steps in place to determine that we are fully aware of any impacts that do exist.

Senator MADIGAN (Victoria) (14:21): Mr President, I ask a supplementary question. Several wind farms in Victoria operate outside noise compliance and in breach of the acceptable noise standard. The consequence of failing to comply with permit conditions is that planning permits do not protect impacted communities from harm. Why has the important matter of noise compliance been overlooked in the NHMRC's 2010 and 2014 literature reviews concerning wind farms and health?
Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:22): I can certainly indicate to the senator that the draft report is a first step in the process. Indeed, I note that there will now be a period of public consultation on the draft report, from 25 February to 11 April. Again, the coalition are aware of Senator Madigan's concern in this area, but we are also aware that we have to make sure that we get the information and the data received so that we can make informed decisions going forward in relation to this area. While we do appreciate that those concerns are there, the NHMRC is aware that some literature has not been captured in the current draft—which was primarily a literature review—which is why we have said this a first step in the process and we will indeed need to look to doing further work.

Senator MADIGAN (Victoria) (14:23): Mr President, I ask a further supplementary question. In a recent study, a professor of public health highlighted complaints received about the non-compliant Toora, Waubra, Cape Bridgewater and Macarthur wind farms. In order to protect communities like those that Professor Chapman has identified, will the government support a moratorium on further wind-farm development approvals until the NHMRC can confirm that non-compliant wind farms which breach the acceptable noise standard do not cause adverse health effects?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:24): What I can inform the senator is that the government will ensure that we are properly informed before next steps are taken in relation to the wind farm issue, which is why we said—as I stated earlier, prior to the last election—that it is very important that we have independent research that can inform the policymaking surrounding the area of wind farms.

Again, I do note the concerns that have been raised out there in the community. The NHMRC intends to announce a targeted core for research. We will indeed be developing an independent research program. I do note the senator's concerns, which have previously been raised, about ensuring that there is an independent research program attached to this which will indeed investigate the potential health effects of wind farms.

Fishing Industry

Senator WHISH-WILSON (Tasmania) (14:25): My question is to the Minister representing the Prime Minister, Senator Abetz. What policy or plans does this government have for the permanent ban on supertrawlers in Australian waters?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:25): The Prime Minister made it perfectly clear in answer to a question from the honourable member for Denison in question time in the other place earlier this week. I have nothing further to add to the Prime Minister's statement that he made on that occasion.

Senator WHISH-WILSON (Tasmania) (14:25): Mr President, I ask a supplementary question. I might read out that statement as part of my question. The Prime Minister said: It was banned with the support of members on this side of the House. It was banned; it will stay banned. That is pretty cut and dried. The Tasmanian media reported it. Can Senator Abetz please clarify if the Prime Minister was referring to a permanent ban on supertrawlers?
Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:26): I would have thought it was pretty clear when he said it was banned and it will remain banned. That is, I would have thought, very clear for everybody. We as a government have indicated that position through the Prime Minister in question time earlier this week in answer to a question from the member for Denison.

Senator WHISH-WILSON (Tasmania) (14:26): Mr President, I ask a further supplementary question. I thank Senator Abetz for his response and I am pleased with his response. Given Mr Abbott's strong response and Senator Abetz's strong response, has the government any plans to legislate a permanent ban on supertrawlers to ensure they will not enter Australian waters?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:26): The answer the Prime Minister gave was very clear. The supertrawler was banned, it remains banned and, as I understand it, the company involved has no interest in bringing its supertrawler back to Australia.

Senator Whish-Wilson: Mr President, I rise on a point of order referring to relevance. I asked a very specific and a very short question: does the government have any plans for a legislative ban on supertrawlers?

The PRESIDENT: There is no point of order at this stage. I cannot direct or tell the minister how to answer the question. The minister still has 44 seconds remaining to address the question.

Senator ABETZ: I indicate for the benefit of the honourable senator that the Tasmanian Liberals have made their position very clear. I know why this question is being asked—because the Greens, in a desperate bid for votes in Tasmania, are trying to harness some votes and use this supertrawler type issue for them to fish some votes. But I tell you that the state Liberals are very strong on this as well, and they have indicated their position just as clearly.

Senator Whish-Wilson: Mr President, on a point of order going to relevance: the senator has 12 seconds left, but he still has not answered the question. Will you legislate for a permanent ban on supertrawlers?

The PRESIDENT: There is no point of order.

Senator ABETZ: I have nothing further to add.

Machado-Joseph Disease

Senator McKENZIE (Victoria—Nationals Whip in the Senate) (14:28): My question is to the Minister for Indigenous Affairs, Senator Scullion. Can the minister inform the Senate how the government is honouring the minister's commitment to support people with Machado-Joseph disease?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:29): I thank Senator McKenzie for the question. Machado-Joseph disease, or MJD, is a rare neurodegenerative condition that is, sadly, prevalent amongst Aboriginal people in parts of the Northern Territory. Recently, I declined to approve an inappropriate Northern Territory Aboriginals Benefit Account grant of $10 million that the
former minister had promised to the MJD Foundation. This would have been in addition to a similar grant of over $6 million in Aboriginals Benefit Account funding made in 2010.

The MJD Foundation said this grant would cover operational costs for years to come. The Aboriginals Benefit Account is Aboriginal money. This is their own discretionary money. It is a legacy fund that is invested on behalf of Aboriginal people to earn interest to support one-off Aboriginal projects. The $10 million for this grant was to be invested elsewhere to generate interest for recurrent operational costs. My department has indicated it is not aware of any other example of such special treatment.

Whilst I declined to approve this inappropriate grant, I made a commitment that I would find alternative funding to ensure that the sufferers of MJD did not miss out because of the financial mismanagement of the former government. I have done so. I have been able to offer the foundation up to $500,000 a year, for up to three years, to cover the direct costs of therapeutic services to help sufferers and their families. This money comes from the Commonwealth government—not from Aboriginal discretionary funds—as it should. We are in discussions with the MJD Foundation and I hope they will accept this offer. However, if they do not, we will stick with our commitment and find another provider. Aboriginal people in remote communities must be able to expect that they will receive the same assistance that you and I would expect in the cities and towns across this country.

**Senator McKENZIE** (Victoria—Nationals Whip in the Senate) (14:30): Mr President, I ask a supplementary question. Can the minister inform the Senate how he plans to engage with people who have Machado-Joseph disease and make a difference to their situation?

**Senator SCULLION** (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:31): Tomorrow I will be visiting Groote Eylandt, where a number of the sufferers of this disease reside. I will be meeting with the Anindilyakwa Land Council on Groote Eylandt. The land council is the largest contributor to the Aboriginals Benefit Trust Account as a consequence of their industrial export of rutile. They contacted my office to express concern about the inappropriate use of the Aboriginals Benefit Trust Account and they expressed support for the solution we have been able to offer. I will continue to pursue mainstream funding for people with this disease, including through the National Disability Insurance Scheme. I should not have to remind everyone that the best way to pursue this and identical issues is through mainstream health or disability funding rather than asking Aboriginal people to use their own funds.

**Senator McKENZIE** (Victoria—Nationals Whip in the Senate) (14:32): Mr President, I ask a further supplementary question. Will the minister inform the Senate whether he agrees with the previous approach to the funding of the MJD Foundation?

**Senator SCULLION** (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:32): The fact that all of the sufferers of this condition are Aboriginal people does not necessarily mean we should use Aboriginal money to fund it. If a person in Sydney needs a wheelchair, we look to the health and disability sectors to provide for that. Why should it be any different for Aboriginal people in their communities? Why should we be asking them, in effect, to provide their own money rather than the Commonwealth providing the money as it would anywhere else across this country?
The grant from the Aboriginals Benefit Account that was promised by the former minister would have been a bit of a workaround to provide recurrent funding from an Aboriginal fund that was clearly not set up to provide for this. I did not support pulling out Aboriginal money from the Aboriginals Benefit Trust Account for the MJD Foundation as a substitute for mainstream health funding. It is not its purpose and would not maintain the integrity and sustainability of the Aboriginals Benefit Trust Account. But the principal issue is that we should not ask Aboriginal people to pay for something which every other Australian would take for granted is paid from mainstream funding. \textit{(Time expired)}

\textbf{Australian Water Holdings}

\textbf{Senator JACINTA COLLINS} (Victoria) (14:33): My question is to the Assistant Treasurer, Senator Sinodinos. I refer the Assistant Treasurer to his previous answers concerning his dealings with Australian Water Holdings. Is the Assistant Treasurer aware that company treasurers are required to be honest and careful in their dealings, to know what their company is doing at all times and to ensure that their company keeps proper financial records? As a director of Australian Water Holdings—indeed, as chair—was the Assistant Treasurer honest and careful in his dealings, did he know what his company was doing at all relevant times and did he ensure that his company kept proper financial records?

\textbf{The PRESIDENT:} As I have ruled on other occasions this week on questions similar, the minister need refer to only those matters that pertain to the portfolio.

\textbf{Senator Ian Macdonald:} Mr President, I raise a point of order. Senator Sinodinos does not need my help, but clearly it is your role to rule out of order questions which clearly have no relevance whatsoever to this parliament or to this portfolio. I ask you, Mr President, not to ask Senator Sinodinos to answer on his portfolio but simply to rule the question out of order.

\textbf{The PRESIDENT:} There is no point of order. I have made it quite clear that the minister need only address matters that pertain to the minister’s portfolio.

\textbf{Senator SINODINOS} (New South Wales—Assistant Treasurer) (14:35): If there is a particular question that the opposition want to ask me, they should ask it.

\textbf{Senator Kim Carr:} Mr President—

\textbf{The PRESIDENT:} Senator Sinodinos has sat down as his response to the question.

\textbf{Senator Kim Carr:} The question directly related to the minister’s responsibility in terms of regulation in regard to ASIC and the responsibilities of directors. It was specifically related to his responsibilities. For him to sit down in that way is clearly contemptuous.

\textbf{The PRESIDENT:} That is a debating point at this moment because the minister has finished his answer and has sat down.

\textbf{Senator Ian Macdonald:} Mr President, I want to respond to the point of order.

\textbf{The PRESIDENT:} I have just ruled that there is no point of order. It is a debating point.

\textbf{Senator Ian Macdonald:} Mr President, I will take another point of order. Does this mean we can ask a Labor senator about what he or she did at the doors of Parliament House well before they were in parliament? Is that relevant?

\textbf{The PRESIDENT:} That is not a point of order.
Senator JACINTA COLLINS (Victoria) (14:36): Mr President, I ask a supplementary question. I note that the minister has refused to answer my question with respect to his careful dealings with Australian Water Holdings, with respect to him being aware of the company's dealings at all times and, indeed, managing their financial records. I also ask: did the Assistant Treasurer stand to gain from the awarding of a contract by Sydney Water to Australian Water Holdings in January 2012? Did that gain amount to a parcel of shares, valued at approximately $3.5 million?

Government senators interjecting—

The PRESIDENT: Order! Clearly, this is before the minister was a minister. I rule that out of order.

Senator Conroy: Mr President, I rise on a point of order. I invite you to reflect on your ruling after question time. A ruling that suggests an entire question is out of order is a very broad ruling. Does it go to the supplementary to the first question, which those opposite also claimed was outside the minister's portfolio area? In fact, if any of those opposite chose to listen to the question, they would find it was entirely within his portfolio responsibilities. To suggest that the minister only has to answer parts of the question that he feels are inside his portfolio is, at times, a very reasonable ruling and it has been used on all sides of the debate. But to actually rule something completely out of order is something that I would invite you to consider after question time.

The PRESIDENT: There is no point of order. If you look back at questions through the week you will see specific questions that went to statements that have been made in this place. And I have been consistent.

Senator JACINTA COLLINS (Victoria) (14:39): Mr President, I ask a further supplementary question. I note, again, that the Assistant Treasurer has answered questions previously before the Senate with respect to Australian Water Holdings. In that respect I ask: did the Assistant Treasurer know who owned interests in Australian Water Holdings; and, if not, why not?

The PRESIDENT: The Assistant Treasurer, again—in so much as it applies to the minister's portfolio.

Senator SINODINOS (New South Wales—Assistant Treasurer) (14:39): Mr President, I have answered questions consistently all week on this subject. I stand by my previous statements and those statements will be vindicated in another place. That is all I have to say.

Drought

Senator RUSTON (South Australia) (14:40): My question is to the Minister for Human Services, Senator Payne. Can the minister please advise the Senate how the government and, more specifically, her department are supporting drought affected farmers?

Senator PAYNE (New South Wales—Minister for Human Services) (14:40): I would like to thank Senator Ruston for her question, particularly given her background in horticulture. I know that she appreciates the magnitude of the problem that Australian farmers are facing. The coalition of course understands the plight of drought affected farmers, and the package that was announced by the Prime Minister and the Minister for Agriculture is directed at addressing that.
Assisting in the most effective delivery of the package, the Department of Human Services has two mobile service centres, the Kangaroo Paw and the Desert Pea, which are visiting communities in northern New South Wales and Queensland over the next few weeks to help farmers test their eligibility for the Interim Farm Household Allowance.

In fact, on Tuesday morning I went to Uralla, in the New England district, to visit the mobile service centre called the Desert Pea. The staff who are on board those centres have extensive experience in rural servicing. They really understand the needs of people living in rural and regional communities. I particularly want to commend those staff, who, following the announcement of the drought package, have diverted from their previous program. I want to thank them for the kilometres and kilometres they do in the trucks. I thank the social workers for the work that they do, which is incredibly important in times of crisis like this. The customer service officers and the regional financial counsellors also play a very important role. The people they are helping are in serious crisis and some of them are in great distress.

I met a fifth-generation farmer and his wife. The farmer's father still lives on their property. He is now over 80 years of age. His father says that he has never seen things this bad before. We now have something that looks a bit like a green drought. But it is completely misleading. The rains are really a bit of a mirage. The farmers are still buying feed. The dams are still completely depleted and it will take a lot more positive weather before we can say that we have made real progress in the drought. The package itself is most certainly directed at assisting those most in need. (Time expired)

**Senator RUSTON** (South Australia) (14:42): Mr President, I ask a supplementary question. I ask the minister whether she could further outline the specifics of the financial assistance packages that are being provided by her department to eligible farmers?

**Senator Cameron:** Tell us about the Blue Mountains and the promises you made up there.

**The PRESIDENT:** Order! Senator Cameron, the minister is entitled to be heard in silence.

**Senator PAYNE** (New South Wales—Minister for Human Services) (14:43): Thank you, Mr President. Unlike Senator Cameron and some of the others opposite we believe that Australia's struggling farmers, some of whom are being pushed to the absolute brink, should be treated with respect, not with contempt. We have introduced the Interim Farm Household Allowance for farm families that are struggling to survive in this drought. It is supposed to meet basic household needs—

**Senator Cameron:** Mr President, I rise on a point of order. The minister has reflected on Labor senators and on me, in particular. The point I was making is that this minister makes promises when she goes around the country, and they are unfulfilled.

**The PRESIDENT:** Order! That is not a point of order; it is a debating matter that can be debated later.

**Senator PAYNE:** I am sure those who know Senator Cameron will draw their own conclusions. To be eligible for payment, farmers have to meet both the income test and the assets test. But the government has reviewed the assets test to ensure that those who really need financial support have it available to them. Farmers can hold farm assets of up to $2.55
million. In comparison, the total farm net assets for the transitional farm family payment—the previous payment—was below $1.5 million. The family house and up to two hectares of surrounding land can be excluded from the assets test. (Time expired)

Senator RUSTON (South Australia) (14:45): Mr President, I thank the minister for her answers and for her interest in a very important part of Australia, and I ask a further supplementary question. Could the minister further inform the Senate of any other assistance her department is providing to help these farmers, who have been hit so severely by drought?

Senator PAYNE (New South Wales—Minister for Human Services) (14:45): I thank Senator Ruston for her question. As senators will know, drought can have particularly significant impacts on the mental health and wellbeing of farmers, their families and their communities. So from 1 April my department will have designated drought coordinators who will be travelling specifically to drought affected areas, meeting with service providers, attending community meetings and supporting events to ensure that we have linked-up service delivery to assist those who need it most, to put them together with those who can actually help. Of course, there will also be the drought buses, which will bring my department's services to farmers' doorsteps. The staff on board those buses are brilliant: they can help farmers complete and lodge their claims, and they can refer people to other community support organisations for further assistance. I met people doing that sort of work in Uralla on Tuesday. The difference they are able to make to the lives of farmers suffering in this drought at the moment is not inconsequential; it is very significant, and they do a very important job.

Wine Industry

Senator XENOPHON (South Australia) (14:46): My question is to the Leader of the Government in the Senate, Senator Abetz, representing the Minister for Agriculture. Recently I met with a group of some 40 wine grape growers from the Riverland in South Australia, many of whom were concerned about their ongoing viability given the 25 to 35 per cent drop in wine grape prices compared with last year's prices—prices that are generally well below the cost of production. Does the government acknowledge that a number of wine grape growers in the Riverland, as well as in the Sunraysia and Riverina regions, cannot survive in the longer term with these unsustainable prices? Further, does the government concede that their viability is made even more difficult by New Zealand wineries receiving some $25 million a year in wine equalisation tax rebates from Australian taxpayers—moneys that could instead be used in part to promote Australian wines overseas?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:47): I thank Senator Xenophon for his question and note that I think he is one of the few people in this place who can honestly say he does not have a conflict of interest in raising the issue of the cost of wine grapes!

Senator Kim Carr: Because he doesn't drink wine!

Honourable senators interjecting—

Senator ABETZ: I understand that was a bit too subtle for some of those opposite. The government is aware that inland grape growers are concerned about the continuing decline in white wine-grape prices. Over recent years the wine industry has faced difficult times with a decline in sales not matched by a commensurate adjustment in supply. This has of course led
to a decline in the price of wine grapes. In recent days Minister Joyce has met with growers in the Riverland and Murray Valley regions. The government is developing an agricultural competitiveness white paper, which is in a consultation phase. This is an ideal mechanism for wine grape growers to identify concerns, including about the structure of the industry.

Turning to the issue of the wine equalisation tax rebate: the government is aware of these criticisms within the wine industry about New Zealand wine makers being eligible to claim the rebate. I understand that that is a result of the Closer Economic Relations deal between our two countries, and I understand that Treasury is aware of this issue. Questions directly related to the wine equalisation tax and its application should be directed to the Treasurer, and I am happy to do that should Senator Xenophon wish me to.

Senator XENOPHON (South Australia) (14:49): Mr President, I ask a supplementary question. And yes: I do wish the Leader of the Government in the Senate to refer that issue to the Treasurer, as a matter of urgency. Given that most of these wine grape growers are still burdened by debt due to drought conditions of a number of years ago, borrowing heavily to buy water to keep their vines alive, can the government advise on whether they will be eligible, and in what circumstances, for the emergency assistance package for farmers announced last week by the Prime Minister and the Minister for Agriculture?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:50): I can inform the senator that grape growers who have had their incomes impacted by drought conditions may be eligible for a concessional loan under the new Drought Concessional Loans Scheme. Separately, the government, through the Farm Finance Concessional Loans Scheme, is assisting farm businesses that are experiencing difficulties in servicing their current levels of debt by providing access to concessional loans. Under the scheme, grape growers in New South Wales, Victoria and South Australia have accessed concessional loans of up to $650,000 for debt restructuring purposes. These loans restructure existing debt and can help growers recover from periods of downturn in their income. The interim farm household allowance is also now available. Wine grape growers in financial hardship can apply for income support to ensure that they can put food on the table and pay the bills.

Senator XENOPHON (South Australia) (14:51): Mr President, I ask a further supplementary question. Does the government consider that wine grape growers can benefit from a strengthened code of practice in their dealings with wineries and that wineries in turn can benefit from a strengthened code in their dealings with supermarkets, given the dominance of Coles and Woolworths in wine retailing?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:51): The government recognises the good work of the wine industry in developing the Australian Wine Industry Code of Conduct. As with all codes, weaknesses are often revealed over time. The government supports the industry in its review of the existing code and proposals to strengthen its effectiveness. The government understands that the wine industry is seeking to negotiate a voluntary code of practice with Coles and Woolworths and considers this to be an appropriate course of action.
Building Multicultural Communities Grants Program

Senator McEWEN (South Australia—Opposition Whip in the Senate) (14:52): My question is to the Assistant Minister for Social Services, Senator Fifield. I refer the minister to his government's most recent Mid-Year Economic and Fiscal Outlook, MYEFO. Can the minister confirm that the government has cut $11.5 million from the Building Multicultural Communities Grants Program because it was not a policy priority? Is the minister aware that the Greek Orthodox Community of Norwood is one of the organisations that has had its funding cut and now faces the prospect of footing the bill for community school computers purchased with the support of the program? Can the minister advise why the good work of this local community organisation is not a policy priority for the government?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:52): The coalition always has been and always will be a strong supporter of cultural diversity in Australia and of our multicultural communities. At the same time the government is very committed to reviewing all spending, including the Building Multicultural Communities Grants Program. In light of the current state of the federal budget the government has decided to reduce the scope of this program.

Those organisations that applied for funding have now been contacted and informed of the status of their applications. The government will ensure that organisations that have already expended funds or entered into contracts will not be left out of pocket.

It was revealed at the recent Senate estimates hearings that the previous government had signed off on these grants on 5 August—and colleagues, I am sure, will be very well aware that that was after the last federal election was called. The grants were used to buy certain things, such as coffee machines, juke boxes and billiard tables. It was also revealed at Senate estimates that the program blew out by approximately $1.3 million.

It is prudent—and I know Senator Cormann will back me up on this—for any new government to review all grants spending, and community organisations inquiring about the current status of grants processes are being advised of these processes. There are 241 organisations that will still receive funding under stream 1; and, as at 21 February 2014, 11 organisations will still receive funding under stream 2 or combined stream 1 and stream 2 funding.

This government makes no apology for being wise and careful stewards of the taxpayer dollar. We also make no apology for looking very critically at decisions that were taken after the election was called. (Time expired)

Senator McEWEN (South Australia—Opposition Whip in the Senate) (14:55): Mr President, I ask a supplementary question. I draw the minister's attention to the Welcome Centre in Adelaide, an organisation that teaches English to new migrants and is facing a cut as a result of the government's decision. Is the minister aware that this service is now at risk due to the coalition's funding cuts? Is teaching English to migrants no longer a policy priority for the Abbott government?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:55): I think it was a very cynical thing that the previous government did by signing off on literally hundreds and hundreds of supposed grants after the election had been called—
Senator Kim Carr: Before the caretaker period!

Senator FIFIELD: While the caretaker period might formally start—

Senator Conroy: Formally start?

Opposition senators interjecting—

The PRESIDENT: Order! Senator Fifield, resume your seat.

Honourable senators interjecting—

The PRESIDENT: Order on both sides! Senator Fifield is entitled to be heard in silence.

Senator FIFIELD: While the caretaker period might formally start at the end of the day, it is very much within the spirit of the caretaker conventions that once an election has been called—

Senator Moore: Mr President, I rise on a point of order on relevance. The specific question relates to issues around funding to the Welcome Centre in Adelaide and the teaching of English to migrants. The minister has 28 seconds.

The PRESIDENT: There is no point of order at this stage. The minister does have 28 seconds remaining to address the question.

Senator FIFIELD: I am strongly of the view that the previous government were acting outside the spirit of the caretaker conventions as received in this country and that what they did in signing off on those particular supposed grants at that time was a cynical political exercise. They should apologise to those community organisations.

Senator Moore: Mr President, I again rise on a point of order on relevance. We now have very limited time left, but the minister should return to the specific question.

The PRESIDENT: I do draw the minister's attention to the question. You have six seconds remaining.

Senator FIFIELD: I would recommend that organisations contact the Department of Social Services, and the process will be explained to them.

Senator McEWEN (South Australia—Opposition Whip in the Senate) (14:57): Mr President, I ask a further supplementary question. Given that this cut has put grants to 49 multicultural organisations in South Australia at risk, I ask the minister: why isn't it a priority for the coalition—

Senator Abetz: Where does the money come from?

Senator McLucas: It's in the budget, Eric!

Opposition senators interjecting—

Senator McEWEN: to support organisations—

The PRESIDENT: Order! Wait a minute, Senator McEwen. Your own side are interjecting on your question and I cannot hear it.

Senator Brandis: She doesn't get it: it's other people's money!

The PRESIDENT: Order! Senator Brandis, I am waiting to call Senator McEwen. Senator McEwen is entitled to be heard in silence.
Senator McEWEN: Thank you, Mr President. Given that this cut has put grants to 49 multicultural organisations in South Australia at risk, I ask the minister again: why isn’t it a priority for the coalition to support organisations that support—

Senator Cormann: Time!

A government senator interjecting—

The PRESIDENT: Order! I will not take that! You interrupted the questions before. I am giving the questioner the opportunity to ask the question.

Senator McEWEN: Thank you, Mr President. Why isn’t it a priority for the coalition to support organisations that support our multicultural communities?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:59): I, Minister Andrews and Senator Fierravanti-Wells—the three portfolio office holders in social services—all have a deep and profound commitment to our multicultural community. But we also have a deep and profound commitment to be good stewards of the taxpayers dollar, and we make no apology for recognising that if we make prudent decisions now—if we work towards retiring debt and putting the budget back into balance—we will be in a much better position to support organisations such as the ones the senator has referred to into the future. We are planning for the long term. That is what we are doing, and we make no apology at all.

I conclude on the fact that the time between when an election is called and when the formal caretaker provisions take effect is intended to ensure that the essential business of government can continue—that key decisions to that end can be made. It is not to be used for political purposes.

Future of Financial Advice

Senator FAWCETT (South Australia) (15:00): Is the Assistant Treasurer aware of incorrect claims that the government’s Future of Financial Advice reforms wind back consumer protections? Can the Assistant Treasurer advise—

Opposition senators interjecting—

The PRESIDENT: Order! On my left! Senator Cameron! Senator Fawcett is entitled to be heard in silence.

Senator FAWCETT: Can the Assistant Treasurer advise the Senate of the government’s response to these false allegations?

Senator SINODINOS (New South Wales—Assistant Treasurer) (15:01): I can inform the honourable member and the Senate that there have been a number of incorrect claims in this regard. We are not winding back the consumer protection provisions under FoFA.

Opposition senators interjecting—

Senator SINODINOS: No, we are not. Our reform package of amendments is designed to reduce red tape and regulatory—

Opposition senators interjecting—

The PRESIDENT: Senator Sinodinos, resume your seat. I remind honourable senators that in another three or four minutes they will have the chance to debate this. It is disorderly
to interject while the minister is answering the question. The minister is entitled to be heard in silence.

Senator SINODINOS: We are retaining the essential elements of FoFA. What we are doing is removing some unnecessary red tape and regulatory burden. What we are doing is clarifying the operation of FoFA and more effectively aligning the legislation with what was envisaged in the original parliamentary report.

Opposition senators interjecting—

Senator SINODINOS: These clarifications were set out in the dissenting report issued by coalition senators to that PJC report. All of the essential consumer protections will remain. Many of them are enshrined not just in the FoFA legislation but also in the Corporations Law and in the common law.

Senator FAWCETT (South Australia) (15:03): Mr President, I ask a supplementary question. Can the Assistant Treasurer advise the Senate why the government is planning to amend the general 'best interest' rule in the legislation and how this will affect the quality and accessibility of financial advice in Australia?

Honourable senators interjecting—

The PRESIDENT: When there is silence we will proceed. Senator Cormann and Senator Cameron, come to order! Senator Conroy! Senator Sinodinos has the call.

Senator SINODINOS (New South Wales—Assistant Treasurer) (15:04): In relation to the 'best interest' duty: those opposite should understand that what was put into the legislation was seven steps that financial advisers were being guided to act upon if they were to act in the best interests of clients. The reason that was done is that financial advisers were seeking clear guidance on how to perform those functions. In other words, it was made a safe harbour to give them guidance. It was not put in as further protection for consumers. What happened is that the seventh part of the protection that was put in was a catch-all that effectively undermined the guidance that was provided by the first six steps on how a financial adviser would meet the 'best interest' test. On top of that, nothing has been altered, requiring that advice be appropriate to the client—

Honourable senators interjecting—

The PRESIDENT: Order! There are interjections on both sides. It is disorderly. Senator Sinodinos is entitled to be heard in silence.

Senator SINODINOS: There are a number of other duties the adviser must adhere to, including that the advice be appropriate for the client— (Time expired)

Senator FAWCETT (South Australia) (15:05): Mr President, I ask a further supplementary question. Can the Assistant Treasurer advise the Senate how the proposed reforms to the Future of Financial Advice will cut red tape and compliance costs to businesses and in turn deliver savings to customers?

