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SITTING DAYS—2013

<table>
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<th>Month</th>
<th>Date</th>
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<td>February</td>
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<td>June</td>
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<td>September</td>
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<td>1, 2, 3, 28, 29, 30, 31</td>
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<td>November</td>
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FORTY-THIRD PARLIAMENT
FIRST SESSION—EIGHTH PERIOD

Governor-General
Her Excellency Ms Quentin Bryce, Companion of the Order of Australia, Commander of the Royal Victorian Order

Senate Office holders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Stephen Shane Parry
Temporary Chairs of Committees—Cory Bernardi, Thomas Mark Bishop, Suzanne Kay Boyce, Douglas Niven Cameron, Patricia Margaret Crossin, Sean Edwards, David Julian Fawcett, Mark Lionel Furner, Scott Ludlam, Gavin Mark Marshall, Bridget McKenzie, Claire Mary Moore, Louise Clare Pratt and Ursula Mary Stephens
Leader of the Government in the Senate—Senator Hon. Stephen Michael Conroy
Deputy Leader of the Government in the Senate—Senator Hon. Penelope Ying Yen Wong
Leader of the Opposition in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Opposition in the Senate—Senator Hon. George Henry Brandis SC
Manager of Government Business in the Senate—Senator Hon. Jacinta Mary Ann Collins
Manager of Opposition Business in the Senate—Senator Mitchell Peter Fifield

Senate Party Leaders and Whips
Leader of the Australian Labor Party—Senator Hon. Stephen Michael Conroy
Deputy Leader of the Australian Labor Party—Senator Hon. Penelope Ying Yen Wong
Leader of the Liberal Party of Australia—Senator Hon. Eric Abetz
Deputy Leader of the Liberal Party of Australia—Senator Hon. George Henry Brandis SC
Leader of The Nationals—Senator Barnaby Thomas Gerard Joyce
Deputy Leader of The Nationals—Senator Fiona Nash
Leader of the Australian Greens—Senator Christine Anne Milne
Chief Government Whip—Senator Anne McEwen
Deputy Government Whips—Senators Carol Louise Brown and Helen Beatrice Polley
Chief Opposition Whip—Senator Helen Kroger
Deputy Opposition Whips—Senators David Christopher Bushby and Christopher John Back
The Nationals Whip—Senator John Reginald Williams
Australian Greens Whip—Senator Rachel Mary Siewert

Printed by authority of the Senate
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(1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

(2) 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.

(3) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice Hon. M. Arbib, resigned 5.3.12), pursuant to section 15 of the Constitution.

(4) 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.

(5) 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.

(6) 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.

(7) 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.

**PARTY ABBREVIATIONS**


**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Secretary, Department of Parliamentary Services—C Mills
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<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon Julia Gillard MP</td>
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<tr>
<td>Minister Assisting the Prime Minister on Digital Productivity</td>
<td>Senator the Hon Stephen Conroy</td>
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<tr>
<td>Minister Assisting the Prime Minister on Asian Century Policy</td>
<td>The Hon Dr Craig Emerson MP</td>
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<td><strong>Minister for Social Inclusion</strong></td>
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<tr>
<td>Minister Assisting the Prime Minister on Mental Health Reform</td>
<td>The Hon Mark Butler MP</td>
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<tr>
<td>Minister for the Public Service and Integrity</td>
<td>The Hon Gary Gray AO MP</td>
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<tr>
<td>Cabinet Secretary</td>
<td>The Hon Jason Clare MP</td>
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<tr>
<td>Minister Assisting the Prime Minister on the Centenary of ANZAC</td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
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<td><strong>Treasurer</strong></td>
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<td>The Hon Wayne Swan MP</td>
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<td><strong>Minister for Financial Services and Superannuation</strong></td>
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<tr>
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<tr>
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<tr>
<td>(Deputy Leader of the House)</td>
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<tr>
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<td>Minister for Defence Science and Personnel</td>
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<tr>
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<tr>
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<td>The Hon Kelvin Thompson MP</td>
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<tr>
<td>Parliamentary Secretary for School Education and Workplace Relations</td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td>(Manager of Government Business in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Minister for Agriculture, Fisheries and Forestry</td>
<td>Senator the Hon Joe Ludwig</td>
</tr>
<tr>
<td>Parliamentary Secretary for Agriculture, Fisheries and Forestry</td>
<td>The Hon Sid Sidebottom MP</td>
</tr>
<tr>
<td>Minister for Resources and Energy</td>
<td>The Hon Martin Ferguson AM MP</td>
</tr>
<tr>
<td>Minister for Tourism</td>
<td>The Hon Martin Ferguson AM MP</td>
</tr>
<tr>
<td>Minister for Climate Change and Energy Efficiency</td>
<td>The Hon Greg Combet AM MP</td>
</tr>
<tr>
<td>Parliamentary Secretary for Climate Change and Energy Efficiency</td>
<td>The Hon Yvette D’Ath MP</td>
</tr>
<tr>
<td>Minister for Health</td>
<td>The Hon Tanya Plibersek MP</td>
</tr>
<tr>
<td>Minister for Mental Health and Ageing</td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister for Indigenous Health</td>
<td>The Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Parliamentary Secretary for Health and Ageing</td>
<td>The Hon Catherine King MP</td>
</tr>
<tr>
<td>Parliamentary Secretary for Mental Health</td>
<td>The Hon Melissa Parke MP</td>
</tr>
<tr>
<td>Minister for Immigration and Citizenship</td>
<td>The Hon Brendan O’Connor MP</td>
</tr>
<tr>
<td>Minister for Multicultural Affairs</td>
<td>Senator the Hon Kate Lundy</td>
</tr>
<tr>
<td>Attorney-General</td>
<td>The Hon Mark Dreyfus QC MP</td>
</tr>
<tr>
<td>Minister for Emergency Management</td>
<td>The Hon Mark Dreyfus QC MP</td>
</tr>
<tr>
<td>Minister Assisting on Queensland Floods Recovery</td>
<td>Senator the Hon Joe Ludwig</td>
</tr>
<tr>
<td>Minister for Home Affairs</td>
<td>The Hon Jason Clare MP</td>
</tr>
<tr>
<td>Minister for Justice</td>
<td>The Hon Jason Clare MP</td>
</tr>
<tr>
<td>Minister for Human Services</td>
<td>Senator the Hon Kim Carr</td>
</tr>
</tbody>
</table>