Senator SINODINOS (New South Wales—Assistant Treasurer) (15:06): The previous government's FoFA reforms involved regulatory over-reach. Our reforms will save industry an estimated $90 million—

Opposition senators interjecting—
The PRESIDENT: On my left: I realise it is Thursday afternoon and that some people are getting excited, but Senator Sinodinos is entitled to be heard in silence.

Senator SINODINOS: Our reforms will save industry and therefore consumers an estimated $90 million in implementation costs and will reduce the annual compliance burden by—

Opposition senators interjecting—

The PRESIDENT: When there is silence on my left, we will proceed.

Senator SINODINOS: There will be annual compliance savings of around $190 million a year. The reason for that is that we will be removing excessive requirements, like an opt-in requirement where you have to opt in every two years, when at any time—

Opposition senators interjecting—

The PRESIDENT: Senator Sinodinos, resume your seat. When there is silence on my left, we will proceed. It is disorderly, and it is not helping the conduct of question time.

Senator SINODINOS: We will remove the annual fee disclosure requirements for pre 1 July 2013 clients because we were told the costs of going back to reconstruct that sort of material would make it potentially prohibitive; the cost would be too high. Furthermore, your government—the previous government—(Time expired)

Senator Abetz: Mr President, it is with deep regret that I ask that further questions be placed on the Notice Paper.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Assistant Minister for Health

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (15:09): by leave—Senator Wong asked me a question on Tuesday, 4 March 2014 which I took on notice. I would like to provide the Senate with the answer. Senator Wong's question regarded the timing of a phone call from the CEO of the Australian Food and Grocery Council on 5 February 2014. I have checked with my staff. I am advised that the Australian Food and Grocery Council spoke with my assistant adviser on 5 February after my office had made contact with my department about the website.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Answers to Questions

Senator CAMERON (New South Wales) (15:10): I move:

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

In particular I rise to take note of the answer to a question about Qantas given by Senator Johnston, the Minister representing the Minister for Infrastructure and Regional Development. If ever there was an example of a government or a minister not understanding the importance of the issue of jobs and the importance of the issue of national interest, then Senator Johnston demonstrated it in his attempts to respond to the question. The issues for Qantas and the issues for the nation are extremely important. The national interest is not served by the break-up of Qantas. The national interest is not served by the maintenance functions at Qantas being sent to the Philippines, Singapore and Hong Kong. The economics of the break-up have not
been understood before this government has moved to break up Qantas by ensuring that it does not get access to any government support. It is quite clear that the economic incompetents in the government are in complete control of the cabinet.

Jobs and safety are so important to the flying public. The jobs in Qantas are allowing ordinary Australians to put food on the table and send their kids to school, and 5,000 of them are now going to lose their job because this government refused to take a practical approach to support Qantas and took an ideological approach based on economic theory that dominates in this cabinet.

It is quite clear that the questions I asked Senator Johnston were not responded to. The question about how we can ensure that local and regional areas will have safeguards in terms of their capacity to access flights was not dealt with at all. The issue here is that both the Treasurer and the Deputy Prime Minister only a couple of years ago were of the view that we should not be breaking up Qantas and selling Qantas to overseas companies. When Mr Truss was the shadow transport minister, he said:

The Government's decision—
that is, the former Labor government's decision—
to allow a single foreign investor to own 49 percent of Qantas would deliver effective control to a foreign investor, including possibly a competitor airline. Loss of effective Australian control could leave Australia without an airline primarily committed to our interests.

What safeguards will be put in place for the Australian flying public, particularly those in regional areas?

Today I asked the question that the Deputy Prime Minister asked a couple of years ago, and the answer was not forthcoming. There was a fudge on the answer because the reality is that the capacity to maintain services into regional Australia and the capacity to maintain services into the bush will be diminished when foreign companies take over Qantas. That will be the result of the coalition's position. Fortunately, the coalition's position is described in all the major newspaper outlets as 'a Claytons policy'. It is the policy you have when you do not have a policy. The so-called policy they have will not pass this Senate because it is not in the national interest. It is not in the interest of jobs, and it is not in the interest of communities that rely on Qantas. It is a hard-nosed, hard-hearted approach from this government, and it is based on political ideology and not on the national interest. The senators over the other side should be ashamed of themselves. They should stand up for this country. (Time expired)

Senator EDWARDS (South Australia) (15:15): I rise to debate Senator Cameron's motion to take note of answers in question time today. Yes, it is all about political ideology and about everything else you want to call it! The only thing that Senator Cameron knows about making a production line more efficient is introducing a picket line. That is his experience in production. That is how he thinks we get production going in this country. He has form—and plenty of it. He comes to this place like so many others on the other side. How many on the other side have ever run a business and had an overdraft? You are a solely-owned subsidiary of the union movement.

While we are talking about the union movement and its role in Qantas: I came to this place in July 2011. What was my first experience? It was the aviation inquiry. I sat on an inquiry when the CEO of Qantas grounded the airline because the unions had got hold of it. Qantas is a unionised workforce, and that is the problem. You are worried and shrill about 5,000 jobs.
What about the 30,000 jobs? You are worried about foreign ownership, but, the last time I looked at the Clipsal 500 around the streets of Adelaide, Ford and Holden were owned by foreigners. Where is your problem there? Virgin Airlines is owned by foreigners. Who will take us to war if we have one? Virgin, Qantas, Air New Zealand, Emirates and Etihad will, just like they have been over the last 12 years. Get real with the Australian people. The Australian people get this. You, over the other side, 30-odd of you, are just bashing this up.

**The DEPUTY PRESIDENT:** Order! Senator Edwards, I just need to correct you. You have to address your remarks to the chair. You cannot say 'you' across the chamber.

**Senator Edwards:** Thank you, Mr Deputy President. You do actually get it—

**The DEPUTY PRESIDENT:** Senator Edwards, that is exactly what you cannot say. You cannot direct your comments to those on the other side. They must be directed to the chair.

**Senator Edwards:** Mr Deputy President, I am sure that those on the other side do get it. We have been in government for six months, and the previous government was in for six years. Back then Anthony Albanese, who still serves on the front bench in opposition, was a Labor minister in 2008 and said: The new Rudd Labor government will drive an active strategy to further liberalise the aviation sector, seeking cooperation with like-minded partners.

That means reform is imminent. Level playing fields—which you heard for the last few weeks. I spoke to the now Treasurer, Mr Hockey, in April of last year about the problems facing Qantas. Everybody has been aware of it; you did nothing about it, and look what we have. We have this problem which you can fix. The legislation has come in and you need to vote it through to free up the management and stop vilifying them. You need to free up the management so that they can get on with the business of running an internationally competitive airline.

I want to now take you to what I believe is the fundamental problem in this argument. Back in October 2011, in the months before the grounding of that airline, an emergency Fair Work Australia hearing heard from the Federal Secretary of the Australian Licenced Aircraft Engineers Association, Mr Steve Purvinas. He was overheard, and introduced to that hearing were the words about Qantas: 'I want to bake them slowly.' More menacingly, he promised to sort out Chief Executive Officer Alan Joyce and mused: 'If you live near a river, take a seat, and eventually the dead bodies of your enemies will come floating by.'

Congratulations—here we are with the union movement! I am sure the TWU will have something to say to you, or they are probably already ringing your offices and telling you how you should behave on this matter. You should be looking at how you govern your union movement before you try to tell private enterprise how to run their businesses. Qantas has argued and is appealing to you over there to pass this legislation, and I urge all of you to take its advice. *(Time expired)*

**Senator Ludwig** (Queensland) (15:20): I too rise to speak on Senator Cameron's motion to take note of answers in question time today, including those concerning Qantas, and on the government's lack of interest in protecting Australian jobs. The Australian people were promised that under Mr Tony Abbott's Australia we would be open for business. The Prime Minister said that Australia was under new management. If this is what new management looks like, I think Australia would want a change of ownership at the till, quick smart. Every
day it is reinforced that this is neither the government Australia was promised nor the government that they voted for. This is a secretive, mean government and a hard government. It is a government of cuts and of no compassion. It is a government of job losses, not job savings. What it also does is send the signal of complete business uncertainty. It does not support business and it creates uncertainty.

In fact, the only export industry the government has supported is the export of Australian jobs. It is an industry that is flourishing under this Prime Minister. On the Prime Minister's watch, the government dared Holden to leave—and it did. The government sent the same signal to Toyota, and it left too. The car manufacturing sector and the car components sector are now looking down the barrel of dismal outcomes, shell-shocked because of this government's lack of care or interest in Australian jobs. It refused to lift a finger to help SPC Ardmona and—this is choice—dropped the Victorian Premier in the deep end in the process. It blocked a boost of investment in GrainCorp when the old doormats—the National Party—got their way, and the government allowed them one win.

This is all clear evidence of this government's true form: ignoring Australian jobs and running Australia out of business. Let us be clear: the government played chicken with Qantas, and it played chicken with the workers of Qantas. It led Qantas down the garden path, trailing its coat and leading them to believe that a debt guarantee was coming. After the Treasurer, Mr Hockey, finished his dance of a thousand veils, the government said no to Qantas. With it, the thousands and thousands of Australian jobs were all put at risk by the government's reckless behaviour.

Earlier today, the repeal of section 3 of the Qantas Sales Act was rammed through the other place. This is a government that took months and months to put in place any support package for struggling, drought impacted farmers. But it took it less than a week to introduce and pass a bill to break up Qantas and send thousands of jobs to the wall. The Treasurer told us he was being dragged, kicking and screaming, to the aid of Qantas. But it did not seem too hard to get the repeal bill drafted and through the parliament. It must have been interesting to watch him hold onto that while kicking and screaming.

I suspect that this government has been doing more than a little bit of work behind the scenes to get ready to launch its ideological crusade against Australian jobs. You would have to think, 'What else they are hiding here?' This is a government that wants to continue to operate in secrecy, to hide from the public what it is doing and then, suddenly, to pop out of the box with its ultimate conclusion while misleading all the way. Treasurer Hockey was out there, misleading the public, saying, 'Yes, a debt guarantee; but only if you drag me kicking and screaming.' Suddenly we find that, within a very short space of time, a debt guarantee is off the table—he will not do that—and it is, 'Let's break up Qantas. Let's have a Qantas Sales Act wholesale sale.'

The answers about this lie on Mr Hockey's desk. The commission of cuts is there as well, and what will it show? That will be interesting. Will we see the Treasurer being dragged, kicking and screaming, saying, 'No, no,' to this commission of cuts? I do not think so. I think we will see Mr Joe Hockey embrace the commission of cuts because that is where he feels most comfortable—cutting to the bone and ensuring that workers lose their jobs. What this government stands for is not big business and not Australian jobs. It wants to export Australian jobs, and it wants to give big business uncertainty. (Time expired)
Senator RUSTON (South Australia) (15:26): I rise to debate Senator Cameron's motion to take note of answers to questions from today's question time. I would particularly like to make a comment in regard to some comments that were made by Senator Cameron when he rose to take note of answers today. I think his opening line was something like 'local and regional areas will need safeguards for flights'.

I come from a regional area, and I come from a state that relies significantly on regional flights to enable people to get access to their communities, particularly those people who live on the other side of the gulfs in my state. For the life of me I cannot see how denying Qantas what they have asked for—that is, a level playing field—can possibly not assist the continuation of these jobs. I cannot for the life of me see why the Australian aviation sector is going to be disadvantaged in any way, shape or form by Qantas being more competitive in the marketplace. They will be more competitive in the marketplace because of a market mechanism rather than because of a debt guarantee which would give them a competitive advantage against many of the other small carriers that operate in this regional space. I think we need to be very clear that lots of lovely words and grandstanding are not necessarily going to be in the best interests of the people who live outside the metropolitan area, and they are the people whom I seek to represent in this place.

The other thing that I find quite bizarre is that we talk about stuff that has happened in the past. We live in a global marketplace and we are expecting Qantas to go out there and compete in an international marketplace, yet we have stuck shackles on it. I would suggest that those opposite need to have a look beyond our shores and realising what Qantas has to deal with on a day-to-day basis before they stand up in this place and refuse to accept not just what the Australian government has suggested needs to be done but also what Qantas itself has asked for. Qantas did not ask for a debt guarantee. In fact, they have come out and said that was not what they wanted. What they want is to be unshackled so they can operate in this marketplace like every other international carrier around the whole world.

Senator Ludwig also got up and made some comments along the lines that 'this is not the government Australia was promised, because there is so much business uncertainty'. I find this quite an extraordinary comment coming from somebody who was at the centre of the live export ban. If ever I have seen in Australia in my time a situation which destroyed the certainty of the Australian marketplace, it was that live export ban. We all know, sitting here, the extraordinary consequences that that had on the northern part of our country. Many of these people are still struggling today due to the impacts of what happened there.

Another question was asked regarding the struggling, drought affected farmers and how supposedly slow this government has been in responding to the problem. I advise this chamber that, until a few days ago, when Minister Joyce and the Liberal-National coalition announced the drought package, no drought-affected farmers in South Australia had received any funding whatsoever, because the South Australian Labor government refused to put any drought provisions in place, constantly pointing the finger at the federal government and saying that they needed to put them in place.

New South Wales and Queensland, the two other major drought affected states, put things in place at a state level, and then, once the drought deepened to such an extent that they required federal assistance, the federal government kicked in. So I think it is quite
extraordinary that Senator Ludwig would make these comments, particularly given the nature of some of the decisions that he made.

If we want to look at uncertainty we should look at the question directed to Senator Fifield today about the Building Multicultural Communities Program. If ever there was a cruel hoax, it is the set of promises that was made to the Australian public during the election campaign from the then government, which obviously must have thought that it was not going to get back into government. Now that we have had a chance to have a look at the budget and the books, we can see that there was no way that any of these promises were ever going to be able to be funded.

Unfortunately, with respect to the region within which I live, the then Minister King made massive promises about grants along the river corridor in South Australia, none of which were ever funded. So we are left with a situation where these poor people believed that they were about to get funding, but it is non-existent. (Time expired)

Senator McEWEN (South Australia—Opposition Whip in the Senate) (15:31): I would like to take note of Senator Fifield's answer to my question about the government's appalling and heartless decision to take $11.5 million from the excellent Building Multicultural Communities Program. This is a program that has provided small financial grants to more than 470 community organisations that do invaluable work to enhance social cohesion in Australia by assisting migrants and migrant communities to participate fully in the many wonderful opportunities that Australia gives them, including opportunities in my home state of South Australia. These are organisations that teach new migrants how to speak English and assist new migrant children how to swim, which we know is very important. There are organisations that assist migrant children with their homework and assist migrants to apply for jobs and prepare for job interviews.

I did not hear, in Senator Fifield's answer to my question, any coherent explanation of why the Abbott Liberal government will not commit to funding which has already been promised to these excellent community organisations, or why supporting multicultural communities is not a priority for the coalition. He did not answer that question at all. I can only take from his answer that this is just another example of this government tearing down the good work that the Labor government did when it was in government, because the only explanation that Senator Fifield gave in the answer to my question was, 'These were Labor initiatives; therefore, we're not going to fund them.' That is what he said.

I also have to wonder whether this is an example of a sinister, nasty, ultra-conservative government failing to support multicultural communities and just implementing its ideological agenda, which apparently includes trashing our multicultural communities by refusing to support them with these grants. If there is any doubt about what the government really thinks about multicultural communities you only have to look at their ministry list. There is no minister for multicultural affairs in the Abbott coalition government.

I am proud to say that Labor has retained, in its shadow ministry, a shadow minister for citizenship and multiculturalism. That is the very hard working, excellent member for Greenway, Ms Michelle Rowland. She takes an interest in what is happening in our multicultural communities. In fact, last week she came to South Australia and visited some of the organisations that have been devastated by the heartless cuts that we have heard about today. She went to the Welfare Rights Centre in Adelaide. That is an organisation that teaches
the English language to New Australians and now faces funding uncertainty. That is extraordinary, because I distinctly remember, during the Australia Day celebrations earlier this year, the government making a big noise about how migrants should learn to speak English. How are they going to learn to speak English if there is no funding to teach them how to speak English? The hypocrisy is extraordinary.

I am pleased to say that South Australian federal MPs are right behind the Building Multicultural Communities Program. For example, Kate Ellis, the member for Adelaide, has been out and about visiting organisations in her community, including the African Communities Council of South Australia and the Middle Eastern Community Council of South Australia, who have been devastated by these funding cuts. Other South Australian MPs are very concerned about this. I noted, in my question, the funding that has been withdrawn or is in doubt for the Greek Orthodox community in Norwood, which is in the seat of the opposition leader in South Australia, Mr Steven Marshall. We have not heard a word from him about these devastating cuts to that community in his electorate.

I would like to conclude by noting some of the organisations in South Australia that have funding which is now in doubt as a result of the decision of this government. They include the African Communities Council of South Australia, the Saint Spyridon Greek Orthodox Community, the Chinese Welfare Services of SA, the Hungarian Club of SA, the South Australian German Association, the Croatian Club Adelaide Inc., Czechoslovak Club in South Australia, the Inter-Italian Sports and Social Club of Adelaide, the Muslim Women's Association of SA, the South Australian Lebanese Women's Association—(Time expired)

Senator WHISH-WILSON (Tasmania) (15:36): Mr Deputy President, the newspaper for your home town and Senator Colbeck's home town in Tasmania, The Advocate, ran a big headline on Wednesday this week saying 'Banned'. It had a big picture of the Abel Tasman—formerly Margeris—supertrawler on the front. The headline said 'Banned for good'. No doubt, that is a headline that the Tasmanian Liberals are happy to see, given their consistent opposition to a supertrawler in Tasmanian waters. No doubt it is also good for the Tasmanian election to have the Prime Minister come out and make an election promise—that is, if I read Senator Abetz's answers today correctly—that supertrawlers will be banned by this government.

Unfortunately, the government cannot be trusted on the environment, especially in relation to their election promises on the environment. The government had a very clear policy to send a Customs vessel to the Southern Ocean this summer for the whaling season, which was broken. They also had a very clear promise on fisheries to send a Customs vessel to police the Southern Ocean to prevent illegal fishing, particularly of Patagonian toothfish stocks, and that has also been broken. They also said they would not touch the World Heritage area in Tasmania, and that has also been broken. So excuse my scepticism around election promises on the environment. Part of me is glad and relieved that the Liberal government has come around to our way of thinking.

The Greens have consistently opposed this supertrawler being in Australian waters—I do not think anybody disputes that—and we have a policy which was reflected in a motion in the Senate back in 2012 that we wanted to see a permanent ban on this type of fishing arrangement in this country, with the onus of proof having to come from any future proponent
to overturn that ban. We believe that a legislative ban should be put in place on this type of activity.

Once again, Senator Abetz insinuated very strongly during question time that I was asking about this because of the Tasmanian election coming up. It is quite the opposite: I wanted to make sure that the campaign we have run and prosecuted against supertrawlers in Tasmanian waters and in Australian waters was seen as genuine, that Prime Minister Tony Abbott's response to Andrew Wilkie's question the other day in the House was also genuine and that this was not going to be an election promise that was easily broken. So my message to Senator Abetz and to the Prime Minister is: put your money where your mouth is. Let's see you legislate to prevent and ban this type of fishing activity in this country.

Everywhere this boat and other types of supertrawlers have gone, trouble has followed. No-one disputes—even the ferocious champions who brought the supertrawler to this country do not dispute—that they have had trouble internationally. They have been dogged by problems related to overfishing, including being charged and prosecuted for illegal fishing. The country simply does not want this type of fishing activity. Rightly or wrongly, rationally or irrationally, very few of us have seen a campaign develop as quickly right across this country—right across different electorates in this country; right across different political spectrums in this country—as a gut reaction, not wanting to see this type of fishing activity in Australian waters.

I ask again that the government, rather than make an election promise that could simply be seen as hot air, put in place a legislative process to ban this type of fishing arrangement. It is not just because that is what the Greens want to see and, I think, most Australians would like to see—and I say that with absolute confidence—but that we are also undergoing a process through the Department of the Environment, with an independent fishing panel spending money on research around supertrawlers. If the Prime Minister meant what he said and if Senator Abetz meant what he said—although he did not say much; he certainly hid behind the Prime Minister's words and looked very uncomfortable during question time—I would suggest that they make a call on this, because we are spending taxpayers' money. There is another $650,000 allocated for expenditure on potential impacts of supertrawlers, but if we are going to ban them let's get on with it. Let's not muck around; let's put that in place and do what most Australians want to do and stop supertrawlers coming to these waters. (Time expired)

Question agreed to.

BILLS

Qantas Sale Amendment Bill 2014

First Reading

Bill received from the House of Representatives.

Senator SINODINOS (New South Wales—Assistant Treasurer) (15:41): 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 SINODINOS (New South Wales—Assistant Treasurer) (15:41): 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—

QANTAS SALE AMENDMENT BILL 2014

This Bill is a key part of the Government's commitment to ensuring a strong Australian-based aviation industry in, and for, this country.

That means providing an environment for aviation businesses in Australia to manage their own affairs on an equal footing.

Good government is not about playing favourites or being a banker for major companies when times are tough.

It's about providing the environment for them to succeed free of unreasonable government impediments.

That is what this Bill about. Helping the Australian aviation industry to grow in an environment that is safe, fair, competitive and productive.

The purpose of the Bill is to remove the regulatory handcuffs that apply to Qantas but to no other Australian-based airline—including in relation to accessing foreign capital.

Last week Qantas announced a loss of $252 million for the first half of the 2013-14 financial year.

The company has taken difficult decisions to return the airline to profitability—most distressingly for all in this place the shedding of 4,000 jobs on top of the 1,000 job losses Qantas announced in December.

The Government recognises that the best possible way it can assist Qantas is by removing the regulatory imbalance in Australia's aviation industry... in effect, to free Qantas from the regulations that hold it back and which are a remnant of the previous Century.

Currently, there are one set of rules for Qantas and another set of rules for other Australian-based airlines.

Part 3 of the Qantas Sale Act, which the government proposes to repeal, requires Qantas to include a range of outdated restrictions in its articles of association.

Under Part 3 of the Act, foreign ownership is limited to 49 per cent, a single investor cannot own more than 25 per cent and foreign airlines are limited to aggregate ownership of 35 per cent.

In contrast, under the Air Navigation Act, foreign persons can own up to 49 per cent of other Australian international airlines, with no restriction on foreign ownership for Australian domestic airlines, subject to consideration by the Foreign Investment Review Board.

In order to provide a "level playing field" and balance the regulatory rules for all Australian airlines, this Bill seeks to repeal Part 3 of the QSA.

This will free Qantas from the restrictions it and, indeed, its competitors in Virgin Australia and Rex, agree belong to a bygone era.

The Bill also makes amendments to definitions in the Air Navigation Act to ensure that Qantas is subject to the provisions regarding foreign ownership, thereby, creating a consistent regulatory framework for all Australian international airlines.
Australia's air services agreements with other countries require an airline seeking to exercise Australia's air traffic rights to be designated by Government.

This means they must satisfy a range of requirements, including:

- Substantial ownership and effective control by Australian nationals;
- Two-thirds of the Board members must be Australian citizens, as must be the Chairperson; and
- The airline's head office and operational base must also be in Australia.

The Government does not propose to change these criteria.

I, again, note that Qantas' main domestic competitors, Virgin Australia and Regional Express support changes to the Act, expressing their desire to compete with Qantas on a fair and equal footing.

In summary, this legislation means that Qantas will no longer operate at a competitive disadvantage and that Government regulation will no longer stand in the way of Qantas' efforts to return to profitability.

I commend the Bill.

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.

MINISTERIAL STATEMENTS

International Women's Day

Senator SINODINOS (New South Wales—Assistant Treasurer) (15:42): Mr Deputy President, I table a ministerial statement on International Women's Day and seek leave to incorporate the statement in Hansard.

Leave granted.

The statement read as follows—

Statement by the Minister Assisting the Prime Minister for Women, Senator the Hon Michaelia Cash

International Women's Day

6 March 2014

International Women's Day is held on March 8 each year. It is an opportunity to celebrate the achievements that have been made by women and for women over many decades.

International Women's Day is set aside every year to also focus our attention on the ongoing obstacles to gender equality—including violence, oppression and economic insecurity.

This year's theme "Equality for women is progress for all" highlights how the empowerment of women is critical to both economic and social development across the world.

I hold the strong view that, as people living in a free and democratic society, we have a fundamental obligation to speak out and protect the human rights of women both here in Australia and overseas.

International Women's Day ensures that we don't just acknowledge and celebrate the rights that we in the West have achieved, it also focuses our attention and energy on improving the condition of women internationally.

Whilst we have much to celebrate in Australia in terms of female empowerment, there is still a way to go and much of that is attitudinal and cultural change.

I believe the major difference between empowerment of women in developed and developing nations is that the former—women like us—have the 'freedom to' stand on the shoulders of the women who have gone before us—to achieve more; women however in developing nations still need 'freedom from'—freedom from poverty and other limiting factors.
Ultimately however our aims are similar. True empowerment can only be achieved when girls and women are valued equally to boys and men.

International Women's Day ensures that we as the Parliament embrace the challenge of empowering women and girls.

We will continue to devote ourselves to improving women's participation in the workforce, and as business leaders.

We will continue the work being done to eliminate violence against women and their children.

We will continue to reaffirm Australia's role as a global citizen to improve the safety, and economic empowerment of women and girls internationally.

Gender equality is a key priority for this Government both domestically and internationally.

I am currently working with State and Territory Ministers on the Second Action Plan under the National Plan to Reduce Violence against Women and their Children. This will be an opportunity to ensure that efforts to preventing violence against women become a whole community issue.

Australia's recent appointment of Ambassador Natasha Stott Despoja reflects our commitment to be at the forefront of efforts to promote the empowerment of women and girls.

I am making sure that there is measurable progress against the responsibilities outlined in our National Action Plan on Women, Peace and Security 2012-2018. This progress will be reported mid-year, and will be presented to you then.

I am leading the Australian Government delegation to the 58th Session of the United Nations Commission on the Status for Women, which begins next week. Australia will be keen to negotiate a post-2015 development agenda which focuses on the economic empowerment of women as a driver of global economic growth and poverty reduction.

Achieving a strong, progressive outcome that prioritises gender equality and women's empowerment is critical. Australia's commitment to this vision is unwavering.

COMMITTEES

Joint Standing Committee on Foreign Affairs, Defence and Trade

Foreign Affairs, Defence and Trade References Committee

Government Response to Report

Senator SINODINOS (New South Wales—Assistant Treasurer) (15:43): I present two government responses to committee reports as listed on today's Order of Business. In accordance with the usual practice, I seek leave to incorporate the documents in Hansard.

Leave granted.

The responses read as follows—

Joint Standing Committee on Foreign Affairs, Defence and Trade

Report into the Care of ADF Personnel Wounded and Injured on Operations

Inquiry of the Defence Sub-Committee

Government Response

December 2013

Recommendation 1

The Committee recommends that the Department of Defence continue to make regular contributions to Fisher House as an ongoing measure of Australia's appreciation for the service provided to our wounded soldiers, until such time that Australian soldiers are no longer deployed to Afghanistan.
Government Response - Supported
On 31 January 2012, the then Minister for Defence approved a multi-year grant to Fisher House. The grant was for a total amount of $225,000, with the first payment of $125,000 being made in 2011-12 and four consecutive payments of $25,000 over the period 2012-13 to 2015-16.

Recommendation 2
The Committee recommends that the Department of Defence and the Australian Taxation Office ensure that Australian Defence Force (ADF) personnel medically evacuated to Australia retain tax free status for the notional length of their operational deployment, or the actual length of the deployment of their unit, per subsection 23AG(1) of the Income Tax Assessment Act 1936.

Government Response - Supported
In response to an individual favourable private ruling from the Australian Taxation Office, the Department of Defence sought similar treatment to negate individuals having to apply. In August 2013 the Australian Taxation Office released a Public Ruling (Taxation Determination 2013/18) that provides a favourable outcome regarding the tax treatment for war wound personnel returning to Australia. With the release of the Public Ruling, which ADF personnel can rely upon, and in lieu of a Private Binding Ruling, the Australian Taxation Office issued Defence a General Guidance letter. Defence is working on a communication strategy to ensure all ADF personnel who have been wounded over the last decade are made aware of this change.

Recommendation 3
The Committee recommends that the Department of Defence ensure that Australian Defence Force personnel medically evacuated to Australia continue to accrue War Service Leave and allowances for the notional length of their operational deployment, or the actual length of the deployment of their unit.