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
<table>
<thead>
<tr>
<th>Title</th>
<th>Shadow Minister</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader of the Opposition</td>
<td>The Hon Tony Abbott MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary Assisting the Leader of the Opposition</td>
<td>Senator Arthur Sinodinos</td>
</tr>
<tr>
<td>Shadow Minister for Foreign Affairs</td>
<td>The Hon Julie Bishop MP</td>
</tr>
<tr>
<td>Shadow Minister for Trade (Deputy Leader of the Opposition)</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for International Development Assistance</td>
<td>The Hon Teresa Gambaro MP</td>
</tr>
<tr>
<td>Shadow Minister for Infrastructure and Transport (Leader of The Nationals)</td>
<td>The Hon Warren Gambaro MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Roads and Regional Transport</td>
<td>Mr Darren Chester MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workplace Relations (Leader of the Opposition in the Senate)</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td>Shadow Minister for Employment Participation</td>
<td>The Hon Sussan Ley MP</td>
</tr>
<tr>
<td>Shadow Attorney-General</td>
<td>Senator the Hon George Brandis SC</td>
</tr>
<tr>
<td>Shadow Minister for the Arts (Deputy Leader of the Opposition in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Justice, Customs and Border Protection</td>
<td>Mr Michael Keenan MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Attorney-General</td>
<td>Senator Gary Humphries</td>
</tr>
<tr>
<td>Shadow Treasurer</td>
<td>The Hon Joe Hockey MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation</td>
<td>Senator Mathias Cormann</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Tax Reform (Deputy Chairman, Coalition Policy Development Committee)</td>
<td>The Hon Tony Smith MP</td>
</tr>
<tr>
<td>Shadow Minister for Education, Apprenticeships and Training (Manager of Opposition Business in the House)</td>
<td>The Hon Christopher Pyne MP</td>
</tr>
<tr>
<td>Shadow Minister for Childcare and Early Childhood Learning</td>
<td>The Hon Sussan Ley MP</td>
</tr>
<tr>
<td>Shadow Minister for Universities and Research</td>
<td>Senator the Hon Brett Mason</td>
</tr>
<tr>
<td>Shadow Minister for Youth and Sport (Deputy Manager of Opposition Business in the House)</td>
<td>Mr Luke Hartsuyker MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Education</td>
<td>Senator Fiona Nash</td>
</tr>
<tr>
<td>Shadow Minister for Indigenous Affairs (Deputy Leader of the Nationals)</td>
<td>Senator the Hon Nigel Scullion</td>
</tr>
<tr>
<td>Shadow Minister for Indigenous Development and Employment</td>
<td>Senator Maree Payne</td>
</tr>
<tr>
<td>Shadow Minister for Regional Development, Local Government and Water (Leader of the Nationals in the Senate)</td>
<td>Senator Barnaby Joyce</td>
</tr>
<tr>
<td>Shadow Minister for Regional Development</td>
<td>The Hon Bob Baldwin MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Northern and Remote Australia</td>
<td>Senator the Hon Ian Macdonald</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Local Government</td>
<td>Mr Don Randall MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Murray-Darling Basin</td>
<td>Senator Simon Birmingham</td>
</tr>
<tr>
<td>Shadow Minister for Finance, Deregulation and Debt Reduction (Chairman, Coalition Policy Development Committee)</td>
<td>The Hon Andrew Robb AO MP</td>
</tr>
<tr>
<td>Shadow Special Minister of State</td>
<td>The Hon Bronwyn Bishop MP</td>
</tr>
<tr>
<td>Shadow Minister for COAG (Chairman, Scrutiny of Government Waste Committee)</td>
<td>Senator Marise Payne</td>
</tr>
<tr>
<td>Shadow Minister for Energy and Resources (Mr Jamie Briggs MP)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Tourism</td>
<td>The Hon Ian Macfarlane MP</td>
</tr>
<tr>
<td>Shadow Minister for Energy and Resources</td>
<td>The Hon Bob Baldwin MP</td>
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<td>Shadow Minister</td>
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<tr>
<td>Shadow Minister for Defence</td>
<td>Senator the Hon David Johnston</td>
</tr>
<tr>
<td>Shadow Minister for Defence Science, Technology and Personnel</td>
<td>Mr Stuart Robert MP</td>
</tr>
<tr>
<td>Shadow Minister for Veterans' Affairs and Shadow Minister Assisting</td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
<td>the Leader of the Opposition on the Centenary of ANZAC</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Defence Materiel</td>
<td>Senator Gary Humphries</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Defence Force and Defence</td>
<td>Senator the Hon Ian Macdonald</td>
</tr>
<tr>
<td>Support</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Communications and Broadband</td>
<td>The Hon Malcolm Turnbull MP</td>
</tr>
<tr>
<td>Shadow Minister for Regional Communications</td>
<td>Mr Luke Hartsuyker MP</td>
</tr>
<tr>
<td>Shadow Minister for Health and Ageing</td>
<td>The Hon Peter Dutton MP</td>
</tr>
<tr>
<td>Shadow Minister for Ageing</td>
<td>Senator Concetta Fierravanti-Wells</td>
</tr>
<tr>
<td>Shadow Minister for Mental Health</td>
<td>Dr Andrew Southcott MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Primary Healthcare</td>
<td>Dr Andrew Laming MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Health Services and</td>
<td></td>
</tr>
<tr>
<td>Indigenous Health</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Families, Housing and Human Services</td>
<td>The Hon Kevin Andrews MP</td>
</tr>
<tr>
<td>Shadow Minister for Seniors</td>
<td>The Hon Bronwyn Bishop MP</td>
</tr>
<tr>
<td>Shadow Minister for Disabilities, Carers and the Voluntary Sector</td>
<td>Senator Mitch Fifield</td>
</tr>
<tr>
<td>(Manager of Opposition Business in the Senate)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Housing</td>
<td>Senator Marise Payne</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Supporting Families</td>
<td>Mr Jamie Briggs</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Status of Women</td>
<td>Senator Michaelia Cash</td>
</tr>
<tr>
<td>Shadow Minister for Climate Action, Environment and Heritage</td>
<td>The Hon Greg Hunt MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Environment</td>
<td>Senator Simon Birmingham</td>
</tr>
<tr>
<td>Shadow Minister for Productivity and Population</td>
<td>Mr Scott Morrison MP</td>
</tr>
<tr>
<td>Shadow Minister for Immigration and Citizenship</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Citizenship and Settlement</td>
<td>The Hon Teresa Gambaro MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Senator Michaelia Cash</td>
</tr>
<tr>
<td>Shadow Minister for Innovation, Industry and Science</td>
<td>Mrs Sophie Mirabella MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Innovation, Industry, and Science</td>
<td>Senator the Hon Richard Colbeck</td>
</tr>
<tr>
<td>Shadow Minister for Agriculture and Food Security</td>
<td>The Hon John Cobb MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Fisheries and Forestry</td>
<td>Senator the Hon Richard Colbeck</td>
</tr>
<tr>
<td>Shadow Minister for Small Business, Competition Policy and</td>
<td>The Hon Bruce Billson MP</td>
</tr>
<tr>
<td>Consumer Affairs</td>
<td>Senator Scott Ryan</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Small Business and Fair Competition</td>
<td></td>
</tr>
</tbody>
</table>
CONTENTS

THURSDAY, 28 FEBRUARY 2013

Chamber

BILLS—
Renewable Energy (Electricity) Amendment (Excessive Noise from Wind Farms) Bill 2012—
Second Reading................................................................. 1243
Foreign Acquisitions Amendment (Agricultural Land) Bill 2010—
Second Reading..................................................................... 1271

NOTICES—
Presentation............................................................................ 1275

COMMITTEES—
Selection of Bills Committee—
Report.................................................................................. 1275

BUSINESS—
Rearrangement..................................................................... 1277
Leave of Absence................................................................... 1277

COMMITTEES—
Legal and Constitutional Affairs References Committee—
Reporting Date ...................................................................... 1278
Foreign Affairs, Defence and Trade References Committee—
Reporting Date ...................................................................... 1278

NOTICES—
Postponement ...................................................................... 1278

COMMITTEES—
Environment and Communications References Committee—
Reference ............................................................................. 1278
Community Affairs References Committee—
Reference ............................................................................. 1279
Rural and Regional Affairs and Transport References Committee—
Reference ............................................................................. 1279

BILLS—
Therapeutic Goods Amendment (Pharmaceutical Transparency) Bill 2013—
First Reading ......................................................................... 1279
Second Reading ...................................................................... 1279

COMMITTEES—
Environment and Communications Legislation Committee—
Reporting Date ...................................................................... 1282

MOTIONS—
Charcot-Marie-Tooth Disease .................................................. 1282

BILLS—
Migration Amendment (Reinstatement of Temporary Protection Visas) Bill 2013
[No. 2]—
First Reading ......................................................................... 1282
Second Reading ...................................................................... 1282

MOTIONS—
Australian Quarantine and Inspection Service Licence System ................................................. 1284
Military Superannuation Pensions ......................................................................................... 1284
CONTENTS—continued

Coal Seam Gas ................................................................. 1284
Defence Procurement ...................................................... 1285
Whaling ................................................................. 1286
National Health Reform Funding ....................................... 1287
Asbestos ................................................................. 1289
National Parks ............................................................ 1289
BUDGET—
Consideration by Estimates Committees ................................ 1289
COMMITTEES—
Publications Committee—
Report ........................................................................... 1290
Regulations and Ordinances Committee—
Delegated Legislation Monitor ........................................... 1290
National Broadband Network Committee—
Report ........................................................................... 1290
BILLS—
Offshore Petroleum and Greenhouse Gas Storage Amendment (Compliance Measures) Bill 2012—
Second Reading ............................................................ 1294
Third Reading .............................................................. 1296
International Tax Agreements Amendment Bill 2012—
Second Reading ............................................................ 1297
Third Reading .............................................................. 1297
Financial Framework Legislation Amendment Bill (No. 4) 2012—
Second Reading ............................................................ 1298
Third Reading .............................................................. 1299
Marine Safety (Domestic Commercial Vessel) National Law Amendment Bill 2013—
Second Reading ............................................................ 1299
Third Reading .............................................................. 1299
Courts and Tribunals Legislation Amendment (Administration) Bill 2012—
Second Reading ............................................................ 1299
Third Reading .............................................................. 1304
Federal Circuit Court of Australia (Consequential Amendments) Bill 2013—
Second Reading ............................................................ 1305
Third Reading .............................................................. 1309
Protection of Cultural Objects on Loan Bill 2012—
Second Reading ............................................................ 1309
Third Reading .............................................................. 1311
QUESTIONS WITHOUT NOTICE—
Gillard Government: Western Sydney .................................. 1311
Economy ................................................................. 1313
Gillard Government: Western Sydney .................................. 1314
Asylum Seekers ............................................................ 1316
Lyssavirus ................................................................. 1318
Queensland Floods Recovery ............................................... 1320
Foreign Investment ........................................................ 1321
CONTENTS—continued

Building Materials Imports .......................................................................................................................... 1323
Australia Post ........................................................................................................................................... 1325
MOTIONS—
Asylum Seekers ...................................................................................................................................... 1327
Suspension of Standing Orders .................................................................................................................. 1327
QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS—
Gillard Government: Western Sydney ........................................................................................................ 1333
COMMITTEES—
Legal and Constitutional Affairs Legislation Committee—
Government Response to Report ............................................................................................................ 1340
AUDITOR-GENERAL’S REPORTS—
No. 26 of 2012-13 .................................................................................................................................. 1342
COMMITTEES—
Procedure Committee ............................................................................................................................... 1342
DOCUMENTS—
Tabling ...................................................................................................................................................... 1343
COMMITTEES—
Corporations and Financial Services Committee—
Membership .............................................................................................................................................. 1343
BILLS—
Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012—
Second Reading ....................................................................................................................................... 1343
DOCUMENTS—
Australian War Memorial .......................................................................................................................... 1367
Department of Regional Australia, Regional Development and Local Government ......................... 1368
Australian National Preventive Health Agency ......................................................................................... 1369
Austrade .................................................................................................................................................... 1373
Commonwealth Superannuation Corporation ............................................................................................ 1373
Commonwealth Scientific and Industrial Research Organisation ......................................................... 1375
DOCUMENTS—
Consideration ............................................................................................................................................ 1376
COMMITTEES—
Corporations and Financial Services Committee—
Government Response to Report ........................................................................................................... 1377
COMMITTEES—
Consideration ............................................................................................................................................ 1378
AUDITOR-GENERAL’S REPORTS—
Report No. 24 of 2012-13 ........................................................................................................................ 1378
Report No. 15 of 2012-13 ............................................................................................................................ 1380
Report No. 24 of 2012-13 ............................................................................................................................ 1382
Report No. 25 of 2012-13 ............................................................................................................................ 1387
ADJOURNMENT—
Mobile Technology ...................................................................................................................................... 1389
Polyamory Action Lobby ............................................................................................................................. 1391
Public Service ............................................................................................................................................ 1394
Australian Water Holdings ......................................................................................................................... 1397
CONTENTS—continued

DOCUMENTS—
Tabling ................................................................................................................................. 1400
Departmental and Agency Contracts—
Tabling ................................................................................................................................. 1400
Thursday, 28 February 2013

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

BILLS

Renewable Energy (Electricity) Amendment (Excessive Noise from Wind Farms) Bill 2012
Second Reading

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

Senator IAN MACDONALD (Queensland) (09:31): This bill is certainly one that relates to a topic very much discussed around the Australian community. I refer senators to the speech of Senator Birmingham back in November 2012 which confirmed very serious concerns about the health impacts of the noise coming from wind farms. I understand that since November last year we have proposed some amendments to the bill, effectively calling upon the National Health and Medical Research Council to develop appropriate guidelines for an independent study of the impacts of wind farms and the noise of wind farms on people living in the vicinity.