Government Response - Not Supported
War Service Leave is accrued for rendering operational service, including periods of hospitalisation. Subsequent periods of recovery do not accrue War Service Leave. Unpaid allowances for the period are already covered under the Military Rehabilitation and Compensation Act 2004 Act (MRCA).

Recommendation 4
The Committee recommends that the Department of Defence and the Australian Taxation Office assist Australian Defence Force personnel previously medically evacuated, and to whom Recommendations 2 and 3 would have applied, to make successful retrospective claims for reimbursement.

Government Response - Supported in Principle
With a positive Public Ruling issued by the Australian Taxation Office (as per Recommendation 2), the Department of Defence will apply Taxation Determination 2013/18 from the 2013-2014 financial year and will advise ADF personnel of their ability to seek reimbursement of their tax from the Australian Taxation Office for prior financial years if eligible.

Recommendation 5
The Committee recommends that the Department of Defence annually publish detailed written assessments of garrison health care contractor key performance indicator statistics. The Committee further recommends that the written assessments include the results of an ongoing survey of Australian Defence Force (ADF) personnel regarding their experiences with the performance of garrison health care contractors.

Government Response - Supported
The Department of Defence will publish, in the Joint Health Command Annual Report, written assessments of the key performance indicators of Garrison Health Operations contractors, which will include an annual survey of ADF members' experience with garrison health contractors.
Recommendation 6
The Committee recommends that the Department of Defence address the shortcomings in Reservist post-deployment support mechanisms identified in this Inquiry as a priority.

Government Response - Supported
The 2012 Skowronski Review examined the level and appropriateness of post-operational support for Australian Defence Force (ADF) Reserve members. The Review was accepted by the Defence People Steering Group in late 2012, and a team has been formed to progress the recommendations.
From 1 July 2013, the Chief of the Defence Force is the rehabilitation authority for all Reservists. Part-time Reservists now have access to occupational rehabilitation services where it is clear that the wound, injury or illness is Service related.

Recommendation 7
The Committee recommends that the Department of Veterans' Affairs accept complementary therapies as legitimate treatment for psychological injuries if there is an evidence-based clinical reason to do so.

Government Response - Supported in Principle
The Department of Veterans' Affairs (DVA) funds evidence-based services for clients under its taxpayer funded arrangements. For instance, for posttraumatic stress disorder, DVA funds treatment which is in accordance with the Australian Guidelines for the Treatment of Adults with Acute Stress Disorder and Posttraumatic Stress Disorder endorsed by the National Health and Medical Research Council. In addition, if robust clinical evidence for a complementary therapy were to become available, then DVA would consider including this therapy in its treatment arrangements.
DVA undertook a comprehensive review of complementary therapies in 2010, and the evidence did not support extending coverage to services provided by complementary therapy providers under the Gold and White Card arrangements. The Government considers that, at the current time, there is not sufficient evidence available to support broader access to complementary therapies through DVA funded treatment arrangements.
DVA funds the Australian Centre for Posttraumatic Mental Health to provide advice on emerging evidence on new treatment modalities for mental health, and is consulting with the Centre on the emerging evidence for potential adjunct therapies (such as art or music therapy) that could complement evidence-based treatment in the future.

Recommendation 8
The Committee recommends that the Department of Defence publish periodic detailed written assessments on:
- The implementation of the recommendations of both the 2009 Review of Mental Health Care in the ADF and Transition through Discharge, and the 2010 ADF Mental Health Prevalence and Wellbeing Study;
- The Australian Defence Force Mental Health Reform Program; and
- What additional enhancements have been made to current programs, as indicated in the Department of Defence White Paper.

Government Response - Supported
A review of implementation of the recommendations of both the 2009 Review of Mental Health Care in the Australian Defence Force and Transition through Discharge is due to commence late 2013 - with the report due mid-2014 and publication of the review expected in late 2014. The Department of Defence's response to the findings of the 2010 ADF Mental Health Prevalence and Wellbeing Study have been published in the 2011 ADF Mental Health and Wellbeing Strategy and the ADF Mental Health and

The ADF Mental Health Reform Program has now been incorporated into the ADF Mental Health and Wellbeing Plan 2012-2015 and an assessment of the implementation of the Plan and related reform activities will be published in the JHC Annual Report.

Current programs and activity are part of the ADF Mental Health and Wellbeing Plan 2012-2015 and progress of implementation will be published in the JHC Annual Report.

**Recommendation 9**

The Committee recommends that the departments of Defence and Veterans' Affairs undertake a study into psychological support of partners and families of Australian Defence Force (ADF) members and ex-ADF members. The Committee further recommends that the study be conducted with the objective of developing recommendations to overcome partners’ and families’ mental health issues that may be highlighted by the study.

The Committee further recommends that the Government implement, as a priority, the recommendations of The Health and Wellbeing of Female Vietnam and Contemporary Veterans report.

**Government Response – Supported in Principle**

The departments of Defence and Veterans' Affairs are working collaboratively on a strategic framework to facilitate and prioritise research programs, with families as one of the initial four research domains for the Department of Veterans' Affairs (DVA). However the recommendation of a specific study into the psychological support of partners and families of ADF members and ex-ADF members is not supported. The departments of Defence and Veterans’ Affairs have numerous programs and services in support of partners and families of ADF and ex-ADF members that have been developed from existing available research and evidence base in recognition of their psychological and social needs. Department of Defence as part of the Simpson Assist Program will initiate research in late 2013 into the role and needs of families in the rehabilitation of wounded, ill or injured ADF members.

The departments of Defence and Veterans' Affairs are working together to further the recommendations of The Health and Wellbeing of Female Vietnam and Contemporary Veterans report, including through the establishment of the ADF Service Women Steering Committee in May 2013. The Committee will report to the Repatriation and Military Rehabilitation and Compensation Commissions in late 2013 to provide information to guide both DVA and the Department of Defence in future policy and program design for female servicewomen and ex-servicewomen.

**Recommendation 10**

The Committee recommends that the effectiveness of psychological first aid be made a research priority by the Department of Defence, in consultation with the Department of Veterans' Affairs.

**Government Response - Supported**

Department of Defence currently offers psychological first aid training in the form of programs such as Keep Your Mates Safe (KYMS), Battle Self Management and Resilience Training (BattleSMART) and Critical Incident Mental Health Support. Joint Health Command will ensure these programs continue to be based on the best available research evidence. A program of evaluation will be developed to assess the effectiveness of these programs for ADF personnel. The evaluation program will be in place by mid 2014 and final reports of the evaluation expected by late 2015.

**Recommendation 11**

The Committee recommends that the departments of Defence and Veterans' Affairs expedite the development of a unique service/veteran health identification number.

**Government Response - Supported in Principle**
The departments of Defence and Veterans' Affairs recognise that the use of a common identification number has the potential to improve the transition of Australian Defence Force personnel by reducing complexity, aiding proof of identification processes, and expediting data exchange. The Department of Veterans' Affairs, in consultation with Defence, is undertaking a scoping exercise to identify possible solutions and to inform a cost / benefit analysis.

**Recommendation 12**

The Committee recommends that the Government conduct a cost-benefit study of a comprehensive uncontested veteran healthcare liability model and publish the results.

**Government Response - Not Supported**

In the current fiscal environment, the Government is not in a position to consider the conduct of a cost / benefit study of a comprehensive uncontested veteran health care liability model.

Existing Department of Veterans' Affairs (DVA) arrangements provide access to "non-liability" health cover for conditions including malignant neoplasia, pulmonary tuberculosis, posttraumatic stress disorder, and anxiety and depression for those with operational service. Initiatives included in the 2013-14 Budget will expand mental health non-liability arrangements to include treatment for alcohol and substance misuse disorders, and provide coverage to former personnel with three years peacetime service since 1994. This extends the current eligibility already available to those with service between 1972 and 1994.

Any proposal to further extend "non-liability" access to DVA health care arrangements to a broader group of former service personnel would involve significant additional financial costs to the Commonwealth and is not a priority at this time.

Also under DVA arrangements comprehensive health care is available for treatment of conditions which have been accepted by the Department as service related.

Ensuring that discharging serving members transition smoothly from the Defence forces to the broader community is a priority for the Government. This includes ensuring a smooth transition from Defence to broader community health care arrangements. DVA has a range of initiatives to engage with the health provider community to support the recognition of military experience and to recognise potential impacts on health and health care needs of their service. This includes the introduction from 1 July 2014 of a new Post Discharge GP Health assessment for former serving members.

**Recommendation 13**

The Committee recommends that the departments of Defence and Veterans' Affairs coordinate to clarify the Australian Defence Force/Veteran service delivery models to reduce the complexity, overlaps and gaps in service identified in this report.

The Committee further recommends that it be provided with a progress report within six months, and a final implementation report within 12 months.

**Government Response - Supported in Principle**

The departments of Defence and Veterans' Affairs are working closely to coordinate service delivery, to reduce the complexity of the support systems and to remove overlaps and gaps. The departments have an agreed framework of key roles and responsibilities across the ‘Support Continuum’, the coordinated and integrated system of support for wounded, injured or ill Australian Defence Force personnel that extends across both Departments. Oversight of this work is provided through the Department of Defence / DVA Links Steering Committee which is also responsible for managing joint performance in these areas.

The Defence / DVA Links Steering Committee will monitor the progress of actions and the Committee will be provided with a progress report within six months and a final implementation plan within 12 months.
Recommendation 14
The Committee recommends that a wounded or injured soldier who wishes to remain in the Department of Defence environment and applies for a position within the Australian Public Service, for which they have the required skills and competencies, be selected preferentially.

The Committee further recommends that the Government encourage private sector providers to take a similar approach to the preferential employment of wounded and injured soldiers.

Government Response - Supported in Principle
Decisions relating to engagement in the Australian Public Service must be based on merit. These may be modified under Section 72 of the Public Service Act or circumstances in Part 2.2 of the Australian Public Service Commissioner's Directions 2013. Department of Defence is engaged in placing a small number of seriously injured personnel and will approach the Australian Public Service Commissioner to accommodate the Committee's recommendation.

The Department of Defence is already working with several major employers, particularly through the Defence Reserves Support Council and regimental Foundations.

Recommendation 15
The Committee recommends that the departments of Defence and Veterans' Affairs expedite the rectification of information technology connectivity issues.

The Committee further recommends that it be provided with a progress report within six months and a final implementation report within 12 months.

Government Response - Supported in Principle
The departments of Defence and Veterans' Affairs have already recognised the importance of effective information management and access to records in the Memorandum of Understanding between Department of Defence and the Department of Veterans' Affairs for the Cooperative Delivery of Care and Support to Eligible Persons, signed in February 2013. A number of improvements in the way information is shared have already been implemented and planning is underway to identify and progress additional initiatives aimed at further improving connectivity and reducing the time taken to make determinations. This will include the introduction of major new information management systems such as the Joint eHealth Data and Information System (JeDHI), and the updating of existing systems.

The Defence / DVA Links Steering Committee will monitor the progress of actions and the Committee will be provided with a progress report within six months and a further report within 12 months.

Recommendation 16
The Committee recommends that:

- as an immediate priority, the national healthcare community include a military/ex-military checkbox as a standard feature on all medical forms; and
- the Government commission a longitudinal tracking system to identify the engagement of military/ex-military personnel with the healthcare system.

Government Response - Noted
The impact of military experience on the health and potential health care needs of current and former serving personnel and their families is an important issue. It is important too, that a treating clinician is able to take account of the possible impacts of military service. The Government notes the Committee's recommendation to include a military/ex-military check box as a standard feature on all medical forms, as a way of improving the recognition of the potential impacts of military experience by providers within the health care system. Implementation of this proposed approach would have implications for multiple Commonwealth Departments and agencies, State health departments, private health care providers and consumers, involving a range of practical, logistical and potential privacy issues.
The proposal to include information on all medical forms may not represent the most effective and efficient means of improving health provider awareness of the impacts of military experience on health and health needs. The Department of Veterans' Affairs (DVA) already has a range of activities to raise awareness of health care providers, and regards this as a priority area. These activities include regular consultation and communication with health professionals and their representative organisations, online and face to face training provision, and a comprehensive mental health website - At Ease Professional. DVA's new strategic research program has identified longitudinal studies, including health studies as a priority area for future research.

**Recommendation 17**
The Committee recommends that the departments of Defence and Veterans' Affairs sponsor a program of research examining the development of post-deployment syndromes in the current veteran cohort, be it relating to mild traumatic brain injury or some other cause.

**Government Response - Supported**
The departments of Defence and Veterans' Affairs are working collaboratively on developing a strategic framework to facilitate and prioritise research programs. The Department of Defence has already conducted research on pre and post-deployment mental health issues and also collects data from post-operational psychological screening allowing for ongoing surveillance and research on the mental health of the deployed Australian Defence Force population. Additionally, the Department of Defence and Department of Veterans' Affairs (DVA) are jointly reviewing the Middle East Area of Operations (MEA0) Health Studies which examines pre and post deployment health status and will be examining opportunities to use the data collected from this study for further research in this area. DVA has previously commissioned studies relating to Timor Leste and Gulf War deployments, and has commenced work considering the needs of Reservists to inform the development of specialised access and/or service arrangements. The departments of Defence and Veterans' Affairs will continue to collaborate on future research to be considered within the strategic research program.

**Recommendation 18**
The Committee recommends that the Department of Defence review the adequacy and rigour of pre- and post-deployment health checks.

**Government Response - Noted**
Mental Health Checks - The Department of Defence has recently reviewed and updated its policy and procedures on operational mental health screening, introducing a risk-indicated approach to this process. This approach varies the type of mental health support necessary according to the length and nature of the deployment. This enables mental health screening to target populations at elevated risk of mental health problems, reducing the potential for over screening of Department of Defence members and ensuring the most efficient use of Department of Defence's mental health workforce.

Health Checks - There are rigorous systems in place to confirm pre-deployment health checks, including review by the senior medical officer at Headquarters Joint Operations Command for personnel with a restricted Medical Employment Classification, and those with restrictions that might limit their employability in an Area of Operations. The current post-deployment health check form was introduced in February 2011. The pre-deployment health screen form was revised and issued in March 2013. Policies and procedures are regularly reviewed and revised where required.

**Recommendation 19**
The Committee recommends that the Department of Defence provide all troops returning from operations, including non-warlike operations, targeted psychological first aid and post-deployment psycho-education which should include:

- Education on human responses to trauma;
Identification of basic signs and symptoms of mental health conditions; and
Advice on assistance options.

Government Response - Noted
This recommendation is already occurring as business-as-usual in Joint Health Command. Training in psychological first-aid and psycho-education is delivered to all military personnel independently of their deployment status. Mandatory suicide awareness training and alcohol and other drugs training are annual requirements for all personnel. Other courses are provided during recruitment and command training, and on an as-required basis. ADF Mental Health Day, first held in October 2012, is aimed at raising awareness of mental health issues and is now an annual event. Post-deployment mental health support already includes a psycho-education brief on issues such as common responses to trauma, the signs and symptoms of mental health concerns, where and how to access support and tips to assist with post-deployment reintegration.

Development of an ADF Mental Health Portal is underway to improve access to mental health and rehabilitation information for current and ex-serving personnel and their families. The Portal will provide access to a wide range of mental health resources including self-help options, support services, and training.

Recommendation 20
The Committee recommends that the departments of Defence and Veterans' Affairs conduct an assessment of suicide rates in the military/ex-military community as a priority.

Government Response - Noted
Suicide in the current and former serving community is a tragic and complex issue and the Government takes this issue very seriously. Assessment of suicide rates in the military is already occurring as business-as-usual in Joint Health Command as part of the ADF Suicide Prevention Program. Department of Defence currently tracks the prevalence of suspected deaths by suicide amongst the full time currently serving Department of Defence members. Assessments of suicide prevalence, including demographics of gender, service, location, age, and yearly comparisons are routinely conducted and reported.

The 2009 Independent Study into Suicide in the Ex-Service Community, conducted by Professor Dunt, found that the research remains "...largely inconclusive as to whether or not veterans are at greater risk of suicide than the general population, and if they are at increased risk what risk factors are specific to this population". It is extremely difficult to accurately assess suicide rates in the ex-serving community because the Department of Veterans' Affairs (DVA) may only be formally notified of a death by suicide when a claim for compensation in relation to the death is made to DVA. As such, rather than an assessment of suicide rates, DVA's future focus will be on preventing suicide, building resilience, and providing information on how and where to seek help for those at risk of suicide or affected by it.

Recommendation 21
The Committee recommends that the departments of Defence and Veterans' Affairs establish strategic research priorities to address suicide attributable to defence service.

Government Response - Supported
The Government continues to invest considerable effort into research about suicide in the current and former serving community. The 2009 Independent Study into Suicide in the Ex-Service Community was a watershed document and added considerably to our understanding. The Department of Veterans' Affairs also funds a number of studies relating to mental health under its Applied Research Program, and will continue to collaborate closely with Department of Defence on further research to be considered under this program.
Recommendation 22
The Committee recommends that the Department of Defence establish formal, Defence-wide pre- and post-deployment training for service families and a periodic contact program for the families of deployed members.

Government Response - Supported
Formal Department of Defence-wide pre and post deployment programs for service families (FamilySMART programs) were implemented in 2011. Enhanced access to these programs is being established with the introduction of on line FamilySMART programs, the first of which was implemented in June 2013. A periodic contact program for the families of deployed members has been in operation for many years. This is provided by both deploying units and also by the Defence Community Organisation, the latter on request, delivered through the 24/7 Defence Family Helpline.

Recommendation 23
The Committee recommends that the Department of Veterans' Affairs:

- Review the Statements of Principles in conjunction with the Repatriation Medical Authority with a view to being less prescriptive and allowing greater flexibility to allow entitlements and compensation related to service to be accepted;
- Periodically publish reports measuring success in adhering to their client service model;
- Periodically publish claim processing times; and
- Periodically publish claim success rates.

Statement of Principles

Government Response - Not Supported
It is not evident from the report what the Committee intended by the phrase "being less prescriptive and allowing greater flexibility". While the Department of Veterans' Affairs (DVA) seeks to be flexible in its service delivery to clients, introducing flexibility to the Statements of Principles regime would undermine its purpose and reduce its value in underpinning evidence based decisions. The issue of increased flexibility in the application of Statements of Principles was considered by the Review of Military Compensation Arrangements which reported in February 2011. The Review Committee examined whether there should be some scope for decision makers to exercise discretion in individual circumstances where there is substantial compliance with a Statements of Principles. However, the Committee recommended that there should be no change to the current Statements of Principles regime as this would undermine a system based on sound medical-scientific evidence. The former Government accepted this recommendation and stated: "The Government is satisfied that the strengths of the Statements of Principles regime lie in the consistency of outcomes and reliance on sound medical scientific evidence".

The Statements of Principles regime is a well established and core element of the Repatriation system. They are internationally recognised as providing a quality decision making tool. There is strong support for the Repatriation Medical Authority and the Statements of Principles regime from ex-Service organisations and the ex-Service community. A view is sometimes expressed that Statements of Principles do not address effectively Australian Defence Force occupational hazards, for example those relating to multiple chemical exposure such as in the F-111 fuel tank maintenance personnel and Australian Defence Force fire fighters cases. The Repatriation Medical Authority accesses advice from a range of advisers, including an Australian Defence Force medical practitioner from Joint Health Command, prior to finalising Statements of Principles to ensure that all Australian Defence Force occupational hazards have been considered. In some classes of claims, the exact nature and extent of occupational exposures suffered by Australian Defence Force members is not clear. This is often an evidentiary issue rather than one that can be addressed by the Statements of Principles regime. The call
for greater flexibility in these circumstances is not able to be met through the Statements of Principles Regime.

Publishing Client Service and Claims Measures

**Government Response - Supported**

DVA is currently updating client service information published in the DVA Annual Report with a view to greater use of performance indicators for DVA client service. DVA will ensure mean processing times for all its claim types with performance standards will be reported in its Annual report. This will include compensation processing activities under the *Veterans' Entitlements Act 1986* (VEA), *Safety Rehabilitation and Compensation Act 1988* (SRCA) and MRCA. Claims success rates are already published in the DVA Annual report by condition and Act.

**Recommendation 24**

The Committee recommends that the Department of Veterans' Affairs conduct a study, and publish the results, reflecting the issues raised in evidence during the Inquiry, concerning:

- Developing a standardised approach to recruitment, including the preferential recruitment of ex-service members as Case Managers; and
- Training and ongoing evaluation of Case Managers.

**Government Response - Supported in Principle**

As mentioned in the response to Recommendation 14, decisions relating to engagement in the Australian Public Service must be based on merit, although a number of options are being pursued to facilitate employment of ex-Australian Defence Force members in the Australian Public Service and specifically the Department of Veterans' Affairs (DVA). DVA will review its national guidance on recruitment to ensure that outcomes appropriately consider the experience of serving members, within merit principles.

DVA already employs a number of ex-serving members and they have access to a range of support mechanisms as staff members (in addition to any support they are entitled to as a result of their service). This includes the Employee Assistance Program, or for staff undertaking specialist case management roles, a tailored professional support program that provides guidance from qualified professionals in undertaking sensitive or complex case management work.

DVA is also considering a range of other support mechanisms that may assist ex-Australian Defence Force members with transition to the Australian Public Service / DVA employment.

DVA has a range of training programs for DVA staff including programs that support an understanding of the military culture and mental health issues, and that provide skills to work with a diverse client group, make quality decisions and manage caseloads.

**Recommendation 25**

The Committee recommends that the Government commission an independent assessment of the need for, and establish if warranted, an appropriate national/state-based veterans' organisation coordination body.

**Government Response - Not Supported**

The evidence presented in the report and support from contributing organisations for the Committee's recommendation was limited. There currently exists a number of consultative forums that inform both the Government and the Department of Veterans' Affairs (DVA).

National consultative forums include a peak ex-Service organisation (ESO) Round Table and supporting forums that focus on policy issues, program matters and the operation of the Department. Each State and Territory also has its own consultative forum, chaired by DVA State-based Deputy Commissioners. These forums also provide a vehicle through which major ESOs can discuss how they
interact and coordinate with each other and with other agencies. There have been no calls from these forums for the Government to intervene in the operation or coordination of ESOs, many of which operate voluntarily. Such intervention may be seen as impinging on ESOs' independence.

A national/state-based veterans' organisation coordination body is a possible duplication of existing consultation arrangements. DVA's consultation framework is currently under review to ensure that it remains relevant to the needs of government and the ex-Service and defence communities.

DVA and Department of Defence also recognise that there are a range of emerging organisations representing contemporary veterans and are working to appropriately engage these organisations, with consideration of their charters and funding arrangements.

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**Senate Standing Committee on Foreign Affairs, Defence and Trade**

**Inquiry into Australia's foreign, trade and defence policy in the Indian Ocean region**

**Government Response to Report Recommendations**

**Recommendation 1**

The committee recommends that:

- the Australia Government lead by example and ensure that its representation at IOR-ARC Council of Ministers' Meetings' is always at ministerial level;
- the Australian Government commit additional resources to the IOR-ARC Secretariat and encourage other member states to be more generous in the resources they make available;
- the Australian Government promote the profile of IOR-ARC by making reference to the activities of the organisation whenever appropriate;
- the Prime Minister of Australia open the 2013 IOR-ARC Council of Ministers' Meeting in Perth;
- the Australian Government advocate that the heads of government of the Indian Ocean rim countries hold periodic meetings to discuss matters affecting IOR-ARC; and
- the Australian Government should encourage countries with observer status at IOR-ARC to send high-ranking representatives to the meeting.

**Agreed-in-principle**

Australia began a two-year term as Chair of the Indian Ocean Rim Association (IORA)—formerly the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC)—at the Council of Ministers' Meeting (COMM) in Perth on 1 November 2013. The Foreign Minister, Ms Julie Bishop, chaired this meeting.

Australian Ministers have attended IOR-ARC COMMs on other occasions in the past. The then Foreign Minister, Mr Kevin Rudd, attended the COMM in Bengaluru, India, in November 2011. The then Deputy Prime Minister, Mr Tim Fischer, attended the first ever COMM in Mauritius in March 1997 and the then Minister for Forestry and Conservation, Mr Wilson Tuckey, attended the COMM in Muscat, Oman, in January 2000. As with other international meetings, Australian ministerial attendance is decided by the government of the day.

As IORA Chair, Australia will continue to seek to revitalise the organisation. This will include efforts to enhance the IORA Secretariat's capabilities and working practices—including building analytical capacity of local staff members and the ability to provide streamlined administrative services to members. As Chair, Australia will promote IORA's work and profile wherever possible.

Australian Prime Ministers discuss issues of bilateral and regional importance with Heads of Government (HOG) of Indian Ocean rim countries as opportunities arise. To establish a separate HOG
forum in IORA would require strong consensus and significant commitment among IORA members. No HOGs attended the 2013 COMM in Perth.

Australia is committed to working with IORA dialogue partner countries and observer organisations to ensure IORA's objectives are met. This includes consideration, with other IORA members, of how best to enhance this engagement, and specifically of how better to involve dialogue partners at IORA meetings during Australia's period as Chair.

**Recommendation 2**
The committee recommends that the Australian Government as chair of IOR-ARC:

- encourage IOR-ARC to strengthen its links with the business community in the Indian Ocean by considering establishing an Eminent Persons Group made up of leading business people throughout the region;
- use its influence to involve Trade Ministers as mainstream participants in IOR-ARC meetings;
- ensure that the contribution of the smaller countries to the work of IOR-ARC, such as Mauritius which houses the Secretariat, is given prominence; and
- pursue the notion mentioned in previous meetings of establishing 'nodes of excellence' (later recommendations expand on this recommendation).

**Agreed-in-principle**
As IORA Chair, Australia will consider how best to enhance business engagement in the organisation. The existing IORA Business Forum (IORBF) is intended to allow cooperation among business chamber representatives, and to facilitate their input to IORA. Australia is keen to strengthen business-to-business engagement in IORA and the IORBF's capacity to contribute to IORA policy and project processes. Depending on the views of IORA members and business chambers, we will consider whether an IORA Eminent Persons Group process could add to these existing efforts.

India and Mauritius co-hosted the first IORA 'Economic and Business Conference' (EBC) in Mauritius in July 2013. This provided a means by which IORA trade and commerce ministers could engage one another and business representatives. Australia was represented at Parliamentary Secretary level. IORA members agreed at the COMM in Perth to follow-up on the outcomes of the EBC.

Australia works with all IORA member countries to address issues equally through IORA's consensus-based approach. A number of smaller Indian Ocean countries, including island states, are focused on similar development issues including fisheries management, maritime safety, food security and climate change—all of which are covered in IORA's current and planned work program.

Australia, as Chair, will aim to enhance academic engagement in IORA, including by encouraging interested academics to develop nodes of excellence—that is, areas and networks of expertise in IORA priority work areas. The existing IORA Academic Group (IORAG) is intended to allow cooperation among academic, non-government organisations and think-tank representatives, and to facilitate their input to IORA.

**Recommendation 3**
The committee recommends that, respecting IOR-ARC's charter and the views of other member countries, the Australia Government work with member states to look at broadening the membership to include other key Indian Ocean countries, such as Pakistan and Saudi Arabia.

**Agreed-in-principle**
Not all countries of the Indian Ocean region—including Maldives, Myanmar, Pakistan, Saudi Arabia and Timor-Leste—are members of IORA. Australia would welcome an expanded membership but recognises that this depends on the readiness of prospective new members to commit to IORA's charter.
and ideals, and consensus on expansion among IORA’s existing members. Other countries are able to participate in IORA as dialogue partners.

IORA’s membership has grown in recent years: Seychelles re-joined as a member in 2011; Comoros joined as a member in 2012; and the United States became a dialogue partner in 2012.

**Recommendation 4**

The committee recommends that the Australian Government:

- increase its support for the smaller developing countries in the Indian Ocean rim to assist them develop the capacity to monitor, control and regulate fishing activities in their waters;
- provide greater assistance and increase efforts to help the smaller developing countries represent their interests in international fora such as the IOTC; and
- through the Troika—India, Australia and Indonesia—encourage the larger and more developed countries to collaborate and collectively spearhead active engagement in promoting the health of marine life in the Ocean; to assist the smaller developing countries to protect their fish stocks from over exploitation; and to grow their fishing industry in a sustainable way.

**Agreed-in-principle**

Australia recognises that the conservation and sustainable use of the Indian Ocean is important for economic development in Indian Ocean rim countries, particularly for those countries—including smaller developing countries—that have a large dependence on healthy and well-managed marine resources. As Chair, Australia initiated the 'Perth Principles' Declaration on the Peaceful, Productive and Sustainable Use of the Indian Ocean and its Resources—the first Declaration ever issued by IORA Ministers.