Mr Deputy President, as you know, I come from the north of Queensland. There are some wind farms up around Ravenshoe on the Atherton Tableland—indeed, they were some of the first wind farms to be established in Australia. There has been concern from residents in that area about health impacts on them from those wind farms. I have to say that, while I am one who believes in renewable power, I have often wondered about the visual pollution that wind farms cause. I remember in the very early days of the Greens political party, they were very vocal about the visual pollution of wind farms. You only have to go out to Lake George near Canberra to see what used to be a wonderful country vista with magnificent rolling hills—

Senator Boswell: I just can't understand the Greens on this.

Senator IAN MACDONALD: You're right, Senator Boswell. I cannot understand the Greens on this either. Mind you, I cannot understand the Greens on anything. I do understand this and this alone: that they are a very left-wing socialist party and some of their members like Senator Rhiannon make no bones about that. They are quite open about the fact that they were once members of the communist party and believe in that socialist, left-wing dogma. That much I do understand about the Greens—anything else I do not really.

There is the issue of visual pollution. There is a place for wind farms at times, but one has to wonder why the community has not been outraged just at the visual pollution. Senator Madigan's bill refers more to the genuine concerns that many people have about the impact that wind farms are having on their communities, on their lifestyles and on their health. Neither the parliament nor the government should easily dismiss these concerns. You will be aware, Mr Deputy President, that this bill was referred to the Senate's Community Affairs References Committee, which presented a report on the social and economic impact of rural wind farms in June 2011—almost two years ago. The committee recommended that:

... the Commonwealth Government initiate as a matter of priority thorough, adequately resourced epidemiological and laboratory studies of the possible effects of wind farms on human health. This research must engage across industry and community, and include an advisory process representing the range of interests and concerns. That recommendation was a unanimous one, and I emphasise the words 'as a matter of
priority’ to do this research. It is typical of the Gillard Labor government that they understand ‘a matter of priority’ as almost two years later and have ignored issues which really do concern Australians and which many people would say do have an impact on the health of Australians.

Is our Prime Minister, Ms Gillard, looking at these things as a matter of priority or is she campaigning in Australia's longest ever election campaign in Western Sydney? Mr Acting Deputy President, I will bet you that, as she campaigns in Western Sydney, Ms Gillard is not focused on the health concerns many Australians have about wind farms. I suspect that people in Western Sydney would not have to put up with the impact of wind farms, as I suspect there are not too many around that area—

Senator Boswell interjecting—

Senator IAN MACDONALD: And you are right, Senator Boswell, I suspect there are not too many at Rooty Hill, but then I am not sure that Ms Gillard is going to Rooty Hill now. One of Ms Gillard’s ministers actually said that it would be high farce to book in at the Rooty Hill RSL. What a joke of a government. It would be funny if it were not serious, because problems that need the attention of the Prime Minister, problems that are addressed in this bill, are being ignored while the Prime Minister embarks upon Australia’s longest ever election campaign.

On 13 September 2012, a year and a half after the committee's recommendations were made, the government responded by saying that they accepted the recommendations in principle. Again, this shows how focused Ms Gillard is on the real health concerns of Australians! Apparently the government then provided an NHMRC literature review. They said, 'Here are a lot of readings on the subject; that is our response.' But that is not the sort of Australian based research, with thorough epidemiological and laboratory studies, that we think is necessary to provide the robust scientific evidence needed to manage this very concerning issue.

Senator Madigan and most of us on this side of the chamber believe that, where it is important, where it is relevant, we should make our decisions based on science. The government have continually ignored science. You only have to look at the bioregional marine plans to see that the government’s decision in that important area for Australians was based on the lobbying of a foreign environment group which has little concern about the Australians who would be impacted, and there was practically no reference to the science on the subject. One aim of the marine bioregional plan was to save fish stocks in the Coral Sea, near where I come from. The take of fish from the Coral Sea over many, many years has been infinitesimal. Even a year 1 science student would have been able to tell the Gillard government that. But they do not make decisions on the basis of science, as they should; they make them on the basis of political necessity, on the importance of getting Greens preferences at the next election and on the fact that the Greens are supported by some very wealthy people, including the Pew Environment Group. That group commenced some years ago in the United States on the back of very big donations from oil companies in the United States that felt they needed to absolve their consciences by doing something 'positive' for the environment.

We believe that these December isions and what Senator Madigan is calling for in his bill have to be based on science. That is why we have proposed an amendment to this bill which seeks a scientific approach. Senator Madigan will no doubt speak for himself later, but I understand there is some
support for the idea that we should insist upon proper and adequate scientific research.

I mentioned my interest in wind farms. There are some in North Queensland. I have always been appalled by their visual pollution, particularly around Canberra, and in the north. There was the CopperString proposal up in North Queensland—

Senator Boswell: The Bob Katter proposal?

Senator IAN MACDONALD: I am not even sure who you are talking about.

The ACTING DEPUTY PRESIDENT (Senator Fawcett): Order! Senator Macdonald, you will ignore the interjections.

Senator IAN MACDONALD: Mr Acting Deputy President, I think Senator Boswell mentioned a politician up that way. I am not sure if he is a politician—you never see him in parliament. You never see him voting on important issues. I never take much notice of what the current member for Kennedy says. I do recall, Senator Boswell, that for years he has been talking about development of the north and some water storage facilities on the Flinders and other rivers up that way. When a leaked draft coalition discussion paper on these things hit the newsstands—I do emphasise it is not coalition policy at this stage—all Mr Katter could do was oppose the proposals that I thought he had been calling upon and supporting for a long period of time. But it is always difficult to understand what Mr Katter's view is on anything.

There was a proposal for a power grid in the north. I do not want to go into that; it has fallen on tough times. But part of that proposal was for a wind farm in the plains to the west of Townsville, around Hughenden.

One would think that, if there are to be wind farms, somewhere like that might be a good place—assuming the wind patterns are appropriate there. It is, to a degree, away from population bases, so the sorts of health difficulties which Senator Madigan referred to in his bill would be obviated.

We believe there should be research which, as I said, includes full monitoring and full laboratory and epidemiological studies. It should be research which ensures that the views of industry and community are heard so that areas of concern can be studied and addressed. It should look at audible noise, low-frequency noise—infrasound—electromagnetic radiation and vibration arising from or associated with wind farms, including wind turbines. It should look at transmission lines, substations, telecommunications towers and other structures associated with industrial wind electricity generation. That is why we are moving this motion.