Australian Government agencies are undertaking a range of projects that support Indian Ocean rim countries in promoting sustainable fisheries and healthy marine life in the Indian Ocean.

The Department of Agriculture has been working with the IORA Fisheries Support Unit (FSU), which is hosted by Oman, to strengthen regional cooperation on fisheries. Australia, including through the IORA troika (with India and Indonesia), will consider how member states could work further, using the FSU, to address regional needs and gaps in fisheries management, sustainable fishing and marine conservation.

The Department of Agriculture also leads Australia’s engagement in the Indian Ocean Tuna Commission (IOTC) which includes work with Indian Ocean rim developing countries, including smaller developing countries, to strengthen regional cooperation on fisheries issues of mutual interest. In the IOTC, Australia has led efforts to establish a meeting of Indian Ocean coastal states to coordinate policies that matter most to the group.

Australia is committed to protection of marine species, including whales and other marine mammals, in the Indian Ocean region. We work closely with India as a likeminded pro-conservation member of the International Whaling Commission. Australia also works with members of the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR), including India and South Africa, to conserve Antarctic marine living resources in the southern parts of the Indian Ocean. This includes efforts to combat illegal, unreported and unregulated fishing. Australia is seeking the development of a representative system of Antarctic marine protected areas through CCAMLR.

Australia also supported a workshop in August 2012 under the Convention on Biological Diversity (CBD) to identify 'Ecologically and Biologically Significant Areas' (EBSAs) throughout the southern Indian Ocean. Once EBSAs for a region have been identified, summary reports on these areas are submitted for information to the United Nations General Assembly, relevant UN bodies, CBD member Parties and relevant international organisations.
Recommendation 5
The committee recommends that the Australian Government consider establishing an Institute for Indian Ocean Research in a Western Australian University.

Agreed
The University of Western Australia (UWA) was awarded $34 million from the Australian Government in 2010 for the Indian Ocean Marine Research Centre (IOMRC) project (total project cost is $63 million). CSIRO will provide $10 million and the Australian Institute of Marine Science will provide $3 million. UWA and the Western Australian Government will provide the remaining $16 million. The IOMRC will be established through the refit of an existing marine research facility at Watermans Bay in north Perth and the construction of a new building at UWA’s Crawley campus. The project is expected to be complete by 2015.

The IOMRC will have the largest capability in marine research in the Indian Ocean rim. It will play a key role in facilitating research, including inputs from disciplines not specifically targeting the marine environment, to address challenges, risks and opportunities in the sustainable and safe use of marine resources and conservation of Indian Ocean biodiversity. The IOMRC will bring together over 240 researchers to conduct research across a range of subjects, extending from oceanography to marine ecology, fisheries, geochemistry, law and marine technologies and engineering, among others.

It will be important, once IOMRC is established, to explore how the centre can contribute to a regional effort to consolidate, strengthen and expand on collaborative research taking place. Through IORA, we will consider possible linkages and synergies between IOMRC and other research and science institutes in the Indian Ocean region—including in India, South Africa and elsewhere.

Recommendation 6
The committee recommends that DFAT work with other agencies to make an audit of research projects which already have country to country links.

Further, the committee recommends that DFAT engage with Australian universities and the research community to find ways in which to link Australian institutions to Indian Ocean rim institutions.

Noted
The Department of Foreign Affairs and Trade (DFAT) will keep under consideration the possibility of undertaking with other agencies an audit of research projects with country-to-country and regional links.

In 2010, DFAT supported the establishment of an informal Australian Indian Ocean rim Academic Network. This includes representatives of leading Australian universities and research institutions interested in Indian Ocean research, cooperation and dialogue. Through the IORAG and this network, Australian academics and researchers have the opportunity to develop substantive academic and research links with countries in the Indian Ocean rim. DFAT will encourage and support this effort further during Australia’s period as IORA Chair.

Recommendation 7
The committee recommends that the AFP consider greater community engagement in the North West region to increase the understanding of its role and reassure the community that the security of the region is a priority.

Agreed-in-principle
Australian Federal Police (AFP) representatives will undertake visits to key industry and local government entities in Australia’s North West to discuss the AFP’s role in the region.
Recommendation 8
The committee recommends that Defence make it an urgent priority to focus on the defence of the North West. The committee encourages Defence to increase its cooperation with industry in order to find creative solutions to the challenges which currently prevent larger exercises and affect reserve recruitment.

Agreed
Defence is already working to enhance its profile in the North West. In April 2013, Defence held a strategic-level wargaming exercise (Exercise Python) in Perth, with Western Australian industry representatives. More exercises are intended. Joint Logistics Command will assess and, where necessary, improve the ADF's logistic infrastructure in the North West to support operations.

Defence will continue to be an active member of the biannual Oil and Gas Security Forum meetings at which the North West is a significant focus. Defence also conducts liaison with shipping and maritime trade industry representatives, which includes the Minerals Council of Australia and the Australian Petroleum Production and Exploration Association, at the biannual Australian Maritime Defence Council. Defence is seeking to expand the Council's industrial membership.

Recommendation 9
The committee recommends that Defence examine the possibility of making the 2014 planned Defence exercise in the North West a larger, more visible exercise in the region—as a means of providing reassurance to industry and actively engaging the community. In particular, the committee encourages the Royal Australian Navy to examine ways in which it can increase visibility in the area and raise community and business awareness of its activities in the North West of Australia.

Agreed
Defence liaison, exercise and engagement activities are planned and conducted routinely in the North and North West. These activities vary in scale and scope, but reflect an active Defence presence in the region. Planning is underway to develop a joint activity in the 2014 training year to build on current single service activities. This exercise will incorporate platforms and force elements from all three services and the US Marine Rotational Force-Darwin.

Recommendation 10
The committee recommends that in its work on the government response to the OITS Report, the Department of Infrastructure and Transport consider including strategies for community engagement. The committee strongly believes that local government and relevant state agencies have a role to play in educating community and industry about the role of various security agencies and can help to provide reassurance to the community that security of the North West is a priority for government.

Agreed-in-principle
The Australian Government response to the Inspector of Transport Security's Offshore Oil and Gas Resources Sector Security Inquiry Report was tabled in Parliament on 14 May 2013. The Inspector's Report noted that Australia has been consistently considered a low risk location with high security and supply reliability. Nonetheless, the Report highlighted some areas for improvement and presented 10 recommendations and 10 options to further strengthen the security of the offshore oil and gas sector. Of these, the Australian Government has agreed, agreed in-principle, or noted all but one of the recommendations. The Australian Government did not agree with the Inspector of Transport Security's recommendation to conduct a review of current industry recruitment and vetting processes as it considers that these processes are a matter for employers.

There are a number of agencies across government involved in the implementation of the response to the Report. The Department of Infrastructure is coordinating implementation arrangements, in close consultation with other relevant agencies and the Oil and Gas Security Forum. In undertaking this role,
the Department of Infrastructure will encourage agencies to include community engagement in their implementation processes where appropriate.

**Recommendation 11**
The committee recommends that DFAT work with other departments to prioritise progress on effective and consistent port state control measures in the Indian Ocean rim as part of Australia's plan for its upcoming chair of IOR-ARC.

**Agreed**
Indian Ocean regional cooperation on port state control measures is a key element of Indian Ocean maritime safety—which is one of the six priority work areas agreed to by IORA members at the Council of Ministers' Meeting in November 2011. Australia will prioritise progress on effective and consistent port state control measures in the Indian Ocean rim during its period as IORA Chair, including through capacity-building, information-sharing and other work with IORA members. At Australia's instigation, the Perth COMM communiqué acknowledged the need for stronger port state control measures in IORA members in order to enhance shipping safety across the Indian Ocean.

Australia has made $250,000 available through the aid program to build capacity for port state control in the Indian Ocean region through a three-year project from 2013. This involves provision of assistance in capacity development and training to countries party to the Indian Ocean Memorandum of Understanding (IOMoU) on port state control. This support was announced through IORA for those IORA members who were also IOMoU members.

The Australian Maritime Safety Authority (AMSA) has direct involvement in port state control measures in the Indian Ocean region through the IOMoU and, less directly, through the Tokyo MOU on Port State Control. AMSA has chaired the IOMoU Port State Control Committee and provides technical assistance on port state control issues.

Australia supports and encourages all countries in the Indian Ocean rim and beyond to implement fully their commitments under Chapter XI-2 of the Safety of Life At Sea Convention and the annexed International Ship and Port Facility Security Code, including in relation to security measures adopted by ships transiting the Indian Ocean. Again at Australia's instigation, the Perth COMM communiqué noted the importance of IORA members fully implementing their obligations in these areas.

The Department of Infrastructure works with transport security administrations throughout the region to enhance understanding of their obligations under international conventions.

**Recommendation 12**
The committee recommends that ministers attending the Council of Ministers' Meeting in Perth or their representative be invited to visit the Pilbara as part of a delegation to see the work being done at Dampier Port and Port Hedland to improve the ports' productivity.

**Noted**
Ministers and others attending the IORA COMM in Perth were unable to visit the Pilbara region at that time due to other travel commitments.

**Recommendation 13**
The committee recommends that DFAT work with other federal government departments, as well as state and territory governments, on strengthening government consultation with groups such as AAMIG, the Australian Coal Association, and the Australia-Africa Business Council. The committee notes that while Africa Down Under has been successful in generating discussion, more concrete measures are needed to ensure that the input of groups working with industry and African countries is captured in policy making.

**Agreed-in-principle**
DFAT interaction with industry bodies, commercial enterprises, and other government departments is a regular and essential part of its business, in Australia and at Australia’s missions overseas. Australia’s diplomatic missions, including in sub-Saharan Africa, provide strong support on the ground for Australian industry groups and commercial enterprises, and receive valuable information from these groups and enterprises that is fed back into the policy formulation and implementation process.

DFAT’s engagement with the Australia-Africa Mining Industry Group (AAMIG) is substantial. Apart from strong informal links between senior DFAT officials and AAMIG representatives, DFAT holds annual meetings with AAMIG in the margins of both the Africa Down Under (ADU) conference in Perth, and Mining Indaba, an annual mining event held in Cape Town, South Africa. These meetings allow for a frank exchange of views and a chance to discuss the Australian Government’s priorities and programs in Africa, and those of the mining and resource industry.

In Australia, the ADU conference is a key annual event connecting industry and government. It continues to grow in size and scope. Resource ministers and senior leaders from across Africa, as well as Australian ministers, attend. All of Australia’s Heads of Mission in Africa endeavour to return to Australia for the ADU conference so they can engage in that forum with business and political leaders from across Africa.

DFAT works closely with the Australia Africa Business Council (AABC) assisting with seminars and industry update meetings, and through networking events and dinners. All of these exchanges provide an opportunity for government and industry to work together to further common goals.

In July 2013, the Australian Strategic Policy Institute held the inaugural Australia-Africa Leadership Dialogue in Perth. The event attracted a range of business, non-government, political and resource industry attendees, including the AABC. DFAT in Canberra, and Australian missions in Africa, helped secure high-level attendance at this event, which is expected to become a regular fixture on the Australia-Africa policy-making calendar.

DFAT is working to establish a whole-of-government mechanism to coordinate Africa-related policy across agencies—including with Austrade and the Department of Industry. Austrade also consults with DFAT and Australian Government agencies, State Governments and business groups in setting the priorities and focus of its trade, investment and education promotion activities in Africa.

**Recommendation 14**

The committee recommends that DFAT establish a formal and regular consultation panel in relation to IOR-ARC for Australian businesses and industry, with a broad representation from all sectors. This consultation panel should focus initially on:

- increasing Australian business and industry awareness of IOR-ARC and its activities; and
- incorporating input from business and industry into Australia’s planning for taking on the chair of IOR-ARC.

In due time, the focus of the panel can be extended to broader discussion of issues in the Indian Ocean rim.

**Noted**

As IORA Chair, Australia will work to take forward Australian business and trade facilitation focused-initiatives, including through the IORBF. DFAT continues to liaise with the Australian Chamber of Commerce and Industry (ACCI) on IORA initiatives. ACCI will help lead the direction of the IORBF’s work during Australia’s term as Chair. DFAT, with ACCI and Austrade, will keep under consideration the possibility of organising additional IORA-focused business consultative mechanisms in Australia for Australian businesses and industry.
Recommendation 15

The committee notes the role played by the foundations, institutes and councils in promoting business-to-business and people-to-people links with countries in the Indian Ocean rim.

The committee recommends that DFAT coordinate a roundtable of Indian Ocean rim country foundations, institutes and councils. The roundtable should focus on:

- ways to increase Australian community and business awareness of IOR-ARC and its activities; and
- any other relevant matters.

Noted

There are various foundations, institutes and councils (FCIs)—the Australia-India Council, Australia-Indonesia Institute, Australia-Malaysia Institute, Australia-Thailand Institute and Council for Australian-Arab Relations—that promote links with those particular Indian Ocean countries and sub-regions. These FCIs are mandated to focus only on their particular bilateral or regional relationship, and direct resources to initiatives within these confines. They do not have a pan-Indian Ocean remit.

Recommendation 16

The committee notes that currently there is no foundation, institute or council which covers the countries of Africa. The committee recommends that DFAT work with existing business and community groups to establish an appropriate organisation to enhance awareness and understanding between the peoples and institutions of Australia and the African countries.

Noted

DFAT works closely with business and community groups to help broaden Australia's interaction with Africa. This includes pursuit of commercial interests, including investment; engagement between Australian state and federal governments with African counterparts; educational exchanges; sporting and cultural links; development assistance (including through community groups and NGOs); and people-to-people contact, including tourism. A broad range of corporations, groups, committees, foundations and councils exist to facilitate these interactions.

DFAT will continue to consider—within resource constraints—how this broad variety of groups might best be brought together. This will include keeping under consideration the idea of establishing an organisation along the lines suggested by the Senate Committee.

Recommendation 17

The committee sees significant benefit in improved coordination between the state and federal governments on the promotion of Australian business and trade in the Indian Ocean rim.

The committee recommends that the Australian government create a Council of Australian Governments (COAG) Select Council to facilitate consultation and cooperation on trade and investment initiatives for the Indian Ocean rim. The Indian Ocean Rim COAG Select Council would continue for the duration of Australia's role as chair of IOR-ARC, with the potential to be made a Standing Council.

The committee believes that the Select Council would ensure that coordination of efforts promoting Australian business in this growing region is a priority for both state and federal government.

Noted

The Australian Government will work to ensure appropriate state and territory input on trade and investment initiatives developed and undertaken during Australia's term as IORA Chair.

AUDITOR-GENERAL’S REPORTS

Report No. 22 of 2013-14

The DEPUTY PRESIDENT (15:43): In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Audit report No. 22
of 2013-14: Performance audit—Air Warfare Destroyer program, Department of Defence, Defence Materiel Organisation.

DOCUMENTS
Tabling
The DEPUTY PRESIDENT (15:43): I present reports on access to documents of the Parliamentary Standing Committee on Public Works and the Joint Select Committee on Defence Forces Retirement Benefits Legislation.

BUDGET
Consideration by Estimates Committees
Senator KROGER (Victoria—Chief Government Whip) (15:44): At the request of the chairs of the respective committees, I present additional information received by the Finance and Public Administration Legislation Committee and the Legal and Constitutional Affairs Legislation Committee relating to estimates.

COMMITTEES
Legal and Constitutional Affairs References Committee
Report
Senator WRIGHT (South Australia) (15:44): I present the report of the Legal and Constitutional Affairs References Committee on a claim of public interest immunity, together with the Hansard record of proceedings and documents presented to the committee.
Ordered that the report be printed.

Senator WRIGHT: I move:
That the Senate adopt the recommendations contained in the report.
Question agreed to.

Senator WRIGHT: by leave—I move:
That the Senate take note of the report.
I am very happy to table this report. As Chair of the Legal and Constitutional Affairs References Committee, I rise to speak about this inquiry into a claim of public interest immunity raised over documents. This has been an important inquiry as it goes to the heart of the relationship between the parliament and the executive. It goes to the heart of the capacity of the parliament, in this case the Senate, to obtain information and documents about actions being taken by the executive that are of concern to the very public which elected us to represent them.

In order to provide some context to this issue, I will go to the words of the Clerk of the Senate, Dr Laing, in giving evidence before the committee on the background to a resolution of the Senate made on 13 May 2009 about the process that is to be followed when a claim of public interest immunity is contemplated. Dr Laing pointed out that the important issue is the balance of competing public interest claims—one hand, by government, that certain information should not be disclosed because disclosure would harm the public interest in some way; and, on the other hand, by parliament, as a representative body in a democratic polity, to know particular things about government administration so that parliament can
perform its proper function of scrutinising and ensuring accountability for expenditure and administration of government programs.

The Senate referred this inquiry to the committee on 10 December 2013. It followed the government's noncompliance with multiple orders from the Senate for the production of documents concerning on-water activities under Operation Sovereign Borders. In refusing to provide the information, the government raised a claim of public interest immunity. This is a claim which has been contested by the Australian Greens as well as opposition senators. In this inquiry, the committee has sought to examine the grounds on which the government's claim of public interest immunity was based as well as the Senate's authority to determine such claims. In this case, it is unfortunate that the committee has not been able to examine the merits of this claim of public interest immunity because of the government's unwillingness to provide further information. The government has merely continued to assert the grounds upon which the claim is made but has not identified any specifics about the documents over which the claim is made.

The committee's ability to examine the merits of the claim has been frustrated because the committee was not provided with the relevant documents, nor the information contained therein, nor even a schedule listing the documents covered by the claim, as explicitly requested of the Department of Immigration and Border Protection. In the course of the inquiry, the government was not forthcoming with any information in addition to that which was already tabled in response to the orders for the production of documents—even on an in camera basis or in altered form. Therefore, the committee had no ability to consider the validity of the claims that releasing such information would result in 'possible damage to national security, defence, international relations and possible prejudice to law enforcement or protection of public safety', which are the usual bases for such a public interest immunity claim.

The government's unwillingness to engage in a meaningful way with this inquiry only serves to heighten the committee's suspicions and concerns about the information sought. As a result, the committee has recommended that the Senate consider a range of procedural and political remedies to resolve the current impasse. The committee has recommended that the Senate insist that Senator Cash be required to explain what documents are covered by the claim of public interest immunity and how she reached the decision to make the claim. The committee reminds the executive of the Senate's right to information and that claims of public interest immunity are just that—claims which are for the Senate to accept or reject. Withholding information from the Senate because it is politically embarrassing or of contestable legality does not accord with good governance and prevents the Senate from fulfilling its scrutiny and accountability functions. These are functions which are vitally important for the democratic process. When serious actions are being undertaken in the name of the Australian people, the Australian people have a right to know what they are, why they are being taken and whether they indeed are necessary. This is not a principle which should be abused.

More broadly, the committee found that the Senate's current procedures for obtaining documents subject to a disputed claim of public interest immunity and for resolving these disputed claims are inadequate. By contrast, the committee heard in detail about the procedures of the New South Wales Legislative Council, where an independent arbiter is able
to consider and provide advice on disputed claims of public interest immunity. In that case an independent person has the ability to scrutinise the documents and form a view, as opposed to a situation where those who are not willing to have the documents disclosed merely assert that they are subject to public interest immunity.

Therefore the Legal and Constitutional Affairs References Committee has recommended that the Procedure Committee examine this matter in greater detail. Specifically, the Procedure Committee should consider the New South Wales Legislative Council's model of independent arbitration and how such a process might be applied in the Senate so that the Senate does not continue to be frustrated by disputed claims of public interest immunity in the future, thereby frustrating the Senate's ability to carry out one of its most fundamental functions in a democratic society—that is, making sure that there is proper scrutiny and accountability of executive government on behalf of those people who voted us in.

I would like to give my thanks to the committee secretary and the staff of the secretariat for their hard work in conducting the inquiry and providing the reports, and particularly to those witnesses who gave generously of their expertise and time. This was of great assistance to the considerations of the committee. I think particular thanks are due to the Clerk of the Senate, Dr Rosemary Laing, and the Clerk of the New South Wales Legislative Council, Mr David Blunt. I commend the report to the Senate.

Senator SESELJA (Australian Capital Territory) (15:52): I would like to put a few things on record in relation to this report. That includes the fact that coalition members did not agree with the majority findings of this committee. I wanted to go through some of the issues that were dealt with, some of the reasons we took a very different approach, some of the hypocrisy of the Labor Party in particular on this issue when it comes to the production of documents and also the recklessness of the attitude of the Greens and the Labor Party in relation to such documents and claims of public interest immunity.

We know the recognised grounds for public interest immunity, and the dissenting report goes to this. It includes a range of things: prejudice to legal proceedings and to law enforcement investigations; damage to commercial interests; invasion of privacy; disclosure of executive council or cabinet deliberations; prejudice to national security or defence; and prejudice to Australia's international relations or relations between the Commonwealth and the states.

We heard a lot of evidence in relation to the government's views on this issue, particularly from people like Lieutenant General Angus Campbell. I wanted to go to some of the evidence that he put to the committee as to why public interest immunity was important in this case. I will come later to some of the claims of public interest immunity that were made by the former government which I would submit to the Senate were of a far less serious nature and could only be characterised in those circumstances as being completely political. This goes to the hypocrisy of the Labor Party on this issue. Lieutenant General Campbell outlined the importance of confidentiality in regards to Operation Sovereign Borders when he said:

These documents may reveal the location, capacity, patrol and tactical routines relevant to Navy and Customs vessels and air assets.

He further outlined:

Such information can undermine our tactical advantage over people smugglers who seek to use this information to avoid or trigger detection or to precipitate a search and rescue response. Information of
this type can also undermine our ability to protect illegal maritime arrivals from the practices of people smugglers and other serious criminal activities. Finally, it can undermine more generally the effectiveness of Australian assets to maintain maritime security awareness in the broad sense.

Lieutenant General Campbell also said:

Secondly, the kinds of documents that are sought, from my perspective, may enable an exploitation of confidential methodologies and procedures used by Navy and Customs vessels and assets. Information about the arrival of ventures, including the timing of the arrival and the composition of passengers, can be used by people smugglers—and has been used by people smugglers—to provide proof of arrival and the basis of payment, provide a basis for further positive marketing of their business and undermine communication strategies aimed at potential illegal immigrants.

He made a very compelling case, in my view, about the importance of not releasing these documents.

You can understand that the Greens, who have never been and never will be in government, want this. But it is not clear to me why the Labor Party—who were in government recently and apparently aspire to one day be back in government—would want such information in the public realm. Why would a party aspiring to government even consider having documents such as these, which, Lieutenant General Campbell has made crystal clear, undermine our tactical advantage in dealing with people smugglers and put our personnel at risk, put in the public realm? Lieutenant General Campbell goes on:

Finally, these documents may impact upon Australia's relations with foreign states and damage those relationships, undermining the potential for international agreements and cooperative behaviours and also the working relationships necessary between operational agencies in relation to safety of life at sea or generally on-water cooperative operations.

He makes a very compelling case.

When we think about the disgraceful attacks we have seen from the Labor Party on Lieutenant General Campbell, there are a couple of points that need to be made. Lieutenant General Campbell is doing a fine job in the service of the Australian people in the task that he has been asked to do in stopping the boats. I think the attacks are even more disgraceful because Lieutenant General Campbell has made it very clear—publicly on the record and many times in the committee—that it is critically important to the success of Operation Sovereign Borders that the information flow is controlled and that it is not given to the people smugglers. He has made that clear, he said that is his advice to government and the government has followed that advice.

So, when we see these kind of attacks from the Labor Party on Lieutenant General Campbell, we can only assume that they are suggesting that he is not sincere in that belief. I believe he is sincere in that belief, I believe he has given his best professional advice and I believe that best professional advice has been taken by the minister of the day in implementing this important policy. So all of these claims that somehow Lieutenant General Campbell has just been put in a bad position by the government and is somehow being politicised by the government are wrong. It is the Labor Party that has politicised his position. He is doing a fine job. The important point here is that he has given the advice and he has formed the view. This is what he is told the committee—that he has formed the view that this is critical to the success of Operation Sovereign Borders. I, for one, accept his assertions. I, for one, accept his evidence as being truthful and as being completely valid. That is why the
minister has taken that advice and that is why we are seeing success. That is one of the reasons we are seeing success.

When Lieutenant General Campbell has appeared before the committee, he has emphasised many times that this is an important aspect. There are a whole range of aspects in relation to Operation Sovereign Borders and why it is working, but the control of information is a critically important point, and the point was made by Lieutenant General Campbell on a number of occasions. I think he has been subjected to some unfair attacks. We have seen some of the ridiculous questioning from the Greens on these issues, including references to fictional, TV programs, which I think is unbecoming for senators.

We heard from the Clerk of the Senate, and I also thank the Clerk for her contribution to this inquiry. She said:

There are parliamentary mechanisms, however, such as the receipt of evidence in camera or the provision of confidential briefings, which balance the right of the body of elected representatives to know against the public interest in that particular information remaining confidential.

Mr Morrison has provided regular briefings. He has also offered confidential briefings to the Labor Party and the Greens. As I understand it, no member of the Greens has taken up that offer. The shadow spokesman from the Greens has been offered a confidential briefing. If you are generally interested in getting the information, wouldn’t that be at least a first step to acquaint yourself with the facts? But the Greens have not bothered. So I can only suggest that this is merely political. They are not really interested in the information; they are more interested in making a big deal of the fact that they cannot get the information—even though they have been offered confidential briefings in relation to it. Minister Morrison has provided regular briefings on a number of aspects of this.

I want to touch on the hypocrisy of the Labor Party on this issue in relation to their performance in government when it comes to public interest immunity claims and failure to provide documents. I asked a question of the Clerk on the claims in relation to the 42nd and 43rd parliaments. In evidence to the committee, the Clerk of the Senate stated that ‘it was not uncommon’ for ministers to refuse orders for the production of documents and:

It is certainly a fact that there is a degree of noncompliance with orders for production of documents.

I would suggest that that may be an understatement. I also asked a question about how many times in the 42nd Parliament the Labor Party did not comply with orders for the production of documents. In the 42nd Parliament there were 63 orders for the production of documents, 33 of which were not complied with. The orders not complied with included documents on the Carbon Pollution Reduction Scheme, the NBN, the Oceanic Viking, the Home Insulation Program, the mako shark, the porbeagle shark, grants for sports facilities, chemotherapy treatment and budget cuts. In the 43rd Parliament there were 53 orders for the production of documents, 26 of which were not complied with. There were nine orders relating to the mining tax and three on live cattle exports. There were orders relating to the NBN, the Home Insulation Program—the list goes on and on.

We have a situation where the Greens, who always call for information, have not taken some of the confidential briefings that were offered to them. We have had a compelling case put by the government, and by Lieutenant General Campbell, as to why this would put people at risk and undermine the effectiveness of this policy. I put it again to Labor senators: what do you have to gain by seeing this information in the public realm? Why would you want to arm
the people smugglers with this type of information? It is well recognised that this type of information has often had public interest immunity about it. I commend the dissenting report to the Senate. (Time expired)

Senator LUDWIG (Queensland) (16:02): I rise to take note of the report of the inquiry by the Legal and Constitutional Affairs References Committee into the claims of public interest immunity made by Ministers Morrison and Cash. Not since the Iraq oil-for-food program inquiry have I been involved in such an extraordinary inquiry where there is nothing but pure front from this government. What a pitiful defence has just been offered. It rests on two parts, the first of which is: 'Have a confidential briefing.' Well, it is the Senate that you are in, and we want the information—it can always be provided in camera if you want the Senate to have it in a confidential way. The second defence is even worse: 'They did it too.' Well, push me! Go on, really! Those are your best two limbs of defence? These claims were made in response to the legitimate orders from this place to produce documents relating to Immigration and Border Protection activities—documents that the government has kept secret, documents that the government has refused to provide, even on a confidential basis, as provided for in our rules and procedures. These are documents which, it was revealed in the inquiry, neither minister had actually read prior to making their claims. That is outrageous in the extreme.

This report is an indictment of those ministers and this government. The fact that we even had to have this inquiry in the first place is a measure of the absolute contempt in which they hold this parliament. It is completely unacceptable for the government to behave in this way. This is backed up by the committee's report. The government's claim of public interest immunity has not been substantiated. There is no evidence on the record that the claim of public interest immunity would succeed. In fact, the report is scathing of the behaviour of the government and Ministers Morrison and Cash. Let me quote directly from the report:

The government's unwillingness to engage in a meaningful way with this inquiry only serves to heighten the committee's suspicion and concerns about the information sought. And what else does this inquiry find? It finds that the government's secrecy, its lack of transparency and accountability, is so extreme as to require a change in the very procedures of the Senate. That is what the committee concluded—that, when you look at the conduct of these two ministers, you are left in no doubt that we require a change in the way we address this circumstance.

The government has openly flouted the Senate rules and the committee's rightful and legitimate request for information. It denied explicit requests for relevant documents—or even a schedule of those documents—which undermines and frustrates the ability of the committee to examine the merits of the government's claim. Even if you did not want to produce the documents themselves, then you should have produced a schedule of the documents so, at least, the committee could have come to the conclusive view that a proper process was entertained. No such schedule was provided. The only conclusion you can come to is that the government did not go through a proper process. It took the extraordinary step of making a blanket claim and then tried to cover up the fact that that is what it did.

It treated the powers of the Senate, powers bestowed by the Constitution, with shocking disregard. The Minister for Immigration and Border Protection had the gall to tell the committee that he would decide the questions that they considered relevant. The minister deciding relevance, instead of the committee—that is completely absurd. You could only
describe it as either ignorance or arrogance. I will leave it for those who read the report to come to the conclusion as to whether it is sheer arrogance or ignorance, the assertion was so stunning.

The advice from the Clerk on this matter could not be clearer, saying it was a notion which they should be disabused of as soon as possible. Stonewalling, misleading, evading, obstructing: that is the only behaviour this government has shown itself capable of and, quite frankly, it is not good enough. The Senate should respond to this circumstance.

The report makes a number of key recommendations that Labor supports. It recommends that the Senate:

… insist that the Minister representing the Minister for Immigration and Border Protection (Senator Cash) be required to explain the process by which—she—

… considered the documents and reached a decision to claim public interest immunity over them.

Let me dwell on that point, because those opposite should not miss the import of it. The sheer absurdity of this situation for them seems incapable of being grasped. How a minister can claim public interest immunity over a document that they have not actually read is mind-boggling. This is a serious matter, beyond just the matter of the documents in this particular case. At its very heart, at its very core, is this government’s culture of secrecy, its lack of accountability, its contempt for this parliament and all that it represents. That is why this committee report also recommends a reform option for the Senate. We asked the Procedure Committee to look at this report and its contents very carefully. And I have full confidence in that committee coming to the same conclusive view that the committee came to, that a change is required here. The blatant attempt not to produce documents needs to be addressed. The sheer hypocrisy of this government in hiding and continuing to display secrecy is shocking. The status quo will not do, not when it comes to this government, which has adopted dissembling as the default policy position.

The report should remain and continue to be a stark reminder to this government that it is not above what the Senate can ask it to do. It is not above the ability of parliamentarians in this place to require the production of documents. But, more than that, if you want to claim public interest immunity on those documents, then demonstrate that you have undertaken a proper process in coming to that conclusive view. Public interest immunity can be claimed, but what this inquiry shows is that this government ignored all the rules. It was flagrant in its breach of them.

As the committee has noted, it is not the place of ministers to determine matters of public interest immunity; it is a matter for the parliament. I quote:

… the committee reiterates in the strongest terms the Senate’s right to information and emphasises that a claim of public interest immunity made by a minister remains just that: merely a claim. It is for the Senate to consider and accept or reject each claim having regard to the basis upon which it is made.

It is time that the ministers in this government undertook proper processes. If they are going to claim public interest immunity, then they should do it according to the rules and demonstrate how they are going to undertake that process, not simply make a blanket claim for public interest immunity.

*Senator Seselja interjecting*—
Senator LUDWIG: Those opposite continue to interject. I listened to you in silence.

Senator IAN MACDONALD (Queensland) (16:13): This inquiry and all the other myriad inquiries into the border protection issue is a sad reflection on both the Labor Party and the Greens. We expect it from the Greens; we do not expect it from the Labor Party, which had six years to address these issues but failed completely. I regret to have to say this, but it is clear that the Labor Party and the Greens will take every action to destroy the efforts of this government in protecting our borders. The Labor Party showed themselves to be completely incapable of protecting the borders. There is now a government that can do it. The Labor Party do not like being shown up for the inefficient incompetents they were in government and so they will do everything to make sure this real, positive policy for Australia fails. They are on the side of the criminals who run the people-smuggling trade.

Look at all the inquiries and you will see it is the same. Labor cannot get over the fact that we are addressing the problem they created and could not deal with. Regrettably, the time for me to speak is short. I cannot believe the absolute hypocrisy of the Labor Party in talking about orders that were complied with. I am sure my colleague Senator Seselja, in his speech, pointed out that, in the 43rd Parliament, 53 orders of production were made against the Labor government, 26 were not complied with and seven were only partially complied with. In the 42nd parliament, similarly, 63 orders were made and 33 not complied with. And they have the hide to come in here and carry on as Senator Ludwig has just done. It really demonstrates the hypocrisy of the Australian Labor Party currently.

Senator Seselja also went through the more substantive reasons that it is the dissenting report which should be adopted by the Senate. The majority report is just another one of these political farces. The Labor Party and the Greens have the numbers. They could have written their majority report before the inquiry even started, because it was all predetermined and it is just a game—part of a Labor-Greens alliance that will do anything to destroy a policy that is actually working and correcting the mess the Labor Party made of our borders. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS Tabling

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

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

Indexed Lists of Departmental and Agency Files Tabling

The Clerk: Documents are tabled in accordance with the Senate order on departmental and agency files.

Details of the documents also appear at the end of today's Hansard.
Committees

Membership

The ACTING DEPUTY PRESIDENT (Senator Edwards) (16:16): The President has received letters from party leaders requesting changes in the membership of committees.

Senator BIRMINGHAM (South Australia—Parliamentary Secretary to the Minister for the Environment) (16:16): by leave—I move:

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

Community Affairs References Committee—
Discharged—Senator Urquhart
Appointed—Senator Thorp

Economics Legislation Committee—
Appointed—
Substitute members: Senators Sterle and Gallacher to replace Senators Bishop and Pratt for the committee's inquiry into the Qantas Sale Amendment Bill 2014
Participating members: Senators Bishop and Pratt

Foreign Affairs, Defence and Trade Legislation Committee—
Discharged—Senator Faulkner
Appointed—Senator McEwen

Foreign Affairs, Defence and Trade References Committee—
Appointed—
Substitute member: Senator Conroy to replace Senator Stephens from 17 to 21 March 2014
Participating member: Senator Stephens

National Broadband Network—Select Committee—
Appointed—
Substitute members:
Senator O'Neill to replace Senator Thorp on Wednesday, 12 March
Senator Rhiannon to replace Senator Ludlam on Wednesday, 12 March
Participating members: Senators Ludlam and Thorp

Rural and Regional Affairs and Transport References Committee—
Appointed—
Substitute members:
Senator Edwards to replace Senator Heffernan for the committee's inquiry into Qantas on Friday, 14 March 2014
Senator Rhiannon to replace Senator Whish-Wilson for the committee's inquiry into Qantas
Participating member: Senators Heffernan and Whish-Wilson

Senators' Interests—Standing Committee—
Discharged—Senator Thorp
Appointed—Senator Brown.
Question agreed to.
MOTIONS

Shipbuilding Industry

Senator FARRELL (South Australia) (16:17): At the request of Senator Carr, I move:

That the Senate—

(a) recognises:

(i) the vital contribution of the Australian shipbuilding industry as an employer, a storehouse of advanced manufacturing capabilities and a strategic asset, and

(ii) the urgent need for the Government to bring forward project work to ensure continuity of industry development, growth and employment;

(b) is gravely concerned by:

(i) the scheduled end of project work in three Australian shipyards in 2015,

(ii) the severe consequences of the resulting project trough, including:

(A) the retrenchment of more than 3,000 skilled workers,

(B) the crippling of the shipbuilding supply chain, and

(C) the forced closure of research projects and facilities supporting shipbuilding and advanced manufacturing,

(iii) the heavy costs of rebuilding lost capabilities and retraining workers to meet future defence needs, and

(iv) the threat to national security posed by the erosion of local capability; and

(c) calls on the Government to immediately:

(i) identify suitable project work to be fast-tracked and make a public commitment to those projects with a revised timeframe for tendering and delivery,

(ii) recognise that this cannot wait for the Defence White Paper process to be concluded, and

(iii) incorporate the long term opportunities for the Australian shipbuilding industry as a strategic priority in all future naval procurement plans.

I think this is an especially well-written motion. Coming from South Australia as you do, Acting Deputy President Edwards, you will appreciate the significance of this particular motion in relation to the Australian shipbuilding industry. It talks of the need for the current government to bring forward project work to ensure that the terrific work that is being done in the Australian shipbuilding industry and in particular the shipbuilding work being done in South Australia, although that is not mentioned in this particular motion. The point Senator Carr makes in his motion is that there is an urgency about what potentially is an end to the shipbuilding industry unless projects are announced so that when the current array of shipbuilding projects comes to an end next year there is something to replace it.

Senator Birmingham: Your government was very good at announcing them—

Senator FARRELL: I will take that interjection. Let us just go through some of the things that happened during the period of this government. Perhaps the first place to start, when we look at South Australia in particular—and I know we have two South Australian senators in the chamber at the moment—is to look at Holden. What happened there? It is a very simple proposition: all this company needed, sometime after 2017, was $80 million in support from the federal government. What happened? This government goaded Holden into leaving Australia. That is a shocking development for the country. It is a particularly shocking
development for the people of South Australia. They simply sat back on their hands and goaded this company into leaving the country. Once we lost Holden, what happened next? Toyota said, 'We can't make a go of auto manufacturing in the absence of Holden.' That obviously impacted dramatically on the workers at Toyota. But it had a secondary and just as important impact in South Australia, because a lot of the component manufacturers who provided components for both Holden and Toyota are going to lose their jobs as well. So it had a compounding effect. In areas where there was an opportunity to create some employment or keep jobs in Australia, this government sat on their hands—sat by and watched those jobs disappear.

This motion goes to another area where this government is simply sitting on its hands and not doing anything—the very skilled employment of those in South Australia, and across the rest of the rest of Australia, who work in the shipbuilding industry.

I notice we now have a third South Australian senator; in fact, we have four South Australian senators in the chamber. Why? Because this is a significant issue for South Australia. What is going to happen if this government does what it did for Holden, if it does what it did for Toyota? I see another senator from South Australia shaking his head over there. Can I talk about something that is in Senator Fawcett's area of interest: the Woomera bill? We could have—

*Senator Birmingham interjecting—*

**Senator FARRELL:** Senator Birmingham, you could have made a—

**The ACTING DEPUTY PRESIDENT (Senator Edwards):** Senator Farrell, I remind you to address your remarks through the chair and not across the chamber—as the Deputy President quite rightly reminded me earlier!

**Senator FARRELL:** Thank you, Mr Acting Deputy President. That is a helpful reminder at this point in the debate. I will ensure that I direct my comments through you. I direct my comments, through you, to Senator Birmingham. Let us look at another area in recent times where this government simply sat on its hands—this time in conjunction with the Greens—to block an opportunity for job creation in South Australia. We have seen what has happened with Holden, we have seen what has happened with the component industries related to Holden and we know about some of the problems with Qantas in South Australia. What did we do a couple of weeks ago? We put up a motion in this chamber to allow mining exploration in the Defence area of Woomera. It was not going to cost the federal government a zack—they did not have to commit any money. But what happened? You did not support the motion, which that could have created some jobs into the future—

**Senator Birmingham:** Mr Acting Deputy President, I rise on a point of order on the matter of relevance. Whilst many of the matters Senator Farrell is raising might be worthy of debate, and have at various times been subject to debate in this chamber, the motion before the chair, albeit an extensive and long motion, is exclusively dealing with the Australian shipbuilding industry, and Senator Farrell has thus far struggled to put more than three words together in relation to the Australian shipbuilding industry. I ask you to draw his attention to the motion that he in fact has moved.

**The ACTING DEPUTY PRESIDENT:** Thank you, Senator Birmingham. There is no point of order. Senator Farrell, I draw you to the motion and the content therein.
Senator FARRELL: Thank you, Mr Acting Deputy President. That is a very wise ruling. I know that Senator Birmingham, coming from South Australia, is personally embarrassed by the lack of action on jobs by this government. I have referred to a number of examples of it, but let us talk about the shipbuilding industry; let us talk about its importance to South Australia, and perhaps let us talk about what those South Australian senators on the other side have been doing to try to ensure that shipbuilding continues in South Australia.

We all know the history of the Collins class submarines. They are terrific submarines. They were under criticism by the current Defence minister for a long time. I understand he has now come to his senses on this subject and does appreciate what a terrific submarine the Collins class is and just how important it is to Australia's defence. That began this process of constructing defence maritime ships in this country—and, of course, we want to continue that. As you would know, Mr Acting Deputy President, the Australian Submarine Corporation are responsible for this at the moment. They are currently in the process of building some air warfare destroyers.

I have had the privilege on two or three occasions of going down to Techport and seeing some of these constructions. Those people who have done that—I do not know if any of the Tasmanian senators have had the opportunity to go down there—will know it is fascinating to see the way they construct these air warfare destroyers. They construct them upside down. They build them and do all the work they need to do on the ship while it is upside down, and then, at a certain point, when that construction is completed, they turn it up the correct way and add it to the rest of the ship. Just recently we had the laying-of-the-hull ceremony down at Techport. Unfortunately I was not able to attend, but it was a terrific event.

Senator Birmingham: I did.

Senator FARRELL: Senator Birmingham said he did. I had a funeral to attend, unfortunately. But I would have loved to have been down there to see it, because what you see at work at that point is all of the issues that relate to shipbuilding and manufacturing coming together: all of the skills of the engineers, all of the skills of the designers, all of the skills of the workers—terrific skills—coming together to construct this ship.

We have another South Australian senator coming into the chamber, in Senator Ruston. They are all getting concerned, of course, because what all of the South Australian senators know is that unless we get some action from the Abbott government—

Government senators interjecting—

Senator FARRELL: I know you can't speak, Mr Acting Deputy President Edwards, but I know that if you could speak you would be agreeing with me on this: we need some action from the Abbott government.

Senator Birmingham: Mr Acting Deputy President, I rise on a point of order. I think it is an outrageous reflection on the chair for Senator Farrell to be verballing you in that way and suggesting that you would be agreeing with him.

The ACTING DEPUTY PRESIDENT: Thank you. There is no point of order, but I remind Senator Farrell not to infer my thoughts.

Senator FARRELL: I can only take it from your actions that you are as deeply concerned about the lack of action of the Abbott government as I am and as the other Labor senators from South Australia are.
Why are we concerned? Firstly because there is no evidence that the Abbott government understands the problems of the shipbuilding industry. They see it as a South Australian issue. We have seen how they treated Holden, we have seen how they treated component manufacturing, we have seen how they have refused to come to the aid of the mining industry to open up Woomera. There is a pattern of behaviour here of lack of concern for manufacturing. Here we have some of the most skilled workers in the country—highly paid but skilled workers—building our ships and improving our national security.

It is important from the point of view of national security. We have seen over the last few days how quickly things can change in a country. Two weeks ago there was no issue in Ukraine. In the last couple of days we have seen a change in government there and we have seen what appears to be a breach of Ukraine's territory by another country. Things can change very quickly, so we need a strong defence industry. The investment in the Collins class submarines started that process. We were continuing it with the air-warfare destroyers. Former Prime Minister Rudd was able to go down to Techport and make an announcement about future projects to keep shipbuilding in this country going.

What do we see with the Abbott government? We see inaction. Nothing is happening. The people in the defence shipbuilding industry in South Australia that I have been speaking with and that have an interest in this are mightily concerned that if this government simply waits for their white paper to deal with this issue, it is going to be too late.

Let us look back over the last few weeks. On 25 February the CEO of BAE, Mr Allott, said that Williamstown in Victoria is under threat and that unless there is some announcement of future shipbuilding they are going to start laying off people next year. On 27 February, Mr Lindsay Stratton, the CEO of Forgacs, said they are going to be laying off 300 people and will be shut by next year.

We simply cannot wait for decisions on this issue. We cannot wait for this government's inaction. We saw their inaction under Holden; we saw their inaction under Toyota and we saw their inaction on Woomera just weeks ago. We cannot afford any more inaction.

What Senator Carr says is, I think, a very thoughtful resolution. What is his answer to this? He calls on the government to immediately do three things. Firstly, fast-track and make public its commitment to a revised time frame for tendering and delivery. This will provide an opportunity for all the companies involved in the manufacture of these terrific ships to come forward with proposals, and I might add that there are a lot of them—there are 1,025 suppliers who, just in this year alone, have provided $126 million worth of business. They have skills training and university courses to ensure that people have the requisite skills. Of course, we also have the Maritime Skills Centre, which contributes to all of these supply companies, ensuring we have the highest skills and best possible manufacturing.

The second thing Senator Carr says we need to do is not wait for the Defence white paper process. We have to have a decision now. We cannot wait.
involves South Australia there is only one lone voice. Guess who it is. It is Christopher Pyne. He is the lone voice—

**Senator Cormann:** He is a very good minister. He is an outstanding minister.

**Senator FARRELL:** If he is so good, why has he sat on his hands while the defence industry is coming to this government and saying, 'We need further commitments and projects to keep the defence building going.'

**Senator Cormann:** You did nothing for six years.

**The ACTING DEPUTY PRESIDENT:** Ignore the interjections.

**Senator FARRELL:** I am tempted to respond, but I will honour your direction, Acting Deputy President. Our fate in South Australia is solely in the hands of Mr Pyne. If I were a defence worker in South Australia I would be very nervous at this point in time. We saw how he responded to Holden. We saw how he responded to the components industry. We saw how he did not come to the assistance of the mining companies that want to mine in Woomera. I would be very nervous now if I were a Defence worker.

What Senator Carr says in his motion—I will read the last paragraph—is:

‘... incorporate the long term opportunities for the Australian shipbuilding industry as a strategic priority in all future naval procurement plans.

That is what he is asking for. We need to come forward with projects that will ensure all of the great skills that we have built up over 20 years in this industry and that have given us a sense of national security. As I mentioned before, the circumstances in Ukraine show us just how quickly international circumstances can change overnight. You think you are secure one day, and the next day you find that you do not have that security. The shipbuilding industry does provide us with that security, Mr Acting Deputy President Edwards. I know that you know this, but all of the South Australian senators need to get onto Senator Johnston. He sits right there; you could always grab him just before or just after question time—any time—and say to him, 'We can't sit on our hands. We can't let the shipbuilding industry go the same way that we have seen the manufacturing of cars go, and there is the lack of support for the mining industry.' We have to do something, and we have to do it now. We cannot wait any longer. These companies will start laying off labour. The workers themselves will start saying, 'We have no job security in Australia. We've got all these skills. We've gone to university courses, at Flinders University and the University of Adelaide, as well as the Maritime Skills Centre, but the skills are no good to us because this government is not prepared to commit to the national security of this country. We cannot wait for the white paper. We have to act now.'

**Senator FAWCETT** (South Australia) (16:39): I rise to address Senator Carr's motion. I commend Senator Farrell for his enthusiasm and commitment to the mining sector in South Australia, but I must say that I deplore that such a serious issue as the South Australian economy or the important issue of shipbuilding, which is an incredibly important part of our national security, should come down to such a cheap exchange of political barbs. I would like to go to some of the issues of substance, but this is at the end of the day a political debate, so I shall start off by rebutting, just like a school debate—which is the level, unfortunately, that such debates often reach in this place—some of the errors and misconceptions that were put forward by Senator Farrell, and then I will talk about some of the more concrete issues that
this place, on both sides of the chamber, should be addressing in the interests of our national security and in the interests of the working men and women of South Australia.

Senator Farrell made a number of comments about this government and what it has done to the auto sector. I have stood in this place before, as have other members on this side, and talked about the fact that the demise of Ford, Toyota and Holden has occurred over a number of years—and, in fact, most of those years were under the ALP's government. Mike Devereux, as the GM of Holden, specifically made the comment that GMH was now talking about sovereign risk in relation to Australia because of the back-flipping of the Gillard government over policies. When it came to the fact that they closed their doors, he made the very clear statement that no decision of the Australian government—no amount of cash—would have changed MH's position, because they were in fact closing down factories around the world as part of their consolidation. The Productivity Commission has underpinned that. Steve Bricks has also underpinned that in terms of the volume of cars that have to be produced to make a plant economical. So can we put aside the cheap political barbs and trying to draw from that analogies on this issue of shipbuilding?

This is where I want to finish the political points, just to contrast and compare the actual record of action—not the record of words and promises but the record of action—between the coalition and the ALP. Senator Farrell made great mention about the air warfare destroyer project: the SEA 4000, phase 3. That project was planned, approved and funded by the Howard government, by the coalition government. We have heard a lot of talk about Armadale patrol boats: SEA 1444. Again, that was the coalition government. There was the joint project 2048, phase 4A and the LHD. Again, that was the coalition government. So if you want to know which is the side of politics that actually commits to a program—does not just talk about it; does not just have aspirational white papers which it then fails to fund—if you look at the shipbuilding projects around Australia that are occurring today, they are because of decisions of the Howard government, which was seven to eight years ago. I particularly make that point to illustrate the time frame that is required for a venture the size of building a ship between the decision and the commitment of funds and when you have people on a dockyard cutting, welding steel and integrating systems. It does not happen overnight. The things that happen overnight are the defence acquisitions that come from offshore.

While we finish this little political segment, which we seem to have to have in this place, let us contrast the ALP's record. The white paper of 2009 had big dreams: 12 submarines to be built in South Australia and all kinds of equipment promised. Within less than six months, the ALP had started cutting the defence budget to the point where it is now at its lowest level since 1938. Not only did they have to defer those major acquisition projects but they also cut funding out of the running system of the Defence Force. Defence admitted in estimates recently that that has amounted to some $16 billion worth of expenditure which has been deferred, which means contracts they had for building renovations, training, equipment upgrades or maintenance has all had to be deferred. Who suffers from that when those things are deferred? The defence industry does. They are the people who were expecting to be doing the work, and the work has been deferred.

We see on one hand a lack of decision. The SEA 1000 was promised in the 2009 white paper, yet no decision was made for six years. It is interesting that, when you do look at the
decisions that were made—and there were some decisions made—those decisions did not necessarily bring advantage to the very people that this motion is about. Let us look at the JP2048 Phase 3 in terms of the amphibious water craft replacement. In September 2011 the then government made a decision on this project. If you go back through the Capability Development Group and the Defence Materiel Organisation's papers it is clear that this was put forward as a project that had every opportunity to be a project that was manufactured and supported in Australia. We are not talking rocket science here. These are the smaller landing craft that will operate to and from the landing helicopter docks, the LHDs, the Canberra class vessels. These are not complex or expensive ships, but they would have provided work—and they could have been providing work right now and over the next two or three years if the then government had decided to do that.

What did the ALP do? They decided that they would send the job to Spain. In relation to those 12 ships—one of the few things that the ALP actually made a decision on and committed money to—did the ALP support Australian dock workers and manufacturing workers? No, they did not. They sent the work to Spain. I am bringing these things forward, in this small part of the to-ing and fro-ing of politics, to highlight the hypocrisy of the ALP in what they are accusing this government of when, on the few occasions they made decisions, they actually sent work in this very field offshore. I challenge members opposite to consider how much of the 'valley of death' would have been avoided if the ALP government had taken a decision to build the landing craft in Australia as opposed to sending them off to Spain. I concur that this is a serious issue, but it is rank hypocrisy for the ALP to say that the problem we face today is a product of the coalition over the last few months.

The broader issues that we should be debating in this place, to make sure that we put in place a framework that will be good for our national security and that will be good for our defence industry, is actually understanding capability development for Defence and how the government, the department and industry should be collaborating to make sure that we have a sustainable and viable capability. I use the word 'capability' advisedly. Defence has a process where they talk about FIC: fundamental inputs to capability. If we want to have an air combat capability, that is more than just the aircraft. You need to have a training system for the people, organisations, support, training, equipment and doctrine are all required. One of the missing pieces in that construct is defence industry. Governments of both persuasions over the years have not directed or engaged with Defence to have them consider, as a formal part of their FIC process, defence industry.

We see that manifested by the fact that the so-called industry division within Defence has sat in a number of places, but it does not sit with the Capability Development Group. The Capability Development Group, CDG, are the ones who bring to government, at first pass, not only the strategic requirement for the equipment and what kind of capabilities or characteristics it should have but also advice around the procurement approach—how they should acquire that. Their thinking does not include at this stage, from a long-term perspective, what the industrial, design engineering, design support and manufacturing capabilities are that we as a sovereign nation need to maintain onshore.
Let us not get into the simplistic argument, as often occurs here, where people fold their arms and say, ‘We’ll never again build jet aircraft in this country. Why are you talking about building things onshore?’ There are countless examples where we see the requirement to have competence, particularly in the area of design assurance, design engineering, fabrication, repair, design and enacting repairs in Australia. If we do not have those things we run the risk of more things like the collapse of the amphibious fleet. For those who are not familiar with that, it was because Navy got rid of their engineering capability. It was given to DMO, who outsourced to industry, and there was nobody keeping watch on the quality of what was being delivered or on the ships. That has cost Australia dearly in terms of our ability to respond to natural disasters, our ability to support other ships afloat, and it has cost through the whole Rizzo process. It is still costing Defence money as we try to rebuild that engineering capability.

So it is important that we map a path forward to maintain in this area of shipbuilding, in the area of aerospace and in the area of electronic warfare the high-end engineering competencies, the high-end manufacturing competencies and the large infrastructure requirements. It is important that Defence map a path forward so that those things remain viable. That does not mean that we do everything. That does not mean that we try to have orphan systems in Australia and not link into global supply chains. But it does mean that, at first pass, the Capability Development Group should have as one of their considerations a fundamental input into that capability, which means the ability to perform that function on behalf of government over the next two to three decades and that they should have an understanding of what skills, competencies and capacities our industry is required to have. If we were doing that, then each time Defence came to government to put before them, at first pass, a strategic need for the piece of equipment, they would also be bringing to government, wrapped up in that proposal, the strategic plan for sustaining those elements of defence industry capability and capacity that we believed were essential to maintaining our sovereignty as a nation.

That goes directly to this issue of shipbuilding and maintaining the shipbuilding industry. If governments of both persuasions in the past had done that, we would not be where we are today. The inaction of the last six years is inexcusable; but it does not stand alone, because the system has had this flaw in it for many years. We do have an opportunity to fix this and move forward. There are ways that we can start to remediate the issues. The SEA 1000 future submarine is a classic case. The Liberal party is committed to South Australia as the place to build those submarines. But are we going to build 12 submarines—as per the 2009 white paper—with either a new or an unproven design that is a complete step up from the current Collins class? That is the current thinking of block replacement for fleets that the public and the media talk about and that Defence put forward to government.

There is a far smarter way. There is a more intelligent way to look at this capability from a long-term perspective. If we are to build critical skills in engineering, marine architecture, design, systems integration, propulsion and manufacturing, then we will take the service life extension program for the Collins class and we will gradually ramp that up to the point where we have mature and well-functioning systems for each of the major systems—whether they be the hotel services, the ship management services, the combat system, the external sensors or things like getting the hull centre of gravity or the propulsion system right. By doing that
through the service-life extension program, we reinvigorate the design, the manufacturer, the welders—all of the things that we need to be able to step up that next notch to the SEA 1000. What you would then see is a continuous and seamless workforce and the building of capacity and competence so that we reduce the risk, and therefore the cost, of future projects.

At the moment, shipbuilding is done on a stop-start basis where we have high risk that increases cost. We see people ramping up to try to make production schedules to keep in line with this concept of a time-limited project. If we had a program, the peak numbers would not be as high; but, then again, you would not have the troughs—the valleys of death—either. You would have lower risk and lower cost, and you would iteratively develop your capabilities. If we are talking submarines, then we are talking about a better boat at each iteration of that submarine. We would transition from the extended Collins into the SEA 1000 boat, and many of the systems, and the skill sets of those who are supporting it, would roll across. The benefit is that not only have we reduced the risk and therefore the cost, but also we will have a design with more integrity. This means that the mean time between failures for critical systems such as the propulsion, combat and other systems will be increased.

The flow-on effect is that the availability of boats in the water will be significantly enhanced. The 2009 white paper said 12 boats because this figure was probably based on the current metrics that say if you want one boat in the water you probably need to have two or three to be around world's best practice. So, to have four, five or six boats in the water, they thought you would need 12. But, if you have a design that is more reliable, then your mean time between failures is greater and you understand the systems better, so your full cycle docking times are less. If your upgrade paths are more recurrent and iterative then you will probably find that you never need to build 12 boats in order to have six continuously available in the water. That alone brings efficiencies and savings to the taxpayer as well as operational capability to our Defence Force.