Wind farms and wind power generation are important in achieving the 20 per cent renewable energy target set by the Commonwealth—by the Howard government. As time has moved on, however, more and more questions have been raised about whether that 20 per cent renewable energy target is appropriate for Australia at the present time. I assume Senator Boswell will speak a lot more about that in his contribution to the debate on this bill. Suffice it for me to say that I do think there is a change in community perception and I think that is something the current government and any future government might have to look at very carefully.

In the limited time left to me I will just raise a couple of things. I am a great believer in hydro power. Very often you will hear people from Tasmania—and the Greens political party, for some reason, seem to have a greater following in that state than anywhere else—
Senator Siewert: They are sensible in Tasmania.

Senator IAN MACDONALD: It is a state which lives on hydro power and yet, when you talk about hydro power in any other state, suddenly it is bad, it is wrong and you cannot have it. You can have it in Tasmania but not anywhere else. Perhaps one of the Greens senators might tell me why it is good in Tasmania but not good in Queensland.

Fortunately, a new government in Queensland is seriously looking at hydro power. The Burdekin Dam has been up for some time—an initiative of the Fraser Liberal government—and now there is considerable money being spent on putting a small hydro-electricity power plant on it. There are opportunities to raise the dam wall and to increase the power supply from doing so. There was also a community meeting, just a couple of weeks ago up in Ravenshoe, at which the Tully-Millstream Koombooloomba Dam extension was discussed at length. Quite a bit of work has been done on that.

Senator McLucas: Not Tully-Millstream again!

Senator IAN MACDONALD: I see Senator McLucas mumbling to herself. You would think that, as a senator sometimes based in Cairns, she would be aware of community interest in a baseload power station for Cairns—a power station which relies not on fossil fuels but on water power. Rather than mumbling about it, I would have thought that Senator McLucas, who will no doubt take part in this debate later, would have had some interest in it.

I also mention the idea of using the enormous amounts of water which come out of the mountain ranges of Papua New Guinea to supply power—and perhaps even water in times of drought—to Queensland and Australia. The Queensland government some time ago put in place a memorandum of understanding with the PNG government on that proposal. It is something which shows that there alternatives to fossil fuels, that you can use renewable energy and that you can perhaps do so cost-effectively.

I know Senator Boswell and many other people have been concerned at the cost to Australia of the renewable energy program. I lament always that Ms Gillard broke her promise not to introduce a carbon tax. The carbon tax of course does not reduce carbon emissions. Even on the government's own figures, carbon emissions increase under the carbon tax. Australia is responsible for less than 1.4 per cent of the world's carbon emissions. One therefore wonders why Australia is burdened with the world's largest carbon tax—$23 a tonne. The Europeans are paying either $5 or $10, depending on which day of the week it is. The New Zealanders are paying $1. I think some Chinese provinces are doing it at 20c. Australia is paying $23, going up to $29, going up to $39, going up to $300 a tonne—and the Labor Party wonders why the jobs of Australian workers are going offshore. Time does not allow me to pursue that further except to lament that our Prime Minister, Ms Gillard, as the Labor leader, would promise not to introduce a carbon tax and then make it the first thing she did. I see that she and her ministers continue to say what a great thing the carbon tax is. If that is true, why did she promise not to introduce it? Did she not understand, back before the last election, that it would be as good as she now claims it to be? It just shows what an absolute farce the current government of Australia is.

Needless to say, this is an important bill. I congratulate Senator Madigan for raising it. I will be supporting the coalition's amendments and I hope that means we will
I must admit to some disappointment that we are today debating a bill about wind farm noise. The Renewable Energy (Electricity) Amendment (Excessive Noise from Windfarms) Bill has its origins in concerns about the supposed health effects of living next to wind farms. As Senator Milne noted in her contribution to the debate, an enormous variety of symptoms have been attributed to wind turbines. The list starts with headaches, nausea, loss of sleep and fatigue, and goes as far as things like terminal cancer. Indeed, allegations have been made that animals keel over dead as a result of wind turbines. As a doctor, many of these symptoms are familiar to me, and they do have much in common with many other conditions that are associated with modern life. I do not doubt for a moment that these symptoms are real, but the cause is much more complicated than the substance of this bill implies.

What we are debating today are matters of scientific fact—are wind farms noisy, how much acoustic energy do they introduce into the environment, does that energy have a direct impact on the human body that can lead to health problems. These are not political questions; they are questions of empirical fact. I will come back to the facts of the health impacts of wind farms in a moment, but I do need to emphasise the importance of science in this debate. Science is the pursuit of truth; the pursuit of knowledge. As a scientist by training I have always respected, indeed have been in awe of, the scientific method and what it has achieved for the human race. The results are all around us. In a few generations, in the blink of history's eye, we have seen air travel, electric power and instantaneous global communication all move from the miraculous to the routine.

My medical training instilled a deep respect for the scientific method as a way of sifting truth from falsehood. Nowhere are the benefits more plain than in medicine. There is a deep respect for this method amongst medical practitioners and researchers. After all, it is not that long ago that medicine concerned itself with balancing the humours and bloodletting. Nowadays a fairly routine trip to the hospital might involve a trip, for example, to a PET scanner. For a PET scan, unstable atomic nuclei are introduced into the body so we can build up a three-dimensional image based on the gamma rays that are emitted. It is just incredible. Few of us would probably stop to consider the centuries of painstaking work that made this possible, but it is reflected in the longer, healthier lives that we lead here today. Many or even most of us would not be alive were it not for the scientific advances of previous decades and centuries.

In other words, science works. Its fruits are on display and cannot be denied. Indeed, we take them for granted. We cannot come up with cogent explanations for the workings of the mobile phone. I use an aeroplane frequently, and I will fly home tomorrow. I trust the phone and the aeroplane, and many other things, because they are built on sound and well tested scientific principles. Science deals with facts in a way that is fundamentally different from politics. Science is not about going into bat for a particular position, about finding some evidence to tailor some predetermined desired outcome. Science is a process; it takes into account the biases inherent in human nature and systematically eliminates them from the final result. Science is not a journey to some predetermined outcome but a commitment to follow the evidence wherever it leads. That is quite foreign to the
It is paradoxical that our lives have become more dependent on science and technology while, at the same time, the status of science in the public debate is eroding. This is a fairly recent phenomenon. It was not that long ago that the polio vaccine, penicillin and even the atom bomb were branded as new reminders of how science is changing everyday lives and the future of our world. As constant scientific and technological innovation has become a part of background life, the significance of science has faded. As a result, scientists now occupy just another voice in the public debate. On a good day they are given equal billing with another lobby group or vested interest, and this is a dangerous thing when we are debating a matter of scientific fact such as whether wind farms are harmful to human health.