I concur with the intent of Senator Carr's motion to draw attention to the fact that shipbuilding is important. But I highlight the fact that there are long-term considerations that we need to get right as opposed to this short-term, party-political argument that ignores the bigger issues that will set us up to have a sustainable industry that avoids the valley of death. They are the arguments we should be having. They are the things we should be working on more collaboratively to put in place for the benefit of Australia. Regarding Senator Carr's perspective and his position that the government should be deciding right now I highlight yet again that the decisions on the projects that are occurring right now—the air warfare destroyer and the LHD—were taken more than eight years ago. If we had wanted a project to be running next year or the year after—people actually cutting metal, welding or integrating systems—those decisions would have to have been made well before the current government.

There is a way forward. I believe it is the iterative upgrade path with things like the Collins class submarine moving into the SEA 1000. But I would encourage senators in this place to avoid the overt and shallow party-political bickering on an issue that is so important to our national security and to the men and women and the economy of South Australia. This motion is clearly political in nature, which is why this government is not going to support it. But it raises important issues, and I would implore senators from both sides in this place to lift their sights above the grubby party-political bickering on these important issues and to look at the long-term interest of our nation.
Senator GALLACHER (South Australia) (16:59): It is my pleasure to rise and make a contribution in respect of this extremely important motion on the shipbuilding industry. I reject absolutely Senator Fawcett's allegation that it is a partisan motion. Senator Fawcett gave us a very clinical dissertation on his knowledge of the defence area, but he never went within a bull's roar of the real issue—and the real issue here, for a South Australian, is that this project, being in excess of $8 billion, is the largest defence procurement project ever undertaken in Australia, making, in the peak years, an average contribution of $298 million and 1,783 jobs to the Australian economy, I believe. I would not have thought that that was a thing that could be dismissed as party political politicking. Fifteen hundred people out of the national workforce of 2,600 are based in Adelaide, so I would have thought every South Australian senator would have had a real vested interest in addressing what is referred to as 'the valley of doom', the period of loss of continuity which will potentially result in people being laid off and skills gaps re-emerging after all the good work that has been done to get a workforce skilled in this project.

I have had the opportunity, as have Senator Farrell and others, to go down and have a look at how this whole process works. It is very innovative technology. The ship-lifting capacity of Techport enables them to compete for work from Singapore—so, if you cannot get your ship refurbished in Singapore, you can slip down to Adelaide, and the lifting facility there is able to do it. They are able to win that kind of work. That is a spin-off from the investment in this project.

What really is concerning is some of the things that are happening around this project. An Australian National Audit Office report was tabled in this chamber just this afternoon. As a member of the Joint Committee of Public Accounts and Audit, I actually got an embargoed copy at around 10 o'clock this morning. It makes very interesting reading. One of the challenges that is facing the project—this is at point 6 on page 16—is this:

The Ministers for Defence and Finance announced on 17 December 2013 that the Government would establish an independent review to address 'unresolved issues' associated with the AWD Program, with terms of reference to be finalised in early 2014.

But what is really interesting is that, before the audit report was tabled in this chamber, before members of the Joint Committee of Public Accounts and Audit had received their embargoed copies, it was all over the Financial Review: 'Audit slams $8bn warship project'. The report goes into some level of detail, and the journalist did a good job. He wrote it last night. I got the report today, and it is pretty near accurate. This is probably new ground for me, as a very new senator—a couple of years down the track—but I would really like to ask on the record here today that the Minister for Defence, Senator the Hon. David Johnston, give an assurance to the Senate that neither he nor his chief of staff or his ministerial staff briefed the Financial Review prior to the President tabling this audit report. I seek some guidance, Mr Acting Deputy President, but I think that is an entirely reasonable thing to do.

I attended a function in the President's gallery yesterday, and I listened very carefully to what the honourable Speaker of the House of Representatives had to say. Paraphrasing it, she said: 'We've eschewed guns, swords and fists and all we have left to really prosecute democracy in this parliament is words.' Let's be fair dinkum, then. If there is an Australian National Audit Office report embargoed to the department, the ministerial office and
members of the Joint Committee of Public Accounts and Audit, how did it get into the Financial Review? How did it get quoted, chapter and verse, in the Financial Review?

Comments were made by Senator Fawcett that we do not want to get into a grubby political debate. Let's be serious about that. What is happening here is what has happened before. Prior to the closure of Holden in our great city, there was a Productivity Commission report sought, and there was leaking to the newspapers. It was alleged that the Treasurer might have incited Holden to take a walk—to go away—and challenged them: 'Take your money and go; we don't need you.' But here we have a really critical piece of defence infrastructure. It is subject to challenges—there is no doubt about that—but, if you look at the complexity of the project, it would not be unexpected for it to face challenges.

I know that the audit report makes comment about difficulties in a number of areas too vast for me to list here today, but I wonder at the motivation—if we are going to talk about politicking—of people who have a confidential, embargoed report who then leak that to the Financial Review. Are we being set up for another fall? Are we being set up for another 1,500 jobs, and the ancillary jobs, to be carved away? Is Senator Farrell right? Have we lost the acumen and skill that was representing South Australia in the cabinet in the years that Senator Fawcett referred to? There were people batting for South Australia. We are now left with Christopher Pyne in cabinet to bat for South Australia—there is no Robert Hill and no Nick Minchin. If Senator Fawcett is right—and I am not going to waste my time going back over the detail of who started what contract and when, and who delivered continuity and who did not—then Senator Farrell was probably right when he said that there is no-one batting for South Australia. Christopher Pyne is not batting for South Australia. Christopher Pyne did not bat for automotive workers or the component workers.

I am absolutely fearful that we are seeing—and there was the carefully managed leak to the press of confidential, embargoed audit reports—the start of an inevitable platform where thousands more workers join those from SPC, Qantas, Toyota, Holden and the like? Is this what is being stage-managed here? I do not think that is a partisan question. I think those workers who enjoy a useful career in shipbuilding in South Australia may have some genuine concerns. The organisations that represent them, the organisations that represent the employers and the employers themselves are expressing concern. They are expressing concern and seeking some help, guidance and continuity.

I think we need to set the record straight and put on the record something that is extremely valuable to understand the situation we are in. Successive governments have accepted that the building of the DDGs in Australia would involve a premium over building them overseas. The decision to build locally is based on the desire of successive governments to retain shipbuilding jobs, facilities, project management, design skills and experience with sophisticated naval combat systems to enable through-life support of the DDGs in Australia. In other words, with the skills we gain from making them we can keep maintaining them and have a continuing naval shipbuilding industry. Successive governments have decided that is a good objective.

As part of the June 2007 second-pass submission to the government the Treasury noted that the premium associated with building the DDGs in Australia was around $1 billion, representing an effective rate of assistance of about 30 per cent. Let us think about that. Successive governments have taken the decision that we will build them here because we
want the capability and the skill set, and we will pay a premium for it. That is what the Australian National Audit Office says and successive governments have carried that out. What we have here today is a leaked report and a Commission of Audit hanging over every operation and all government spending. Successive previous governments have accepted a 30 per cent premium on shipbuilding and we have a leaked 'damning report', in the words of the journalist, on AWD. Are we being taken somewhere? Are we being set up for brutal cuts which will effectively reverse the position of successive previous governments? Is that where we are going? That is my question and I would like the Hon. David Johnston to answer it.

This government, being a relatively new government—September last year—led by the Hon. Tony Abbott has played the get out of jail free card incessantly: 'Don't blame us. We were left with these books. It can't be our fault; it's Labor's fault.'

Senator Ian Macdonald interjecting—

Senator GALLACHER: 'It's the carbon tax's fault. Surely that would have something to do with shipbuilding; that would have put them out of business. It's the carbon tax's fault'—you will get away with that for only so long, Senator Macdonald, and then the reality will come through. I do not think anybody ever voted for a tax, and that is really where the opposition to the carbon tax came from. It is basically an impost and no-one votes for that. You won the election—I have got no problems with that—but I do not like what is happening now when we are closing down opportunities for Australian workers and their families to enjoy decent jobs.

The moment that there is an ounce of difficulty in the economy, whether it be in the airline industry or the automotive industry—and now perhaps in the shipbuilding industry—the immediate response from this government is: 'It isn't our fault. It is the state of the books. It is the carbon tax.' Sooner or later that excuse, that get out of jail card, is going to run out, because you are the government and you are in charge of making decisions. You have your Commission of Audit and you can decide to support this industry and continue useful, well-paid, high-skilled, high-value jobs that support workers and their families right across Australia, particularly very importantly in South Australia. You can decide to go that way or you can decide to go the way that appears to be only too apparent.

There is an embargoed report which we were all waiting to see. It is in the Financial Review, who do not wait for parliamentary processes—'We don't need to wait for the parliamentary process.' Rather than waiting for the document to be tabled here after question time by the President, we could just pick up the Financial Review because someone—and I hope Senator Johnston is able to give us assurances that it was not his office—had fully briefed them and leaked the findings. This is an ongoing fact with this government. The debt guarantee with Qantas might be there, but it might not be.

The other day Alan Joyce said, 'The carbon tax doesn't worry us.' When you think about it, with 48 million passengers a year, $100 million comes back to $2.13 a trip—and I will be corrected on the maths. He says he cannot recover it off the passengers; I am not sure that that is correct. I remember a levy of far higher than $2.13 being imposed on the airline industry by the Howard government. I am not really sure that, in the scheme of things, with 48 million passengers a year carbon is a huge issue. On being admonished by the Hon. Joseph Hockey, the CEO of Qantas decided, 'Oops! The carbon tax is a huge issue for us.' He was straight-up, but at least he is consistent. I make my point: are we being set up in this area? Do we really
have to be fearful that 1,500 workers in Adelaide, who currently enjoy good, well-paid and high-skilled jobs, are the next cohort of people who will be sacrificed by this Liberal government? They may be sacrificed by a decision—which would be honourable and upfront if someone were to articulate the position, the reasons why, and say 'Look, this is what we are doing. This is how it goes. This is our decision as a government.' But it is not likely to be that way. It is likely to be death by a thousand cuts, which seems to be the way that a lot of decisions are emanating from this government. It is likely that they will say, 'Okay, we'll put a bit in the Financial Review saying "It's all gone down the chute, and things are not going well."'

I had a very interesting answer from the CEO of Defence Materiel Organisation in the Joint Committee of Public Accounts and Audit hearing today. I put a very provocative question to him. I put this in the context that there has been approximately $65 billion worth of expenditure by DMO in their model. They said to us that they have been seven per cent under budget. My immediate question was: what was your contingency? His answer was: It varies for projects, but it averages at about 10 per cent and we are advised that that is a reasonable contingency amount for the type of projects we are doing.

I make that point in the context that this report has identified problems. That is very clear. It should be debated in the appropriate places. It should be considered by the appropriate state governments, the appropriate people in the industry and the appropriate people in Defence. The recommendations of the report are all agreed by Defence. So the work to do is to get to that challenge where a budgeted project can be completed within contingency and under budget. That is the work that we need to do; the alternative is that this Liberal government will simply say, 'Chop, chop, chop. We'll cut funds to this project.' There will be a valley of death. The skills will exit and move to other sectors, and we will not be able to resurrect this program. That is the fear. I would be very happy if any of the following speakers could put my mind at ease and—more importantly—put the workers in South Australia in this industry in a better frame of mind, because it is not all that positive an outlook at the moment. Another 20 minutes from Senator Fawcett outlining what Labor has done wrong is not going to put anything on the comfort side for those workers who rely on senators for South Australia to represent them.

**Senator IAN MACDONALD** (Queensland) (17:19): I do not find a lot that I disagree with in this motion on the shipbuilding industry, moved by Senator Carr. I notice that Senator Carr has moved the motion, perhaps in his role as former industry minister, but has not bothered to turn up for the debate. That suggests that perhaps Senator Carr realises that the parlous state of the shipping industry in Australia at the moment is squarely and fairly on his shoulders and on the shoulders of other people that made up the dysfunctional government of the previous six years.

We recognise the vital contribution the Australian shipbuilding industry makes. We are gravely concerned about the possible retrenchment of skilled workers. We acknowledge the heavy cost of rebuilding lost capabilities. And we have an understanding of what this means to national security. I have no real problem with those elements of the motion, but the last part of the motion is the bobby-dazzler, if I can say that. Senator Carr is calling upon the government to immediately identify suitable project work to be fast-tracked, and recognising that this cannot wait for the defence white paper. As Senator Fawcett pointed out in a very
thoughtful speech, these projects need a lead-in time of six to eight to 10 years. These projects are not something you think of today and start building tomorrow. We all know that both the LHD and the AWD proposals were actually initially proposals of the last coalition government. All Labor had to do was implement those decisions. Of course, not only was Labor not able to do that, as is referred to in Audit Report No. 22, referred to in the Financial Review this morning, it sat on its hands and did absolutely nothing for defence procurement, including shipbuilding activities, in the six years it was in government. In fact, Labor's six-year record in defence is highlighted by the defence industry shedding more than 10 per cent of its workforce because of budget cuts and deferrals by the Gillard and Rudd governments. There was a reduction in the overall defence spend as a percentage of GDP that took Australia down to its lowest level of defence spending since 1938—a year before World War II started. That was the effect of Labor's management of our defence forces.

I heard Senator Gallacher saying there are no ministers to look after South Australia. I am not sure what his point was, because Christopher Pyne is a very significant member of this government, one of the senior ministers, and he has done more for South Australia in the few months of the Abbott government than all Labor ministers did in the previous six years. Senator Wong was supposedly a very senior minister from South Australia, but what did she do about looking after the shipbuilding industry in South Australia? I would be very interested to hear that, because clearly the shipbuilding industry in South Australia and Western Australia—everywhere—is in decline because the previous government, in the six years that it should have been making forward plans, did absolutely nothing. The decisions of the Rudd-Gillard-Rudd government led to around 100 projects being delayed, 40 projects being reduced and 11 projects being cancelled. Many if not all of these would have included important roles for Australian industry. Under Labor, we saw more than $18 billion cut from the defence budget for the next decade or so.

I would like to take 20 minutes to speak on this, as the previous two Labor speakers have done, but I am going to curtail my remarks because I do want to give the opportunity to Senator Back and Senator Edwards, who come from the big shipbuilding states of South Australia and Western Australia, to speak in this debate. However, I suspect Labor will again try to filibuster so that the real facts about Labor's inefficiency and incompetence in managing the defence budget cannot be exposed. I encourage people to read the report in this morning's Australian Financial Review which shows that the air warfare destroyer budget blew out by $10 million a month under Labor's watch.

Before I conclude I want to demonstrate Labor's hypocrisy when it comes to defence shipbuilding. I remind senators—some of the newer senators may not be aware of this—that years ago there was a very viable, substantial, professional and skilled shipbuilding industry in the northern city of Cairns. It made a substantial contribution to the local economy, employing many skilled workers, many tradesmen, many apprentices and many workers in that field. What happened to that industry? I will tell you what happened—NQEA, the Cairns shipbuilder, bid for the one of the modules of the Australian air warfare destroyer project. I understand they were well in line to get that work but, on the eve of a decision being made, the Queensland Labor government withdrew not financial support but the promise of a backing guarantee. That is all that was required—not money. The Queensland Labor government withdrew that guarantee, which meant that NQEA was not given that project and
that was the death of a long-established shipbuilding industry in Cairns—a shipbuilding industry which I proudly say Malcolm Fraser, as a Liberal Prime Minister of Australia, supported with the construction of our early patrol boats. The Labor Party, rather than criticising others about the jobs of workers, needs to look at their own backyard. They need to look at what the Queensalb Labor government did that shut down that industry and threw so many workers onto the unemployment scrap heap. As I say, I will curtail my remarks in hope that my colleagues from the shipbuilding states get an opportunity to speak in this important debate.

Senator CAMERON (New South Wales) (17:27): I also listened carefully to Senator Fawcett's contribution and I am glad that I heard it because, even though I did not agree with everything that he said, it was a thoughtful contribution. There is no doubt about that. I would disagree with some of the emphasis and some of his conclusions, but he put a big effort into bringing forward what he thought were the key issues affecting these significant defence spending problems—problems that any government in any country would face.

I also listened carefully to Senator Macdonald, who said that we were in here to filibuster. If there was anyone filibustering, it was Senator Macdonald. If there was ever a demonstration of naked politics winning over thoughtful contribution, then Senator Macdonald was the epitome of that process. The last time Senator Macdonald would have seen a ship—he talks about his Scottish heritage—it would have had a big dragon on the front, when the Vikings were invading Scotland. That is about the level of his understanding of the shipbuilding industry. Based on his contribution, his understanding assumes dragons on the front of the ship, Vikings inside and oars all along the side.

Let us go back to some of the more thoughtful contributions—and I do not want to get dragged into Senator Macdonald's obvious filibuster and his naked political attack on the former government. Every government has problems dealing with projects that are eight times the size of the Snowy Mountains project. That is the size and scope of this project. The technology in these Defence projects leaves the Snowy Mountains for dead in terms of the technology and sophistication of the projects. Successive governments have accepted that building the DDGs in Australia would involve a premium over and above the cost of building them overseas. Why do governments do that? Would the United States allow their shipbuilding industry to be farmed out or contracted out to any other country? No, they would not. If fact, even if you do any small componentry work for the United States defence department, you do that on extremely strict approaches, guidelines and requirements.

I am very concerned—despite the coalition's thoughtful contribution from Senator Fawcett—that, given the leak into the Financial Review this morning prior to the release of the Air Warfare Destroyer Program Audit Office analysis, there is a whale in the bay. The whale in the bay I am worried about is that people will try to use this report, along with another privately determined report that the government is arguing they are going to do, to try and send the work for future warship projects overseas. I really do not want that to happen.

Prior to my discussions, I decided that, given the arguments that have been put up here in relation to other areas of endeavour in this country—manufacturing projects around the place, the Toyota close-down, the problems that the government argues are in other areas—I thought I had better ring the AMWU and ask them about their involvement in this project in South Australia. I am a former national secretary of the AMWU. I spoke to the assistant secretary
about half an hour ago, and he indicates to me that almost $100 million has been spent simply on skilling workers up to do this work. That is the scale of this project, about $100 million in training—and that is not just for blue collar workers. That is not just for the welders, the riggers or the technicians—that would be for the management and executive, what falls within the Defence capability that we have within this project.

I have not had an opportunity to have a look at the recommendations. I have not even read the summary of the Australian National Audit Office report. Suffice it to say that, in what I have had a quick look at, the issue of workers' wages and conditions does not seem to be jumping out at me in relation to this. That is consistent with what the Assistant National Secretary of the AMWU, Mr Glenn Thompson, has advised me. He says that there have been no industrial disputes of any significance in this project. Management do not argue that there have been industrial problems at the project. Management do not blame the workforce, as some management are likely to do in some places, for the fact that there is a problem in the project in South Australia.

But this goes wider than South Australia. It also goes to the Forgacs Shipyard in Tomago in Newcastle, a workplace that I know well, and also the Williamstown shipyard, again a place I know well. In my time as national secretary of the union, I have been on all these shipyards looking at what has been done and, quite frankly, marveling at how skills have moved on since I worked in the ship repair industry at Garden Island Dockyard in New South Wales in the early seventies. These are technological marvels that we are building, and we need to make sure, for a number of reasons, that we can continue to build sophisticated warships and defence capabilities in this country.

As I said, I have not read the National Audit Office report but I know you can go back to some basic principles in terms of how projects operate. You look at the costs in the project, and I do not have any problem looking at costs, but many establishments look at the costs and that is all they do. You have to look at the quality of the product that you deliver, the quality of the training on the job and the quality of the actual delivery of the skills on the job. You have to look at how we deliver on time, and that has been a problem in this project. You have to look at the training; as I have indicated, $100 million has been spent on training on this project to build a new, sophisticated shipbuilding workforce in this country. You have to look at the logistics. How do you get things here in time? How do you do all those things? And I am sure that in the Audit Office report they have some comment on that. You cannot ignore the work organisation, how the work is organised on the job. And you cannot ignore the management systems that are put in place to manage. But a project as complex as this project, and a project as complex as most defence projects, takes highly-skilled management and takes knowledge—that knowledge being worked through out onto the job and into the workplace to deliver a quality outcome on time, on course and at the quality that is needed.

So this is a huge project. I am not sure why this was leaked, because obviously it was leaked yesterday. There would not have been too many people who had a copy of the Audit Office report. I can be pretty confident that it is not the Audit Office that leaked the report. There is no reason why they would want to leak the report, so you would have to say that it has been leaked from elsewhere. The AMWU and the shipbuilding unions do not have a copy of the report. The Department of Defence would probably have a copy and the minister would have a copy. I am not sure where it has been leaked from.
In my view, it is all about setting this argument that there are cost overruns—and I defy anyone to point to any major defence project anywhere in the world where you do not get cost overruns. I have never seen any. I have just seen all the arguments everywhere else, in the press and in some of the industry literature, that talk about the problems of bringing some of these projects in on time. You only have to look at what happened with some of our aircraft projects that are being built both here and overseas, and look at the cost blow-outs overseas on these issues.

This is not a defence to say that you simply cannot have any cost overruns on these projects whatsoever. That is why I say you have to have the cost under control; you have to have the quality; you have to have the delivery; you have to have the management systems; you have to have the work organisation on the job; and you have to have the skills, the training and the research and development. These are the things that go together to make a successful project. And even when you pull all of these things together, sometimes things outside your control mean that you cannot deliver on time and on budget.

That is the reality, and I would just counsel my colleagues on the other side of the chamber that when they make a speech about this now that people can go back to that speech in a few years time and see what has been said. And when you make a speech on this you have to understand the complexity of these projects. There is no magic wand, no silver bullet, that the coalition can pull out of the back of their pockets because they will get some policy issue that says, 'We're going to do something on shipbuilding. It will be a tough management approach on building any of the new projects that we have.'

The big issue that we are faced with is that, regardless of all the arguments you could put forward, like Senator Macdonald did, and all the duck-shoving and all the blame-shifting that you do—you can do all that—the problem that we have at the moment is that we want to keep workers in the industry. We want to keep the skills in the industry and we want decent South Australian workers to have a capacity to go and help build our defence capabilities, and we want them to have decent wages, decent conditions and some security that the skills that they have learned over this period of time can be applied in the future to help them and their families to thrive—and to help the South Australian economy thrive.

It is the same as in Newcastle. The same issues apply in Newcastle. This skills are there; we need to keep those skills. The same applies at the Williamstown Dockyard. And you can blame the Labor Party all you like, but it is now time for the coalition to govern. And the coalition needs to govern on the basis of dealing with this so-called 'valley of death'; these hundreds of millions of dollars that have been spent skilling up the workforce at Williamstown, in South Australia and in Newcastle—that all that skill is not lost to the country.

A few weeks ago I was given a copy of a report by the AMWU, and I would recommend that the coalition senators have a look at it. It is a well-designed and well-thought-through argument about what should be done. It is called Design, build and maintain our ships here. I am glad that we have maintained our ships here, because when I first came to Australia in the early seventies I worked for over 12 months at Garden Island Dockyard maintaining the DDGs that were there at that time. I worked on the Kembla, which was an old wooden-hulled ship which had been a minesweeper. I worked on the Melbourne and I worked on a range of ships there. It kept me in work, it kept me with an income and it helped the defence of this
country by having skilled people working in Garden Island and maintaining our defence capability. They were highly skilled, well-paid and committed people.

What we have at the moment is, if you look at the document that the AMWU has put out—and I recommend that other senators have a look at page 15 of the document—it clearly outlines what is happening in terms of the workloads in Defence. And the workload has started to dip massively, and unless there is something put into this valley of dipping jobs then we are going to end up losing many of those skilled workers—4,000 highly-skilled workers in the industry will be lost. And whether those skills can ever be brought back into the industry is going to be a moot point.

But what we are foreseeing is that in the future through from about 2019 to 2036, with some long-term planning, these workers' jobs can be secured. In fact, what the AMWU report is saying is that if the workload and the skills capacity for a lot of this work comes into Australia, we could keep a workforce of between 5,000 and 6,000 employed for over a decade in the shipbuilding industry—maintaining our own ships, building our ships, building the skills and making sure that we understand the problems that are outlined in the Australian National Audit Office report. We need to make sure that we deal with those issues and that we build a strong, skilled workforce.

I fully support what Senator Carr was saying. I do not know what the point was of launching an attack on Senator Carr when he wants to look after, and help, Australian workers. I do not think attacking Senator Carr helps when we have such a serious situation. The AMWU have 10 recommendations in this area. They have had a look at this because their members' jobs and their members' families depend on it. They say:

1. The Australian Government should build more Air Warfare Destroyers to immediately help preserve national shipbuilding skills and capacity …

I will shorthand these because I do not want to run out of time. The recommendations continue:

2. The Australian Government should bring forward the project to replace the Armidale Class Patrol Boats to help develop Australia's capability to design and build patrol boats.
3. The Australian Government should bring forward the project to replace HMAS Success and HMAS Sirius, and build the ships in Australia.

These recommendations are all designed to overcome that 'valley of death' and keep skilled people employed. The recommendations continue:

4. The Australian Government should require all shipbuilding contracts to specify a level of block fabrication outsourcing appropriate to the type and number of ships required.
5. The Australian Government should build Australia's new multipurpose icebreaker in Australia.
6. The Australian Government should continue to support apprenticeship and other shipbuilding training programs, including requiring these schemes in all Australian Government shipbuilding projects.
7. The Australian Government should expand the role of the current Defence Expert Industry Panel to encompass Government's non-Defence shipbuilding projects and include members from associated Departments.
8. The Minister for Industry should convene an annual meeting of Ministers responsible for shipbuilding programs to review and provide direction to coordinated, long-term Government shipbuilding plans.
9. The Australian Government should direct that the future frigate project be established as a rolling build program for the Navy's future surface combatant fleet …

We need a skilled shipbuilding workforce in this country. We need it for our defence capabilities. We cannot rely totally and consistently on off-the-shelf ships brought in from overseas. If we bring them in from overseas we will save some money in the short term and we will trash $100 million worth of training for workers in South Australia and around the country in the long term. That would be an absolute disaster.

We need to understand that there is a 'valley of death'. We need to understand that something has to be done. There is no use making recriminations against the previous government, because we have the problem now. The coalition are in government; the coalition can do something about this. With some cross-party support for the shipbuilding industry we can go in and argue that these jobs should stay. I would welcome an opportunity to go with any of the coalition senators to talk to the minister and argue for the protection of jobs. It should be a cross-party position; it should be non-partisan. We should support our shipbuilding industry.

Senator EDWARDS (South Australia) (17:47): I wish to speak on Senator Carr's motion before the Senate. I applaud Senator Carr for bringing this to the chamber so that we can talk about it. It is a very important issue. It is certainly a very important issue for South Australians. There may be some listening to the broadcast as they drive home. I want to speak about it broadly, for anyone out there who is interested. This is a motion that has been brought onto the floor of the Senate this evening. It makes motherhood statements, really, about the vital contribution of the Australian shipbuilding industry. We all know about that. We all understand that.

Senator Carr raises a number of issues. He says that he is gravely concerned about the scheduled end of work projects in the three Australian shipyards in 2015, and the severe consequences: the project trough and the retrenchment of workers. This motion is, as my South Australian Senate colleagues have said earlier in this debate, just a political ploy. In the areas of shipbuilding and the defence forces, the budgets go out for many, many years. We know the importance of planning and budgeting for these projects. For many years there has not been good budgeting for these projects; nor has money been made available for these projects.

I know there is a shrill lament coming from the other side of the chamber about what could have been. Opposition senators say, 'You're the government now so stop talking about it.' But to put it in basic terms, when we won the election, we went to the cupboard and the cupboard was bare. The declining revenue for the Australian Defence Force over many years has meant that this valley of death was looming large for the Australian Labor Party, and it now looms large for the coalition.

However, in our DNA we understand that you have to make savings. You have to get rid of duplication and ensure that everything is running efficiently in your government so that you can apply and prioritise funds so that the valley of death does not eventuate. I say to those listening to my contribution tonight that there is a plan. There is a plan to protect jobs in South Australia, where I come from. It is a good plan. Minister Johnston spends a lot of time in South Australia and is absolutely passionate about maintaining the integrity of the Defence
budget and ensuring that shipbuilding continues to play a major role in all those shipbuilding centres.

As a South Australian senator I know firsthand how important it is to get right the decisions that governments make in the defence space. South Australia is home to state-of-the-art facilities at Techport in Osborne near Port Adelaide. I recently had the pleasure—and it was a great pleasure indeed—and was so proud to be with the Minister for Defence and my colleagues from all political persuasions in South Australia at the keel-laying ceremony for the HMAS Brisbane at the Techport facility. And I was there with thousands of workers in their high-vis uniforms. I enjoyed a tour of the HMAS Brisbane and enjoyed seeing the photographic historical record of its various incarnations of construction to date. Over $300 million in state owned infrastructure at Techport is deployed to develop a world-class maritime industrial precinct. The facility will support the ASC to deliver the Royal Australian Navy's next-generation $8 billion air warfare destroyers—the AWDs, as we know them here—and it will attract future naval shipbuilding and repair opportunities to the state of South Australia.

I may be somewhat cynical, Senator Heffernan—who joins us here to listen to this contribution—but with a state election in South Australia pending this motion is clearly stating the obvious. Of course we want shipbuilding. Of course we want as much of our Defence building done in Australia as possible. We do not want to outsource it, as the previous government did, and then have cost blow-outs. We want to be able to monitor and nurture all of these trades in all of the shipbuilding facilities that we have around this country.

I was just talking about Techport, Senator Heffernan, down there in Port Adelaide. This state-of-the-art project management, engineering and commercial headquarters of the AWD project houses all of its alliance partners, the Defence Materiel Organisation and, as a shipbuilder, the Hobart-class combat systems engineer. Also down there as a provider to Defence is Raytheon Australia, and that whole precinct has build-capability partners, including the likes of Navantia, even the United States Navy, and Lockheed Martin Corp. There is a very, very big investment in this indeed. So it cannot fail. We must focus on it. It is a high-tech hub where about 400 expert naval architects, project managers, combat systems engineers, logistics teams, planners and procurement specialists are working together to deliver the most powerful and advanced warship Australia has ever operated.

The government is aware of the issues faced by Australia's major shipyards, and the future completion of the AWG and LHD projects will follow. Under the previous government, the Australian defence industry shed more than 10 per cent of its workforce because of budget cuts, and I talked about those earlier. When we were not in government, we raised that with you and it fell on deaf ears. The deferrals, the official procrastination and the tendency to commission foreign suppliers over Australian ones were almost palpable. In fact, the share of GDP spent on defence has fallen to its lowest level since 1938, and that was under your government, the Labor government.

This government is committed, if you will excuse the pun, to steadying the ship in Defence. After six years of chaotic planning and cuts to the Defence budget, this government wants to avoid production troughs by cooperating closely with these companies—the ones I mentioned—big and small. We want to provide the consistency, the continuity and a long-term focus on defence capability—and we heard earlier about that from Senator Fawcett.
new defence white paper has been structured to be more successful than those that were commissioned and jettisoned and then commissioned again by the previous government. Once we release it, it will give us an authoritative guidance to defence and provide a logical and sustainable basis for investment and procurement decisions, as well as a properly funded 10-year defence capability plan.

The naval shipbuilding industry is facing a significant downturn in demand in the very near future. We are aware of that. Approximately 4,000 employees work in naval shipbuilding in Australia, and on current planning the work for these employees will reduce dramatically from early 2015, not 12 months away. So we have to get cracking. Notably, the ASC in Adelaide employs approximately 1,200 workers on the air warfare destroyer construction program, where work is expected to reduce in early 2015, to be complete by mid-2019. BAE Systems in Melbourne employs approximately 1,000 staff on the AWD and landing helicopter decks—or the LHD, as they are known here—programs, where construction is expected to be complete around mid-2015.

Because of the six years of total inaction on the part of the previous government, we are now facing a crisis in naval shipbuilding. I am not getting too many interjections from the other side because they know it to be true. How many contracts for ships to be built were signed under Labor's reign of six years? No? It is a rhetorical question, but, Mr Acting Deputy President—I have to address the chamber through you and not those on the other side directly—it would be a very interesting answer if I were able to address them. But you will have to convey the question for me. The Labor government's solution was to delay projects and push out the costs to a future date, and now it is our problem. By way of example, they twice extended the time lines for construction of the three ships in the AWD project. The net result was that the delivery dates—

The DEPUTY PRESIDENT: Order! The time for the debate has now expired.

DOCUMENTS

The DEPUTY PRESIDENT (18:00): Order! It being 6 pm, the Senate will proceed to the consideration of government documents.

Australia Post

Debate resumed on the motion:

That the Senate take note of the documents.

Senator IAN MACDONALD (Queensland) (18:01): The report of the Australian Postal Corporation, Australia Post, for 2012-13 includes a statement of corporate intent 2013-14 to 2016-17. Australia Post is a fine Australian establishment that has for decades done very good work in delivering the mail. Senators would be aware that Australia Post is concerned at the state of its letter business. With increases in the use of email and other forms of communication, Australians are not posting as many letters as they used to, and this is having an impact on Australia Post's financial situation.

Australia Post is a government business enterprise and, because of that, it is not subject to state and local government laws, particularly planning laws. For some years I have been working for a group of people in Elphinstone Street in Rockhampton who are having a very difficult time because of the activities at the Australia Post mail centre, which has trucks coming and going and forklifts operating at all hours of the day and night. I acknowledge that
Australia Post have tried to address the situation, but nothing they do helps. Their best attempts have not resulted in the neighbours of the mail centre getting a decent night's sleep. Some years ago the people concerned gave me some video evidence of the noise at three, four, five and six o'clock in the morning, and it was simply intolerable. These are older people who have lived in this area for a long time, long before Australia Post's use of that site changed from operating a suburban post office to being a major mail centre.

I have pursued this matter at a number of estimates committee hearings. I have been in touch with the Rockhampton City Council. There is a new industrial estate in Rockhampton that would welcome Australia Post moving out there, where they could build a state-of-the-art mail centre. They could sell their existing premises at what I believe would be a good financial profit. The neighbours would then be able to get a decent night's sleep and Australia Post would have a state-of-the-art centre.

My point is that, although government business enterprises are not required to follow council by-laws and planning laws, they should. I remember particularly that it was always the wish of the Howard government that, notwithstanding the fact that they were not required to follow council planning laws, they should as good corporate citizens comply with town planning laws. The Rockhampton Regional Council have told me that this would mean that Australia Post would not be able to operate that business in that residential area. I have mentioned this in a number of estimates hearings to Mr Fahour from Australia Post. On one occasion, when they were spending a lot of money in Queensland on capital infrastructure, he led me to believe that they were going to do something about it; nothing has happened.

I again urge Australia Post to act as a good corporate citizen and follow the by-laws of the Rockhampton Regional Council. That means moving the mail centre to a more appropriate place that does not interfere with the health, comfort, safety and, I might say, sleep time for those residents who have lived in that area since long before Australia Post changed its use of that particular piece of land.

Question agreed to.

**Australian Electoral Commission**

Debate resumed on the motion:

That the Senate take note of the document.

**Senator FAULKNER** (New South Wales) (18:06): The Australian Electoral Commission report for 2012-13 covers the financial year immediately before the federal election in September 2013. The result of that election is well known, but this report covers the work done by the AEC in the lead-up to and preparation for the election. As we all know, it is no small task running an election across a continent as large as Australia, with polling places in remote locations domestically as well as across the globe.

Australia, of course, has a very stable democracy where everyone over the age of 18 can have a say in who their government will be. In any election the AEC's task is to ensure the completeness and accuracy of the electoral roll, to maximise voter turnout and to ensure the actual voting processes and counting are as efficient, secure, uncomplicated and unmarred as possible. These three tasks, if done well, really are the bedrock of democracy in Australia.

To administer the 2013 federal election, in practical terms, the AEC had to organise over 7,700 polling places on election day plus over 500 early voting centres and pre-poll centres;
voting in over 2,400 special hospitals; and overseas voting at more than 100 embassies and diplomatic missions. The commission also organised voting in almost 400 remote properties, towns, resorts and mine sites across Australia. To do this, 38 mobile polling teams cover about 3.4 million square kilometres by road, air and sea to ensure distance does not impede the opportunity for any Australian to cast their vote.

I am very pleased to see in this report that reforms to voting procedures brought in during the life of the previous government have improved both access to the franchise and the ease of voting. Those sorts of reforms allowed for online postal voting applications, ensured easier access to a secret vote for blind and low-vision voters, improved voter education and used new technology to securely update the roll. These reforms improved access to voting for citizens who might otherwise be frustrated by distance, work commitments, language or other personal circumstances.

In the past, the AEC has highlighted pockets of high unintentional informal voting in multicultural communities. So I commend particularly the case study in chapter 2 of the report about 12 new community engagement officers, who are working directly with communities in their own language to educate and inform them about voting. But of concern in the report is the estimation that as many as 1½ million Australians were not on the electoral roll in 2012. More positively, the electoral reforms and programs introduced recently are making it easier for people to update their enrolment and easier for the commission to directly enrol people.

It is a shame that much of the good work covered in the AEC's report for 2012-13 will be tarnished by the lost ballot paper debacle in Western Australia. I think all senators would know that the Joint Standing Committee on Electoral Matters is conducting its inquiry into the conduct of the 2013 election. It is currently holding hearings in relation to that issue and the events in Western Australia, as well as a full range of other 2013 related election issues. I would say that, while the AEC has for many years done a difficult job and done it well, it is obvious that its reputation has been damaged by the events in Western Australia. Facing this chamber in the months ahead will be an obligation to ensure we never see a repeat of that. (Time expired)

Senator IAN MACDONALD (Queensland) (18:11): I also wish to speak on the Australian Electoral Commission's report for 2012-13. As Senator Faulkner said, the conduct of the 2013 election, which is referred to in this document, is the subject of an inquiry by the Joint Standing Committee on Electoral Matters. I have attended a couple of meetings of that committee so far. The committee is initially having a look at the Western Australian result and the lost votes, and then when that is finished we will move on to other issues relating to the 2013 election.

It is clear, and I think those of us who have been involved in elections for decades will know, that over the years the actual security for ballot papers can be sometimes problematic, particularly with the Senate, where usually one or two votes lost or one or two wrongly counted does not really make a great deal of difference when—for example, in my state of Queensland—there are some two to three million voters. So my impression has been that, where in what are regarded as safe seats, there are not quite the same standards of scrutiny and security adopted.
In this last election, I spent quite a bit of time campaigning in the electorate of Kennedy. It was thought by all—except me, I might say—that this was a safe seat and the sitting independent, Mr Katter, would be returned without any problem. As it turned out—as I expected and as I knew, but as not many others did—the election was very, very close. In fact, the LNP candidate, Noeline Ikin, polled about 10½ thousand more primary votes in Kennedy than Mr Katter did. But he was saved by the preferences of the Labor Party, the Family First party and the Palmer United Party, all of whom preferred Mr Katter before the LNP candidate.

As I counted there for the three days after the election, and from looking at the Senate vote as well, it was clear that security could have been impugned. I have concerns with the Western Australian issue that I have raised at both of the committee's meetings, which is that people are saying, 'This is just a lack of attention by the Electoral Commission.' But you have to consider that, at the time these votes went missing, the government of Australia had been determined and there was a fairly good idea of what the composition of the Senate would be after 1 July. I am not suggesting any conspiracy but I am concerned that there could have been direct criminal activity here. We know there are a number of politicians in jail for electoral fraud. I do not know whether any of you have read the book by Amy McGrath in which she details numerous cases of electoral fraud and mismanagement. I would not say that I agree with all of Dr McGrath's work, but there is enough there to make one suspicious. With big money involved in what happens in this chamber and in the government of Australia after 1 July, it is not beyond the realm of fantasy to think that there could have been direct criminal activity in the loss of those votes.

Mr Keelty said that, on his investigation, he could not come to that conclusion; but, in the evidence he gave the day before yesterday, he made it quite clear that anything could have happened, that the systems were so fluid—to put it nicely—that he could not rule out anything. This is a concern. As a result of legislation going through this chamber after 1 July, or legislation not going through the chamber after 1 July, it could be a matter involving different people with millions and millions of dollars. I think it is something the AEC needs to carefully look at.

Question agreed to.

Productivity Commission

Debate resumed on the motion:

That the Senate take note of the document.

Senator CAMERON (New South Wales) (18:16): I take note of Productivity Commission report No. 64, Safeguards inquiry into the import of processed fruit products. I think anyone who has paid any attention to my views—and I am sure some on the other side would not want to pay much attention to them—would be aware that I have been extremely concerned about the Productivity Commission's views on a range of industrial and economic matters. Some reports that the Productivity Commission do—such as the one on the National Disability Insurance Scheme—prove that there is always an exception to the rule. But the rule for the Productivity Commission seems to be that workers are the problem, unions are the problem, excessive wages and conditions are the problem, and if we simply get more 'flexibility' everything is going to be okay. When they look at issues such as the dumping of
products in this country, they always take an extremely conservative approach to protecting industry, enterprise and jobs. That conservative approach always leads them to the argument that trade is inviolable, free trade is even more inviolable, and you cannot ping anyone for dumping product even if it is costing jobs in this country.

The coalition say they are going to look at some of the dumping provisions. I would welcome that. I think they should be honest in relation to some of the things that Labor did in government. We did move to try and tighten up on some of the dumping issues but probably not enough. Decent jobs for decent workers and decent families end up on the scrap heap because of goods dumped into this country. One of the areas where we have to look at dumping is with SPC Ardmona. SPC Ardmona sought protection from dumping. But this report does not give that protection. SPC then said, 'We can't keep going the way it is, we need some financial support to make significant investments in our company to continue SPC Ardmona as a viable proposition into the future.' This is a company that has suffered from unfair dumping for years. The company made that decision—and then what did we get? A focus on the company as if they are some sort of industrial vandal because they actually negotiate decent wages and conditions for the workers. SPC Ardmona is one of the few companies in the bush that actually provide decent wages and conditions.

Then there was a queue of coalition members and ministers saying, 'It's not a dumping issue; the problem is the workers' wages and conditions.' They gave the impression that workers at Ardmona get nine weeks annual leave. They conflated the rostered days off and the annual leave, adding them together and saying the workers get far too much leave. Yet SPC Ardmona went through these arguments forensically and debunked all of them. Senator Abetz was one of the major attackers of SPC and the workers at SPC. I take the view that sometimes you have to put your ideology behind you and actually look at the facts. Senator Abetz should have been looking at the facts on this one. When the answers to estimates questions come back, I will be keen to see when Senator Abetz was told that the figure of nine weeks was rubbish. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**Director of National Parks**

Debate resumed on the motion:

That the Senate take note of the document.

**Senator McKenzie** (Victoria—Nationals Whip in the Senate) (18:23): Retiring Director of National Parks Peter Cochrane stated in the opening pages of his report for 2012-13 that he, and obviously the Australian government as a result, values engaging and responding to stakeholders and likes achieving objectives by working in partnership to improve environmental, cultural and heritage outcomes.

I highlight these values and approaches, as they are directly relevant to the decision made by Minister for the Environment, Greg Hunt, to allow a three-year trial of cattle grazing in the Victorian Alpine National Park. I am very happy, because as the granddaughter of a high country cattleman I spent my summer weekends up in Hinnomunjie at the gathering where cattlemen from wide and far and, indeed, thousands of people from the wider Australian community came to celebrate the heritage and cultural values of the cattlemen and to be, once
again, on the high plains hoping that this day would come. Hopefully, there will be more to come.

The government has approved the Victorian state government's trial of grazing in the Wonnangatta Valley, subject to 33 strict conditions, because it is important that we get it right. The trial site has been limited to 262 hectares of land—what was a former cattle station. In fact, for 118 of the past 144 years, Wonnangatta has been a cattle station. Since the cattle were removed from the leases, it has been used for trail bikes and four-wheel drives. Indeed, it has been quite overgrown. I will quote from Charlie Lovick, President of the Mountain Cattlemen's Association, when talking about the Wonnangatta Valley:

… like many other parts of the High Country, has degenerated into a scrubby and pest infested state …

The cattlemen have said: 'The unintended build-up of fuel loads et cetera around the valley are a problem. The deer are in charge. Conservation as it has been practised by Indigenous people, followed by the cattlemen, is failing.' That statement was directly from the cattlemen, after they were taken out of the Wonnangatta Valley by a previous state government.

The first year after the trial concludes, the Victorian government must undertake further surveys for approval before introducing cattle in subsequent years so that we can get it right, so that we can ensure that a balanced use of the land is practised. This morning, Charlie said that in this trial the cattlemen aim to 'demonstrate their own conservation credentials' in conjunction with other users and parks management. Further, he said:

We are prepared to be judged, not by what we say, but what we do …

The concept of balancing the needs of communities with the need to protect the environment by sustainable use is supported by international treaties that both sides of this place should support because our nation is a signatory to them. The international Convention on Biological Diversity, with 193 member countries, including Australia, supports:

… the customary use of biological resources in accordance with traditional cultural practices.

The convention aims to preserve and maintain knowledge and customs of Indigenous and local communities. In a country as young as ours, a cultural practice that has been going on since the 1860s is definitely considered a local cultural practice and custom. Similarly, the international Convention on International Trade and Endangered Species of Wild Flora and Fauna, which has 178 signatories and which Australia ratified in 1976, recognises cultural, recreational and economic perspectives in land management.

As I said, Wonnangatta Valley was first settled in the early 1860s and was used for grazing up until the Wonnangatta station was purchased by the Victorian government in 1988. Since then it has not been managed by the state of Victoria. The Wonnangatta Valley attracts up to 10,000 visitors per year for recreational use, including using the land not for grazing cattle or indeed even riding horses but for running machinery around it. I suggest that the cattlemen will take very good care of it.

The announcement means that cattle men and women will be able to continue to practise their living culture and maintain an Australian legend. I am very pleased to welcome this announcement by the minister and indeed I congratulate the Victorian mountain cattlemen, their communities and the state government of Victoria on their long advocacy of this issue. It is a great day.
Senator CAMERON (New South Wales) (18:29): I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**Australian Public Service Commission**

Debate resumed on the motion:

That the Senate take note of the document.

Senator CAMERON (New South Wales) (18:30): I must say that for as long as I have been in parliament I have been mightily impressed by the Public Service in this country. And I do accept the argument that some public servants put to me from time to time—that politicians are always concerned about job losses in other industries but that, when it comes to job losses in the Public Service, they are remarkably quiet. That is probably because sometimes we have to participate in decisions that mean job losses in the Public Service. I have been involved in that myself, so I do not come here with clean hands on this issue. However, I do want to raise a wider issue in terms of maintaining a strong, effective, productive Public Service in this country. I do not think you do that by having commissions of audit going into the Public Service and asking senior public servants and one agency, which reported to a recent estimates committee that I was involved with, to fill in a form—a survey—and then having that commission of audit making decisions about people's lives, people's future and people's jobs in the Public Service on the basis of that survey.

I just do not understand how this commission of audit that the government is placing so much emphasis on can do the job that the Public Service itself does on a regular basis. In fact, the Australian Public Service Commission has done extensive analysis about the productivity, effectiveness and responsiveness of the Public Service over many years. I know that in my area of interest—human services—some 6,000 jobs have been lost over a period of time. I accept that Labor was responsible for many of those job losses. But the problem is that there has to come a time when, if you are going to have a robust and effective Public Service delivering what the Australian community needs in terms of public services, you have to make a decision to effectively fund that Public Service for the future.

Again I accept—and I am not going to be hypocritical about this—that the idea that budgets have to be dealt with on the basis of more and more job cuts in the Public Service must eventually run out of steam. I do not think there is any difference between a public servant in Canberra who has a young family and a career losing their job and a worker at SPC, Toyota or GM losing theirs. There is no difference; the problem is the same. If you have no job, you have no capacity to look after your children. It is devastating.

In the six years I have been here I have never heard any discussions or debates about the need to ensure some fairness and equity for public servants in this country. It may have happened when I was not here or when I was not watching from my room—I am sure there have been such discussions. But I just want to add my voice to the voice that says, 'Public servants do a great job in this town; public servants do a great job around the country.' In my view, public servants demand the same consideration, respect and concern we show for those experiencing job losses everywhere. I take the view that public servants play a fantastic role. Some of the most intelligent and effective people I have ever met have been public servants. They deserve respect and they deserve job security.
I seek leave to continue my remarks later.
Leave granted; debate adjourned.

Environment Protection and Biodiversity Conservation Act

Debate resumed on the motion:
That the Senate take note of the document.

Senator McKENZIE (Victoria—Nationals Whip in the Senate) (18:36): Mr Deputy President:

He hails from Snowy River, up by Kosciusko's side,
Where the hills are twice as steep and twice as rough,
Where a horse's hoofs strike firelight from the flint stones every stride,
The man that holds his own is good enough.
And the Snowy River riders on the mountains make their home,
Where the river runs those giant hills between;
I have seen full many horsemen since I first commenced to roam,
But nowhere yet such horsemen have I seen.

I get a bit emotional when I read that, because the best horseman I ever saw was my grandfather. He could turn a pony on a 20c piece. He played polocrosse right through the High Country—we got rid of our leases in the 1930s—and he could make Hiawatha run backwards, so I am told. The skills that make you a cattleman are important. The culture that you practice makes you a cattleman. The heritage value of that community is important. In the once-every-five-year review of the Heritage List I would argue that cattleman's cultural practices are worthy of actually being included with a heritage assessment—

Senator Ronaldson: Hear, hear!

Senator McKENZIE: I note Senator Ronaldson nodding—as did the minister in 2005, back when the state Labor government, the Bracks government, got the cattlemen out. The federal environment minister at the time received advice that there were significant heritage values to this particular community, and I think it is about time we started examining that in more detail. As I flick through the book I think that if we can list the MCG, post offices and Mawson's Hut then surely we can list the cattleman's huts which provided such shelter over the 180 years of our very young country's life and where people have been working and living and practise their cultural skills in those communities.

In fact, I remember a story my Pop used to tell me about the hut. On cold nights you would get the cattle in, settle your horse down and get into your hut. You might be up there grazing with a few other guys, so you would come across some old crusty folk and gather around a fire, with a big pot of steaming soup on the fire, and talk about your day: how your day was, how many you lost, what you saw et cetera.

The soup was good so they drank the soup, right down to the last of the four to six men, and when he was tipping it out—because he was the youngest, he was told he had to tip the leftovers out—he saw it was a mouldy sheep's head that had provided the stock base for the soup. I do not know whether that was a story to frighten young children about the hardships and about how easy we had it, but it was one that stuck in my mind. I am sure that those huts that did not burn down in the '39 fires are very worthy of heritage listing.
With the themes around the National Heritage List there are six criteria. I will talk about just three, which actually do relate to the cattlemen. First there is how we peopled the land over white man’s time in this country, how we built the nation, living as Australians. I think Banjo Paterson’s words evoke a time when we all felt we owned a sense of nation; we all felt we owned Clancy of the Overflow.

In 2005, when Victorians hit the streets after the cattlemen got thrown out of the High Country, Melbourne was clogged with horses—you could not move down Bourke Street, not just for the cattlemen but also for all the pony-club riders, the eventers. They were all out to support this iconic culture and heritage, because we felt it owned us. Country Victorians, people who did not even reside in our pioneer era or had no direct connection with the High Country, felt that that image really represented what it meant to be a rural Victorian. I think we all value that heritage and that culture and that it is time we looked in greater detail at formalising those heritage values. I seek leave to continue my remarks.

Leave granted; debate adjourned.

DOCUMENTS

Consideration

The following orders of the day relating to government documents were considered:


Productivity Commission—Report No. 63—Safeguards inquiry into the import of processed tomato products, dated 18 September 2013. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Urquhart debate was adjourned till Thursday at general business.

Tertiary Education Quality and Standards Agency (TEQSA)—Report for 2012-13. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Urquhart debate was adjourned till Thursday at general business.

Health Workforce Australia—Report for 2012-13. Motion of Senator Boyce to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Australian Charities and Not-for-profits Commission (ACNC)—Report for the period 3 December 2012 to 30 June 2013. Motion of Senator Boyce to take note of document agreed to.


Insolvency and Trustee Service Australia (Australian Financial Security Authority)—Report for 2012-13, including reports on the operation of the Bankruptcy Act 1966 and Personal Property Securities Act 2009. Motion of Senator Macdonald to take note of document called on. On the motion of Senator Cameron debate was adjourned till Thursday at general business.

Department of Infrastructure and Transport—Report for 2012-13. Motion of Senator Macdonald to take note of document agreed to.

Commonwealth Scientific and Industrial Research Organisation (CSIRO)—Report for 2012-13, including report of the Science and Industry Endowment Fund. Motion of Senator Edwards to take note of document called on. On the motion of Senator Bushby debate was adjourned till Thursday at general business.

Tourism Australia—Report for 2012-13. Motion of Senator Macdonald to take note of document agreed to.


Australian Prudential Regulation Authority (APRA)—Report for 2012-13. Motion of Senator Boyce to take note of document agreed to.


Climate Change Authority—Report for 2012-13. Motion of Senator Stephens to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.


Migration Review Tribunal and Refugee Review Tribunal—Report for 2012-13. Motion of Senator Stephens to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Wet Tropics Management Authority—Report for 2012-13, including State of the Wet Tropics report. Motion of Senator Macdonald to take note of document called on. Debate adjourned till Thursday at general business, Senator Bushby in continuation.

Torres Strait Regional Authority (TSRA)—Report for 2012-13. Motion of Senator Macdonald to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Outback Stores Pty Ltd—Report for 2012-13. Motion of Senator Moore to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Indigenous Business Australia (IBA)—Report for 2012-13. Motion of Senator Kroger to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Workplace Gender Equality Agency (formerly Equal Opportunity for Women in the Workplace Agency)—Report for 2012-13. Motion of Senator Moore to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Australian Institute of Family Studies—Report for 2012-13. Motion of Senator Moore to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.


Migration Act 1958—Section 486O—Assessment of detention arrangements—Volume 1—Personal identifiers: 1378/13, 1489/13, 1491/13, 1502/13, 1506/13, 1513/13, 1516/13, 1518/13, 1539/13, 1563
and 1564/13, 1568/13, 1578 to 1582/13, 1584 and 1585/13, 1587/13, 1589 to 1592/13, 1601/13, 1618/13, 1624/13, 1626 to 1628/13, 1630 and 1631/13, 1638/13, 1640 and 1641/13, 1646 and 1647/13, 1649/13, 1659/13, 1670/13—Commonwealth Ombudsman's reports. Motion of Senator Brown to take note of document agreed to.

Australian Rail Track Corporation Limited (ARTC)—Statement of corporate intent 2013-14. Motion of Senator Brown to take note of document agreed to.


Australian Radiation Protection and Nuclear Safety Agency—Quarterly report for the period 1 April to 30 June 2013. Motion of Senator Brown to take note of document agreed to.

National Health and Medical Research Council—Changes to national statement on ethical conduct in human research, 2007, updated December 2013. Motion of Senator Brown to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Australian Communications and Media Authority (ACMA)—Communications report for 2012-13. Motion of Senator Brown to take note of document agreed to.

Aboriginal and Torres Strait Islander Social Justice Commissioner—Social justice and native title—Report for 2012-13. Motion of Senator Brown to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.


Department of Defence—Special purpose flights—Schedule for the period 1 January to 30 June 2013. Motion to take note of document moved by Senator Bushby. Debate adjourned till Thursday at general business, Senator Bushby in continuation.

Productivity Commission—Report No. 67—Safeguards inquiry into the import of processed fruit products, dated 12 December 2013. Motion of Senator Bushby to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Productivity Commission—Report No. 68—Safeguards inquiry into the import of processed tomato products, dated 12 December 2013. Motion of Senator Bushby to take note of document called on. On the motion of Senator Thorp debate was adjourned till Thursday at general business.

Treaties—Bilateral—Exchange of Notes, done at Canberra on 21 November 2013, constituting an Agreement between the Government of the United States of America and the Government of Australia to amend the Agreement concerning Space Vehicle Tracking and Communication Facilities of 29 May 1980, as amended (Canberra, 21 November 2013)—Text, together with national interest analysis. Motion of Senator Bushby to take note of document agreed to.

Treaties—Bilateral—Agreement on Scientific and Technological Cooperation between the Government of Australia and the Government of the Socialist Republic of Viet Nam (Canberra, 26 June 2013)—Text, together with national interest analysis and annexure. Motion of Senator Bushby to take note of document agreed to.

Mid-year economic and fiscal outlook—2013-14—Statement by the Treasurer (Mr Hockey) and the Minister for Finance (Senator Cormann). Motion of Senator Ludwig to take note of document called on. On the motion of Senator Cameron debate was adjourned till Thursday at general business.