Scientists are not always the best people to participate in policy debates—they are often inexperienced and not skilled in the media, and they can be drowned out or outfoxed by those who are much better equipped for these tasks. Cashed-up lobby groups have the skills and resources to distort debates, and it can be difficult for scientific experts to overcome this. We have seen before the dangers inherent in this way of doing things. The tobacco lobby were extraordinarily successful in muddying the waters around science. They did not need to prove that tobacco was safe, that there was no link between smoking and lung cancer—all they had to do was instil in the public mind the idea that the question was not yet settled and then let inertia and commercial interests do the rest. The same thing is happening with climate change—think tanks, pet academics, fake grassroots groups; they have long been sowing doubt about the seemingly undeniable reality of climate change. They are not struggling for cash or access to the megaphone. Powerful and wealthy industries have a commercial imperative to delay action on climate change, and it is frightening to see how successful they have been.

This bill, which I contend is largely the product of such mischief by vested interests, is one small example of the phenomenon that is now playing out all over the world—and critically here in Australia.

**Senator Edwards:** What vested interests?

**Senator DI NATALE:** The irony is that these lobby groups are compelled to cloak their campaigns in the language of science.

**Senator Boswell:** Just like you.

**The ACTING DEPUTY PRESIDENT (Senator Fawcett):** Order! I remind the chamber that Senator Di Natale has the right to be heard in silence.

**Senator DI NATALE:** Because of their extraordinary success, science and the sciences do command public respect. We still see scientists as disinterested experts we can trust. Politicians and lobby groups do their best to cash in on that. Science suffers from some of its worst abuses when it is misused and twisted to give a veneer of scientific respectability to a specific policy or ideology. This is pseudoscience, and it is rife in the public debate.

Sorting real science from pseudoscience can be difficult for the public at large, and it is a challenge that the media are often not up to. It takes a lot of time and hard-won expertise to do that. After all, an anecdote is very, very powerful. We all know about the power of the personal story. Personal stories are really of little worth when it comes to settling scientific questions, but they do have the power to sway a debate. They make for a juicy and readable story or a compelling TV
moment, and the quest for balanced reporting makes it all too easy to give equal time to both sides of the debate. Especially in scientific matters where it may not be apparent where the consensus lies, it is easier to throw in quotes from competing experts. But, in reality, there are not two sides to every story—at least not two equal sides. In a debate like climate change, giving the impression that there are two sides accomplishes precisely what the vested interests want. The science is undermined because it looks like the question is open and the debate is still a live one.

As policymakers, we have to consider a variety of factors. Science is just one of them. Public values, priorities for scarce resources, and even election commitments all need to be taken into account, but we should be honest about it. Hand-picked evidence, friendly experts and data taken out of context are not science. That is just keeping up appearances. The role of science in policymaking is to find out what works. When used honestly, it is not just another tool that one can use to buttress a predetermined ideological position.

Scientists look for evidence that disproves their theories. They know that, if they do not, others will do it for them, and they will look foolish and lazy. No slogan, no matter how well received by a focus group, will help a scientist if her peers have failed to replicate experimental data. An inconsistency in theory cannot be dismissed based on good polling. In other words, integrity is critical in science. When used properly, science brings integrity back into public policy.

On the substance of this bill: what does the science tell us about wind farms? Wind farms are a mature technology. There are over 200,000 of them operating in the world today. That is enough for us to have some confidence in the effects they have on health. According to the NHMRC's public statement on wind farms and health, there is no scientific evidence that indicates that wind turbines have a negative effect on human health. The level of noise caused by a wind turbine at 350 metres, well short of the typical distance of houses from any turbine, is barely discernible from the ordinary background noise in a quiet bedroom. Measurements of the infrasound—that is, sound of a frequency too low to be detectable by human ears—show that levels near wind farms are lower than a typical urban environment. Of course, wind turbines are not completely silent. Experiencing the peace and quiet of the Australian countryside is one of my chief pleasures in life. Everyone should be entitled to a quiet environment and a good night's sleep. However, noise issues are already regulated, and wind farms are not exempt from these laws.

So, on the one hand, we have good evidence that wind farms produce noise at low levels, often undetectable to the human ear, and we have a situation where science can suggest no mechanism whereby such noises could impact the human body. On the other hand, we have a considerable body of stories from people who are suffering severe health impacts from their proximity to wind turbines. What is going on here?

The special interests that are hell-bent on disrupting the scientific debate in our papers and on TV are also having an effect on people's health. When outfits like the Waubra Foundation spread fear, uncertainty and doubt about the safety of wind turbines, this scares people. It is a terrible thing to have to worry about your health and that of your family. I shudder to think of how anxious I would be if I thought a facility was being built next to my family's farm that would pollute the environment and make us ill.
The symptoms attributed to the so-called wind turbine syndrome, including headaches, nausea, tinnitus and loss of sleep, appear to be the invention of a single person. Those symptoms are not unknown. There are many historical examples of illnesses such as these associated with the rise of modern technology. In the 19th century, the symptoms we are discussing here today were given the label 'neurasthenia'. In 1880, George Beard attributed the causes of neurasthenia to a collection of things, including wireless telegraphy, science itself, steam power, newspapers and the education of women.

However, these symptoms did not disappear as we got used to the innovations that caused that anxiety back then. More modern examples include high-voltage powerlines, wireless phone towers, fluoridated water and, indeed, vaccination. All of these have been associated with the symptoms of fatigue, anxiety, headache and so forth. In every case, the best science has failed to find a causative link between these issues and adverse effects on human health. Indeed, with things like wireless internet or powerlines, it is often possible to prove that the symptoms continue as long as the sufferer believes that they are being exposed to the source, even when the source no longer exists. In medical science this is known as the nocebo effect: the belief that something causes you real harm.

These problems, known as psychogenic illnesses, are well documented in the scientific literature. Psychogenic conditions may be on the rise. A growing distrust in science is manifesting itself in a suspicion of conventional medicine and technology. The advent of the internet—which is, incidentally, another one of science's great achievements—has widened access to information and misinformation. Anyone concerned about health impacts can find no shortage of information to fan the flames of their fears. Wind turbines would appear to be but the latest example of this phenomenon.

Simon Chapman, who has made some valuable contributions to this debate and has investigated the situation, has found that only a small minority of wind farms have attracted health complaints.

In evidence he gave to the inquiry into this bill he found that, while nobody in Western Australia has ever made such a complaint, it is where anti-wind-farm activism is present that complaints occur. Complaints about health tend to follow publicity about health effects. In short, there is no substantial evidence that wind farms impact on human health. But the literature on psychogenic illness is very compelling in this case.

Further evidence that has been tendered to the inquiry into this bill points out that people who have financial interests in a wind farm near their properties exhibit none of these symptoms. They are also rare in non-English speaking populations, such as in Denmark, where they have many more wind turbines but less access to the English literature on the supposed ailments associated with wind power.