Summary report, November 2013.
—Motion of the Attorney-General (Senator Brandis) to take note of documents agreed to.

*Australian Meat and Live-stock Industry Act 1997*—Live-stock mortalities during exports by sea—Report for the period 1 July to 31 December 2013. Motion of Senator Back to take note of document called on. On the motion of Senator Bushby debate was adjourned till Thursday at general business.

Productivity Commission—Report No. 65—Mineral and energy resource exploration, dated 27 September 2013. Motion of Senator Gallacher to take note of document called on. On the motion of Senator Cameron debate was adjourned till Thursday at general business.

General business orders of the day nos 40 and 41 relating to government documents were called on but no motion was moved.

COMMITTEES

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Scrutiny of Bills—Standing Committee—2nd report of 2014. Motion of the chair of the committee (Senator Polley) to take note of report agreed to.

Orders of the day nos 1 to 4 relating to committee reports and government responses were called on but no motion was moved.

AUDITOR-GENERAL’S REPORTS

Consideration

The following orders of the day relating to reports of the Auditor-General were considered:

Auditor-General—Audit report no. 10 of 2013-14—Performance audit—Torres Strait Regional Authority – service delivery—Torres Strait Regional Authority. Motion of Senator McLucas to take note of document agreed to.

Orders of the day nos 2 and 3 relating to reports of the Auditor-General were called on but no motion was moved.

ADJOURNMENT

The DEPUTY PRESIDENT (18:42): I propose the question:

That the Senate do now adjourn.

Tasmanian Election

Senator BUSHBY (Tasmania—Deputy Government Whip in the Senate) (18:43): I rise this evening to address this house on the urgent need for a change of policy approach in Tasmania, a change that can only be delivered if the people of Tasmania vote for a change of government on 15 March.

I said before the last election in 2010 that that election was the most important election for Tasmania's future in living memory. I think the events since then have proven me correct. This election is again the most important in living memory for Tasmanians, and its importance is only underlined by the disaster that befell Tasmania through having to suffer under a Labor government in coalition with the Greens over that last four years. This is not just my opinion; it is shared by many Tasmanian industry groups, small-business owners, families and even community groups.

I am unashamedly a very proud Tasmanian—as are you, Mr Deputy President. I was born and bred in Tasmania. I completed my education there. I have started and run businesses in
Tasmania. I have chosen to raise my family in Tasmania. And of course I consider it an absolute and rare privilege and opportunity that I have been given by the people of Tasmania to represent them here in this chamber.

Tasmania is a beautiful and unique part of the world, with many great comparative and absolute economic advantages and opportunities.

But, sadly, through 16 years of successive Labor governments Tasmanians have been frustrated and repressed in reaching their potential. Since the last state election, in 2010, under the dysfunctional Giddings-McKim, Labor-Greens government, we have seen bizarre arrangements under a Westminster system, where Greens were in cabinet but chose not to be when difficult issues arose. Even more bizarrely, early on a Greens minister was also a Greens opposition spokesman attacking the government of which he was part. The 12 years that preceded those four years were bad enough for Tasmania, with evidence showing we went backwards on almost all economic and social indices.

The marriage between Labor and the Greens has spelt disaster for the state of Tasmania. Of course, for political purposes that suit both the Greens and Labor, a very conveniently-timed divorce has since been arranged, and Premier Lara Giddings sacked the two Greens ministers from her cabinet earlier this year. Under Labor and the Greens' economic stewardship, Tasmania now has the highest unemployment rate in the country. The most recent figures show that there are 19,000 Tasmanians who now have to line up on the unemployment queue. That is not just a number. It represents real people who face real daily challenges making ends meet, who suffer the indignity of not having a job and who have been let down by Labor and their fellow political travellers, the Greens.

As a direct consequence of people giving up trying, Tasmania has also experienced a significant drop in its participation rate—the rate is currently at a decade low. This reflects the crushing lack of hope affecting our employment market as people move interstate or give up looking for work because it simply does not exist. Since Lara Giddings became Premier nearly 10,000 jobs have disappeared from Tasmania, and droves of people have been forced to leave our great state to find employment in other parts of the country.

This is more than just numbers. Often those who leave are the young and the best educated or trained, as they seek to make a living or use their skills or qualifications in ways that Tasmania's moribund economy cannot support. A key example of the deliberate decisions made by the Labor/Greens alliance that have undermined Tasmanian's job prospects is their decision to use taxpayer funds to close down business and jobs, through the so-called Intergovernmental Agreement on Forestry—the IGA. The IGA has cut small towns off at the knees. Small communities right across Tasmania thrived on the back of the most sustainable and well managed forest industry in the world. They are the communities on the east coast of Tasmania such as Triabunna and those further north in towns such as Scottsdale, towns in the south around Geeveston and in the Huon Valley, up the Derwent Valley and in the far north-west around Smithton. These were all thriving areas with forestry underpinning their local economies, and all are now crippled by the hardship and heartache that this deal has caused.

The final outcome is small businesses closing their doors; or families broken, with fathers, husbands and sons who were once employed by the industries associated with forestry but who have now been forced to take their skills interstate to seek employment on the FIFO market. Prior to the last election Labor was on a unity ticket with the Liberals on forestry. But
once in bed with the Greens, all of a sudden and with no mandate from the people, Labor moved to close down almost all of the industry through the IGA. But it is not just the forest industry that Labor and the Greens have attacked. Through their economic mismanagement they have managed to damage a range of other sectors, from manufacturing to food production.

The state of Tasmania is world renowned for its exports, be it seafood, meat, vegetables, fruit, cheese or many of the other wonderful artisan products produced in our island state. We have a global reputation for quality of food production. Yet new ABS figures confirm that in 2013 Tasmania's exports hit lows not seen since 2005. It is further proof that Labor and the Greens have failed Tasmanian exporters and have no grip on the economy whatsoever. Exports are vital to any island economy, and these figures serve to show just how out of touch this Labor government is in failing to act on Tasmania's international export freight problem.

Adding to our economic malaise, we in Tasmania have not been immune to the hallmark of any Labor government: an ever-increasing red-tape and green-tape burden. Over the last four years, Labor, along with their now conveniently estranged Greens ministers, have introduced a staggering 523 regulations, which equates to a new regulation nearly every two-and-a-half days. Red and green tape is costing Tasmanian businesses $1.3 billion every year. This comes on top of all the other difficulties and barriers state Labor governments have created for business through their disgraceful mismanagement of the state's economy. In short, Labor has taken a wrecking ball to the state of Tasmania.

Labor's performance also raises the question of trust. For example, Labor's statements and actions have proved that Tasmanians just cannot trust anything Labor says about the budget any longer. Every year we have heard them tell us about a budget surplus and that it is just around the corner. In every year they have failed to deliver. In 2011 Labor promised a $1.9 million surplus within four years. In 2012 it was a surplus of around $50 million, in 2012-13. In 2013 Labor revised their figures to a $9.9 million surplus in 2016-17. Yet the reality is that this year there will be a $376 million deficit. Let me repeat that: $376 million in the year just two years after Labor said there would be a surplus of around $50 million.

This comes on top of last year, the 2012-13 year, in which Labor actually delivered a $316 million deficit. The year before that they delivered a $186 million deficit. The year before that, in 2010-11, Labor delivered to the people of Tasmania a $23 million deficit. As members of this place will appreciate, accumulating debt on that scale and that quickly severely undermines the ability of the Tasmanian government to spend wisely on high-priority areas, as debt interest and servicing costs divert funds.

The breach of these fiscal responsibility promises also highlights what I have already discussed: the lack of economic capacity within the Giddings government, backed up with an incredible admission from the Premier herself just a couple of weeks ago that none of her election promises are offset with savings—and this despite her recklessly making tens of millions of dollars' worth of election promises in the catastrophic economic climate she has created.

Contrast this with the Liberals' plan, under which all new spending is offset by identified savings. If any further proof of Labor's economic failings is required, one need only look at the Deloitte Access business outlook report released in January this year, which stated:
Recent data have been better in Tasmania, but then again it would have been hard for them to be worse.

Similarly:
Retail was rotten, housing construction was horrid, and business investment went backwards.

Even more concerning is the recent downgrading of Tasmania's rating from stable to negative by international rating agency Moody's. This ratings downgrade acts like a scorecard by experts on the performance of the Labor-Greens government, and it represents a great, big 'F'. It sends a strong signal to the markets that the quality of Tasmania's credit is deteriorating and has costly consequences for the interest rate paid on all the debt Labor has been racking up.

The fact is that Tasmanians cannot afford Labor's reckless waste and mismanagement any longer. We need a change—it is time for a change. I believe that Tasmanians are ready to acknowledge that there must be a better way than the sad, sorry path we have been led down by Labor. So, in nine days' time, Tasmanians have an important choice to make and the chance to have their say. Tasmanians have the opportunity to choose the party with the best plan for Tasmania's future. I believe the party with that plan is the Tasmanian Liberal Party under the leadership of the Hon. Will Hodgman.

The Tasmanian Liberals have outlined in great detail their plan to get Tasmania back on track and are continually releasing new policies throughout this election campaign, adding to the many that they already have in the public domain. For example, on 1 March they released their comprehensive First 100 Days Implementation Plan should they be elected to government on 15 March. They have campaigned strongly with policies to tackle the Tasmanian jobs crisis and growing the economy by focusing on agriculture, aquaculture, forestry, mining and tourism. I could go through a long list of policies and measures that the opposition is intending to implement if it becomes the government. They are all designed to get people working in Tasmania and to get the Tasmanian economy back to where it should be.

A majority Hodgman Liberal government will restore the balance Tasmania so desperately needs right now. The Tasmanian Liberals are the only party with strong enough support to deliver strong and stable majority government. (Time expired)

**Northern Territory: Cost of Living**

**Senator PERIS** (Northern Territory) (18:53): I rise tonight to talk about the enormous pressure so many families are currently under due to the staggering increases in the cost of living in the Northern Territory. I know the cost of living is an issue right now around Australia, but nowhere is it a bigger issue than in the Northern Territory. Historically, we have had the highest cost of living of all Australian states and territories. This is essentially due to the small and sparse population we have. Not only does it cost more to provide goods and services in the bush but there is also less competition and less market focus. However, what is more concerning now is that the cost of living in the Northern Territory is increasing at a faster rate than anywhere else in Australia.

Not only is our cost of living the highest but it is also currently increasing at the fastest rate in the country. I am going to go through some of the latest cost-of-living figures published by the ABS that outline just how dramatic and widespread the cost-of-living increases are in the Northern Territory. Territory families do not need statistics to tell them they are doing it
tough. They already know what their costs are. They are going through the roof, increasing at a much greater rate than incomes. When everything else costs more, families know about it. When household budgets are broken because more money is going out than is coming in, families know about it. When just paying for the essentials in life causes pain, families know about it. And when things like holidays have to be cancelled, families know about it.

Inflation, or the consumer price index, is the best measure of the increased cost of living. Inflation in the Northern Territory is at 4.4 per cent. This is by far the highest in the country. The ABS data shows that the cost of power, water, housing and fuel are all increasing at a rate far faster than in the rest of Australia. That is not all. The cost of food, health, services, rents, education, transport and recreation have all increased more in the Northern Territory in the last year than in the rest of Australia. Pretty much everything is increasing at a faster rate in the Northern Territory than around this country. What is particular concerning is that wages and incomes are not keeping pace with the increased cost of living. Of course, cost-of-living increases are not so bad if incomes and wages are going up at the same rate or a faster rate, but this is not the case; it is quite the opposite. While the cost of living is increasing at that 4.4 per cent, average weekly earnings have only increased by 1.8 per cent. In other words, the cost of living is increasing at nearly three times the rate of incomes.

The increase in average weekly earnings last year is the lowest ever since records began in the Northern Territory. This is placing families under enormous stress. I know that the cost of living is placing stress on people right around Australia, but at least in the rest of the country wages are keeping pace with the increases in that cost of living. Nationally, wages grew by 3.1 per cent, which is higher than the national inflation increase of 2.7 per cent. So Territorians are doing it tough. All these increases come after both the Northern Territory and the Commonwealth governments were elected on a platform of lowering the cost of living.

People do not like to be deceived. The electorate in the Northern Territory reacted furiously to this broken promise and the elected Chief Minister, Terry Mills, was dumped by his own party only seven months after taking them to an election victory. People were burning their power bills in the street. The CLP blamed the media for reporting the huge price hikes. The people thanked the media for reporting the huge price hikes. But, in the year since Terry Mills was dumped, things have only got worse under Adam Giles. He has continued to increase the cost of power. It was up five per cent at the start of the year, and he has recently announced another four per cent rise in the middle of the year and another five per cent rise at the end of the year. Average families are being hit every single day. The battle against the cost-of-living hikes is relentless, and there is no end in sight.

I will go through some of the increases families are having to cope with. Power and water bills are up by $2,000 per year, and more increases are to come. The Northern Territory is a hot place, and many Territorians can now no longer afford air conditioners. I want to crush a furphy when it comes to power prices, and that is that the carbon tax is responsible for the increases in power prices. The Northern Territory government have put average household power bills up, like I said before, by $2,000 per year. The carbon price put average household power bills up by only $135 per year. So only around six per cent of the increases to power bills in the last 18 months have been due to the carbon price. This means 94 per cent of the increases are due to the Northern Territory Country Liberal Party government. Fuel prices are increasing at twice the rate of the rest of the country. In the NT, our petrol prices are currently
around 20c higher per litre than the rest of Australia, and the gap is growing. Our petrol prices increased by 5.6 per cent last year, twice the national average. The cost of housing is a national issue. In the Northern Territory the government promised 18 months ago to cut the cost of housing. Since then house prices and rents have increased substantially. House prices are up by 7.5 per cent. In the NT we spend more of our income on rents than anywhere else. On average, Territorians spent 36 per cent of their income on rents compared to 25 per cent across Australia.

The federal member for Solomon, Natasha Griggs, campaigned across two federal elections committing to release Defence Force houses to the public, which she claimed would reduce housing costs. Within six months of getting into government she scrapped the commitment she spent four years talking about. Her biggest single issue turned out to be nothing more than meaningless, empty talk. Like Terry Mills, Natasha Griggs promised before an election to cut the cost of living, only to break her promise after being elected. She should be wary of a similar fate to Mr Mills, which is that Territorians do not like such blatant deception.

A completely unsympathetic Northern Territory government claims that people are not struggling with the cost of living, because retail trade has gone up. Retail trade has gone up only because the cost of groceries has increased. Territorians have to pay much more than people elsewhere in Australia to buy the same amount of groceries, and the NT government claims that this is a good thing.

While Territorians are doing it tough against immense cost-of-living pressures, the Chief Minister, Adam Giles, spent nearly $100,000 to charter a private jet just so he could attend a photo shoot with the Prime Minister in Darwin last week. While Territorians are forced to cut back, this was an offensive waste of taxpayers' money. It was also a bitter pill to swallow. I will let the Prime Minister explain why he decided not to tell the Chief Minister why he was going to Darwin, but the fact that he did not tell him ended up costing Territory taxpayers more than most Territorians earn in a year. Sadly there is no relief in sight. Deloitte Access Economics has predicted that inflation in the NT will remain the highest in the country this year. Our cost of living will keep increasing as the fastest in the country.

The NT government have announced that they are splitting Power and Water into three divisions. The only reason you would do this is to sell it off. Everyone is aware of their plan. Like everywhere else where power has been privatised, prices will go up. Of course, families are also looking down the barrel at things like Medicare co-payments to see a GP and reduced penalty rates for working on weekends. It is not a pleasant outlook.

There is a by-election coming up in the Northern Territory in the seat of Blain. The seat is being vacated by Terry Mills, who lost his job as Chief Minister after the community rebelled against his broken promises to cut the cost of living. Blain is a suburban heartland, and young families are hurting in Blain. A swing against the government in Blain will be a message to both the Northern Territory government and to the Commonwealth government: if you promise to cut the cost of living but then do the exact opposite, you will pay for it.

The result in the by-election will not change the government, but, hopefully, a swing against this uncaring CLP government will force change, which is change the community desperately needs. It will force the NT government to change the way they govern, change their approach to the cost of living and change their approach to hurting families.
Sad, after nearly 30 years in Tasmania, the state Liberal and Labor parties still both share the same single, tired vision for the future of jobs and prosperity in Tasmania—a price-taking pulp mill producing a low-value, high-cost, undifferentiated commodity built on the quicksand pit of a corrupted assessment process and community conflict. The revival and inclusion of the pulp mill in the current political debate leading up to Tasmania's state election—formalised by Premier Lara Giddings when she recalled state parliament to pass new enabling legislation designed to help the Gunns' liquidator, KordaMentha, find a new investor in the failed project—is a sad indictment on what is wrong with Tasmania's political leadership. The Greens were the only party to oppose this dodgy legislation, and, as if right on cue, the Greens leader, Nick McKim, was 'mistakenly' denied the opportunity to move a no-confidence motion in the state Labor government prior to the tabling of the legislation. Although sitting right in front of the Speaker, he was missed out of the corner of the Speaker's eye.

The old parties in Tasmania seem to have no new ideas, no new vision, and only a singular focus on the ever-reliable push-buttons of division. Conflict and division are the currency of Tasmanian politics, and they have always devalued Tasmania and its progress. Just last week a group of vineyard owners, who sent a letter to Tasmanian state MPs expressing well researched and heartfelt doubts on the project proceeding in their tourist valley, were viciously targeted by pro-mill groups in a campaign to boycott their wine sales—as was my mother, also this week. The pro-mill groups posted on Facebook and promoted banners from the Cancer Council—which were clearly altered—to claim that 'Tamar Valley wines give you mouth cancer'. That is the hatred and division in Tasmania, which has built up over many years and is always so readily exploited by some politicians for their own party-political advantage.

I understand the anger from many over the loss of jobs in Tasmanian industries that are failing in competitive global markets, the likes of which we have also seen recently in Victoria and South Australia. But it is more cruel to string out such people by offering them false hopes over a project that was never economically viable and only ever got parliamentary approval via a highly unpopular and corrupt process. What makes this mindless, zombie obsession with the failed proposed Tamar Valley project all the worse is that there is no plan B from Labor or Liberal and no serious political recognition of other state-building economic strategies. Only the Greens have released a comprehensive vision strategy of economic development for the next 20 years in Tasmania that does not centre around a pulp mill or around a failing native forest timber industry.

The lengths that the Tasmanian polity—our state's brain trust—has gone to and the waste of political energy on this doomed project is quite extraordinary. The lengths to which governments have gone to avoid legal scrutiny, close loop holes and cover their legislative tracks in attempting to deliver this project for vested interests is almost bewildering. Tasmanians must wonder what could have been achieved if such talents and energy had been put to focusing on growing other businesses and industries that Tasmania actually has a future in, in line with our competitive advantages such as agriculture, education, ICT, health care and tourism.
I believe the opportunities are there for all in Tasmania—but not if you are blinded by ignorance, stupidity and a lack of political will; or, perhaps, the fact that it is not in your short-term political interest to back change. There are plenty of success stories in Tasmania across many industries that never get highlighted. Even if the Tamar Valley pulp mill were economically viable and environmentally sustainable—which I believe it is not—it would never receive community approval or a social licence. The never-ending cascade of assessment and public relations disasters, including high-profile political and corporate failures, underlines why the community has forever lost confidence in this pulp mill project.

Last month's recall of the Tasmanian parliament to again do a big corporation a special favour is yet another example of this loss of confidence. By passing retrospective legislation to remove doubt surrounding the pulp mill permits Labor and Liberal members of parliament and many MLCs removed a key clause that would automatically suspend operations if the pulp mill were to breach permit conditions, such as well-known hideous odour emissions or the dumping of industrial waste into oceans and ecosystems. This legislation has been widely criticised in the legal fraternity around this country.

Is it realistic that such permit conditions may be breached? Yes, it is. Although it took 10 years of legal action, just last month in Chile the Valdivia pulp mill, which is owned by pulp giant Celco, was fined $US10.5 million for damage to local wetlands and ecosystems, including the deaths of hundreds of swans, from its toxic pulp mill effluent. A similar kraft pulp mill in Chile, the Licancel mill, also discharged effluent into the Mataquito River, killing fish and damaging the livings of local fisherman. Both mills have been the subject of repeated legal challenges and fines for breaches of environmental laws, and they have often been shut down and forced to comply. Both mills use the same technology as the proposed pulp mill for the Tamar Valley, and—hard as it is to believe—Tasmanian MPs, all of whom voted for the doubts-removal legislation, visited these pulp mills as part of a Gunns-sponsored tour prior to the introduction of the original legislation.

You would expect that the government had at least learned from this, but you would be right on some accounts and wrong on others. You would be wrong because it has been made clear—but ignored to date—that the Tamar mill has never stacked up in key independent studies of proposed effluent treatment and dispersal. You would be right because Tasmanian decision makers have obviously learnt what happened overseas and put special clauses in legislation to prevent any future proponent from having to shut down the mill if they breach the conditions. So they have transferred risks from investors and the proponents onto the community and onto the environment.

I and many Tasmanians have campaigned—and will continue to campaign—against this zombie pulp mill and for a better Tasmania. My local Greens MP and friend, Kim Booth, has stood steadfast and strong as a community leader throughout and is now up for re-election. The community of Bass needs Kim because of his moral strength and courage. One good thing that has arisen in this last, sorry saga—and from 10 years of conflict—is the community's continued determination to see change, even in the face of all obstacles, including obvious government abuses of power. There are so many good people who have done so much or, in their own way, contributed to stopping this toxic pulp mill project—too many to name here tonight. But I take this opportunity to pay tribute to them all. As well-known Tasmanian Peter Čundall has said so often, we will never give up.
Water

Senator BOYCE (Queensland) (19:10): World Water Week will be celebrated this year from 17 to 21 March, culminating in World Water Day on 21 March. It will be used by WaterAid Australia for its major fundraiser for the year, Walk 4 Water. Walk 4 Water involves participants, including me, committing to walking 10,000 steps a day for five days. Ten thousand steps, I am reliably told, is eight kilometres. I would rather someone had not worked that out for me, because 10,000 steps sounds okay, but eight kilometres a day sounds a lot more. Members may be interested to know that it is not a difficult thing to do if you are in parliament while it is happening. We often walk that many steps in a day. So perhaps we should all start wearing pedometers!

Ten thousand steps a day has been chosen as the figure that people involved in this fundraising campaign will walk because it is the average distance that is covered by people in the developing world to reach water daily. According to the latest estimates from WHO and UNICEF, who have a joint monitoring program for water supply and sanitation, 36 per cent of the world's population—that is, 2½ billion people—are without decent sanitation facilities, and 768 million people still use unsafe drinking-water sources.

I particularly focus on the water and sanitation needs of the developing world in International Women's Week because, whilst in Australia we simply take fresh, drinkable water and decent sanitation for granted, that is not the case in many developing countries—and, in the majority of cases, it is the duty of the women and girls to obtain drinking water every day for their families. That role puts them in danger, and it also causes them disadvantage. When you think about having to walk eight kilometres a day in rough terrain and often in isolated places, getting the water deprives the women and girls of the time to earn a living or the time to get an education. It also exposes them to the risk of physical attacks, including rape and, in some cases, murder. As well, on average women in Africa and Asia carry an average of about 20 kilograms of water daily—the same weight, roughly, as a car tyre. It is interesting when you look at the situation in Australia, where workplace health and safety regulations say that even a well-nourished male worker must assess the risks in lifting any weight at all, let alone allowing a child to lift 20 kilograms daily.

One of the cases mentioned on the Walk 4 Water website—which I would certainly recommend to everyone—is that of an 11-year-old girl called Lala in Madagascar. She is the eldest of seven children, and it has been her job since she was four to go and get the water for her family twice a day. She talks about how it would be good—and how she cannot imagine what it must be like—to be able to turn on a tap and see water and have what she calls 'a clean of teeth, a shower and a wash of clothes'. But she has the job of walking every day, twice a day, to get the water. The water she collects comes from muddy potholes. At the age of 11 she walks four miles through the searing heat to get dirty water, and four miles back. Consequently, she does not go to school, and her dreams of a better life are much reduced by that.

As I mentioned earlier, Lala is one of the 768 million people throughout the world who are still without a safe water supply. UNICEF's latest progress report against the Millennium Development Goals on sanitation and drinking water are a mixed bag. Drinking-water coverage remains at 89 per cent, which is at least one per cent above the Millennium Development Goals.
Development Goal for safe drinking water, but sanitation coverage is 64 per cent, which is well below next year's Millennium Development Goal of 75 per cent.

One of the big risks posed by poor sanitation is that in some places defecation occurs near the drinking water and this contaminates supplies. So, even though you might have an apparently safe source of drinking water, the fact that the sanitation has not been fixed causes contamination of that water. Through the WASH program—'WASH' stands for Water, Sanitation and Hygiene—about 106 million people gained access to improved sanitation in 2012. That is the highest number they have achieved. This is coming about through a new program called Community Approaches to Total Sanitation. The program is building toilets and encouraging households to purchase their own toilets. Often there are long-held cultural habits that need to be broken. People need to know the dangers of poor sanitation. The sorts of toilets that are being built are often simple earth closets. I imagine that the vast majority of people in the developing world do not realise that, with our flush toilets, we throw potable water, quite literally, down the sewer. They would be shocked at the way we waste good water. They would be amazed.

WASH operates in 27 countries in Africa, Asia, Central America and the Pacific. Since 1981, WaterAid has provided 19.2 million people with safe water. Unfortunately, the numbers for sanitation are good but not as high as the numbers for safe water. Since 2004, 15.1 million people have received improved sanitation. I am particularly keen to support the work of WaterAid because it is a very realistic program that meets real needs. It works with local partners, who understand local issues, and it works to build skills and support for people in the areas where it works.

I think it is fantastic that we have programs to improve people's health through medication, vaccinations and immunisation. But it does not matter how much money we spend in those areas if we do not ensure that people have safe drinking water and reliable, decent sanitation. So I am very keen to be involved in something that I think is a very practical way of reducing poverty and improving lives, particularly the lives of women and children who no longer have to go those long distances. Those women and children can now realistically look at going to school, setting up their own small businesses at home or having some other source of income. So I am encouraging everyone here, and, hopefully, everyone listening, to sign up for Walk 4 Water. So far, 527 Australians have done so. You simply go to the web site www.walk4water.com.au and sign up. You get a pedometer and then you set out to walk 10,000 steps a day. I first did this last year and found myself at 11 o'clock on the night of 21 March sauntering up and down my verandah trying to make sure I did my last lot of 10,000 steps. I will be better organised this year and make sure that I fit them in right through the day. You can do it by walking to walk, taking the stairs instead of the lift, or by getting together with some friends and making life easier by walking the 10,000 steps together. There is the other health benefit of walking 10,000 steps a day. Mr President is looking very keen on that idea!

I note that 78c of every dollar that WaterAid raises through this program goes directly to the international projects to improve the sanitation and water availability in the developing world. So, whilst I will be setting out to do 10,000 steps, I would like to encourage as many other people as possible to do 10,000 steps or donate to others, such as me, who are setting out to do so.
Senate adjourned at 19:20

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

Broadcasting Services Act 1992—Broadcasting Services (Events) Notice (No. 1) 2010 (Amendment No. 1 of 2014) [F2014L00225].


Commissioner of Taxation—Public Rulings—
Class Rulings—
Erratum—CR 2014/16.
Goods and Services Tax Advises—Notices of Withdrawals—GSTA TPP 012 and GSTA TPP 018.
Miscellaneous Taxation Ruling—Addendum—MT 2010/1.
Taxation Determination TD 2014/1.


Financial Management and Accountability Act 1997—Determination 2014/04 – Section 32 (Transfer of Functions from Immigration to Social Services) [F2014L00221].

Higher Education Support Act 2003—VET Provider Approvals—
No. 11 of 2014 [F2014L00217].
No. 13 of 2014 [F2014L00218].

Migration Act 1958—
Determination of Daily Maintenance Amounts for Persons in Detention—IMMI 14/008 [F2014L00226].


Migration Regulations 1994—Class of Persons—
IMMI 14/019 [F2014L00212].
IMMI 14/020 [F2014L00214].
IMMI 14/022 [F2014L00215].

Indexed Lists of Departmental and Agency Files

Tabling

The following documents were tabled pursuant to the order of the Senate of 30 May 1996, as amended:

Indexed lists of departmental and agency files for the period 1 July to 31 December 2013—Statements of compliance—

Communications portfolio.

Department of Social Services.