I want to be clear about this: I do not doubt the testimony of those who are experiencing these symptoms. I believe that those symptoms are genuine and do lead to suffering. When somebody says they are experiencing pain or are in discomfort, we should not deny them that experience. Those symptoms are real. What I do contest is the source of these symptoms. The evidence is very clear that the acoustics of the turbines do not have a measurable impact on human health but, of course, the anxiety created by wind farm opponents does. Stress and worry have enormous consequences for health and wellbeing. Once the seeds of fear have been sown, it is very difficult to undo the health
consequences. I therefore heartily condemn those who continue to spread this misinformation. It is the spread of misinformation that harms, not the wind turbines themselves. A bill such as this only exacerbates that fear and aids those who want to hinder the development of wind power for other commercial reasons.

This bill focuses on the supposed negative health effects of wind farms which, as I have pointed out, have no scientific basis whatsoever. Yet it completely ignores the health benefits, which are well documented in the scientific literature. Australia is heavily reliant on fossil fuels, including coal, for power generation. Australia is the world's largest exporter of coal. As such, it seems absurd that we are spending time debating whether the noise from distant wind turbines can injure people and not debating the terrible and well-documented effects that coal has on human health.

At every stage of the process, from the mining of coal to the combustion of coal and the transport of coal, there are measurable impacts on our health. Coal fired power in Australia burdens the community with a human health cost—including from lung and heart conditions—of over $2 billion annually. Reducing the burning of fossil fuels for electricity and transport can reduce the incidence of these conditions of heart and lung diseases, including lung cancer. In Australia, air pollution is estimated to kill more people every year than the road toll. That does not even take into account the health impacts of climate change; extreme weather; heat waves; flooding; the spread of vector borne diseases like dengue fever and Ross River fever, and the increase in incidences of diseases like gastroenteritis, all of which the World Health Organisation have stated will increase as a result of runaway climate change. The effects of climate change have already been responsible for the deaths of many Australians.

This bill is a case study in the need for evidence based policy. Those who suffer from 'wind turbine syndrome' are not suffering because turbines are dangerous. They are suffering because they have been poorly served by those who claim to be acting in the public interest but are really acting for vested interests. Scaremongering about the health effects of wind power is irresponsible. It causes enormous anxiety for some people and it threatens to derail a promising and necessary industry for this country. For those reasons, I cannot support the bill.

Senator EDWARDS (South Australia) (10:11): I rise today to speak on the Renewable Energy (Electricity) Amendment (Excessive Noise from Wind Farms) Bill 2012. It would come as no surprise to Senator Madigan that I have strong views on this bill and it would also be no surprise to him that I am taking an active interest. I cannot proceed with my presentation to my Senate colleagues without addressing a number of issues which came up with Senator Di Natale's presentation over the last 20 minutes, given that the first 10 minutes of his presentation was a rambling discourse on the effects of science and the way in which it is presented is helping his cause here, because that is the very issue this bill is looking to address.

I say from the onset that the proposed coalition amendment throws the onus back onto that issue of science. Basically it would rely on a report to be commissioned by the National Health and Medical Research Council onto the science of effects of this proliferation of wind farms. I hear all the
emotive issues like Meniere's disease and tinnitus. I am not going to speak too much about that, but will address how the case was put to me very simply by a prominent sound engineer who has done work on these wind farms and also for most of the government agencies around the country over the years on issues of sound and its effects on the community. I think we have to be very careful to keep this argument simple because it does get clouded with complexity.

This man said to me, 'Senator Edwards, this issue of infrasound is something which does not affect everybody. Let me put it to you this way: if you and I put to sea on a moderate day and you get seasick and I don't, why is that?' I pondered the question. He said, 'That is the same as infrasound.' The cynical people who do not experience the effects of infrasound sit in judgement of those who do experience it. Let us be very careful when we are talking about the science, because science is something that you can hide behind. This is something that does not affect everybody.

With our amendment—it is a credible amendment; it is not something that should be baulked at by anybody here in this chamber—and a competent agency, and none are more competent than the National Health and Medical Research Council, to undertake with strict terms of reference an inquiry into this issue we will hopefully address the facts, rather than involve ourselves in this political discourse which pits science agencies against each other, depending on who is paying. It is the old story: you can get a very, very credible independent expert's report as long as you are paying.

Let me move on. On this area of renewable energy, everybody who has been listening to my comments and contribution knows that my issue has not been on wind farms and has not been around the issue of health—although I believe it is something that should be addressed and will be addressed, if our amendment is adopted. My issue is that the complexity of the argument of wind farms has 99 per cent of the Australian public completely disengaged. They are completely disengaged because they switch off. It is because of the issue at the very heart of wind farms, which is the 20 per cent renewable energy target.

We are committed to renewable energy at the coalition, but it has to be equitable, it has to be spread around this country and there has to be a network in which we can fully take up the benefits of renewable energy. Last year, I sat in on the Select Committee on Electricity Prices' inquiry. I can assure you, it is a very complex area across this country and one which the average Australian cannot get their head around. I will tell you why: to compare the cost of electricity generation—if you can compare it technology to technology—they use a mechanism called the levelised cost. I warn anybody who is listening that they will have to pay attention here, because the basis of renewable energies and the premise of how it is structured is based on this. I will get into acronyms a bit later too. The levelised cost of energy—the LCOE—is the most transparent metric used to measure electric power-generating costs and is widely used as a tool to compare the generation costs from differing sources. The levelised cost of energy, the LCOE, is a measure of marginal costs—that is, the cost of producing one extra unit—of electricity over an extended period. It is sometimes referred to as long-run marginal costs or LRMC.

The LCOE is representative of the electricity price that would equalise cash flows—that is, the inflows and outflows—over the economic life of the energy-generating asset. It is the average electricity
price needed for a net present value, or an NPV, of zero when performing a discounted cash flow, a DCF, analysis. With the average electricity price equal to the LCOE, an investor would break even and so receive a return equal to the discount rate on the investment. The LCOE is determined by the point where the present value of the sum discounted revenues is equivalent to the discounted value of the sum of costs. The analysis of the levelised cost of electricity uses a set of core economic parameters and assumptions to enable a relatively consistent comparison of electricity generation technologies.

These assumptions have had a significant impact on the LCOE calculation—with assumptions about interest rates and policies such as carbon taxes et cetera, which all remain important in any calculation that is based on the economic life of the asset. Who could not be absolutely compelled by that argument? You wonder why people just pay their electricity prices and do not get involved in this discussion about renewable energy! The people that do get involved in this discussion are the people that are affected. That is the people who are affected both visually and regarding their health, which you cannot ignore. Senator Di Natale quite rightly said that those people should be heard—excuse the pun—because any pain should be addressed. As I said earlier, the pain is not experienced by everybody but cannot be ignored by anybody.

The people of Australia are unwittingly paying both high social and economic costs to produce wind energy. This bill is important for ensuring a sustainable balance can be struck between those interests of both local communities and wind farm developments, while still meeting Australia's 2020 commitment to renewable energy targets.

In my home state of South Australia, we have had significant firsthand experience with wind farms. At Waterloo near my hometown of Clare, in the state's mid-north, TRUenergy announced plans only six months ago to add six new wind turbines to its existing Waterloo wind farm. It is a project worth about $40 million. So it is an issue for me and it is very close to home. It is also an important fact—and if anybody has followed my comments on this they would know—that South Australia accommodates nearly half of the wind power that has been installed to date across the country. Not insignificantly or surprisingly, this has resulted in significant increases in electricity prices throughout the state in recent years. South Australia has the highest rate of electricity in this country. It nearly parallels those with the world's highest power costs.

Senator Ludlam interjecting—

Senator EDWARDS: I will take interjections at any time from the Greens, if there is some credible thing that they would like to say about this. But the economics of it is that, with the rising cost of living, Australians are struggling to pay their power bills. You can ignore it as much as like and you can surround it with as much science as you would like to produce—

Senator Ludlam interjecting—

The ACTING DEPUTY PRESIDENT (Senator Fawcett): Order! Senator Edwards, resume your seat. I remind senators on the right that all senators have the right to be heard in silence.

Senator EDWARDS: Thank you, Mr Acting Deputy President. I will continue. Renewable energy certificates have enabled developers of wind farms to maximise their returns. Because of the commitment to the 20 per cent target, we have seen, as I said, this proliferation of wind farms in South Australia and this has seen our state pass the
2020 target in the year 2012. So we are eight years ahead of everybody else.

Senator Boswell interjecting—

Senator EDWARDS: I am not sure. There are a lot of reasons that we can attribute that to. So concerned was the South Australian community that my state Liberal colleague David Ridgway MLC, who was the shadow minister for urban development at the time, commissioned an inquiry into the activities of and the lax planning laws for wind farms in that state. Last year, the South Australian state planning minister brought in an interim change to the planning rules governing wind farms, which basically meant that it was a free-for-all for wind farm developers. The change allowed turbines to be built just one kilometre from people's homes and stopped people from being able to use existing laws to stop developments close to their home. The minister took away appeal rights. The minister has made an interim regulation in response to court action taken by a landowner against a wind farm proposal in the state's south-east. The court found in favour of the landowner and the development was dropped. We have a Labor minister in South Australia who is so keen to support the federal Labor Party in the proliferation of wind farms that he is prepared to give up his constituency in an effort to be the golden-haired boy amongst his federal parliamentary colleagues.

Wind farm developers have concentrated on South Australia because of the lax planning regulations and the absolutely unfettered ability to get approvals in that state, and this has been a fault of the Rann-Weatherill Labor government. The guidelines have left South Australia out on its own—out there as an absolute beacon of light for those who want to proliferate the development of wind farms in this country. In relation to that heavy hand of government coming down on people in the south-east of South Australia, the Law Society, when providing evidence to the committee of inquiry into these regulations, shared their deep concern about the power that the planning minister had used in setting up interim regulations. Disturbingly, they provided the minister with unrestrained powers to override the community when approving wind farm developments. No wonder there is deep suspicion and deep division within all communities—particularly in South Australia because we have had much of this development.

Politics is not above people, and if people are continually rallying, as they did in Middleton some two Sundays ago, and are wanting to be heard and are failing to be heard by governments then that is a hallmark of a government out of touch. Why can't and why wouldn't the government support the coalition's amendment to have a proper review of this science? I urge governments of all persuasions to have a look at the economics of it to just see if there is potential market failure. We see a procession of superannuation funds—basically those superannuation funds which are controlled by boards of management or have on them directors with trade union backgrounds—that are all flocking to government sponsored policy which protects investment. We have all found in the past that anything a government gives it can take away. So with the subsidies that exist for renewable energies we have to be very careful that we do not get a distortion of one energy type which can then be taken away by another government. What would happen to the economics of wind farms and wind farm developments if they did not receive a rebate for the purchase of renewable energy certificates? They would collapse. This is the problem with creating a business based on subsidies from governments.
The renewable energy target and the subsidies that go with it are relatively well protected because, generally, it is accepted by all in this parliament that we have to have a target for it. But what happens when governments of the ilk that we have in this country run out of money because of rising debt and mismanagement of the budget? Actually, where is Treasurer Swan at the moment? We have not seen him around for weeks now. He is probably lost out in the western suburbs of Sydney, I suspect, trying to find his fearless leader.

We have a reckless government with a cavalier attitude to their budget. On Christmas Eve, they said: 'That surplus we promised? It's not going to be there. Happy Christmas!' What happens to government policies where they subsidise things—and that it is the case with renewable energy—is that they tend to review them when they run out of money: 'How can we pull back? How can we restrain spending?' That is the risk for the Australian people with anything that is government sponsored welfare, if you like—if it receives a subsidy, a payment. Anything that happens with a change of government policy will see those wind farms stand silent—which is what they have to do, if I may digress, when it is a little bit too hot or, ironically, when the wind is blowing too hard. They have to be switched off.

There are many, many aspects to this whole wind farm debate. I am passionate about it. I know people whose health is affected. There are real people whose lives are affected through the regulation and the lack of compassion or understanding. This bulldozer style is typical of socialistic governments, where they just mandate laws without any consultation. I think they commonly call it 'announce and defend'.

A lot of people, including senators opposite, say that wind is wonderful and it does not increase the cost of living. They say that the carbon tax is a magic pudding for all of us and that, while we export jobs, we will all get healthier. Senator Di Natale attributed the deaths of many people to climate change. I guess that Dorothea Mackellar was a visionary. She must have been a visionary because she spoke all that time ago of 'droughts and flooding rains'—long before the coal fired power stations that you talk of as the evil of this country came into effect. I urge you to support the coalition's proposed amendment.

Senator McEWEN (South Australia—Government Whip in the Senate) (10:32): On behalf of Senator Xenophon, who is unable to be here today for personal reasons, I seek leave to incorporate his speech in the second reading debate on this bill.

Leave granted

Senator XENOPHON (South Australia) (10:32): The incorporated speech read as follows—

This Bill seeks to amend the Renewable Energy (Electricity) Act to give powers to the Clean Energy Regulator that ensure accredited wind farms do not create excessive noise.

Under the Bill, the definition of excessive noise would be background noise plus 10 dBA.

Should a wind farm be found to be contravening the excessive noise provisions of this Bill, it would be prevented from creating and on-selling large-scale generation certificates.

The importance of having a nationally applicable definition of excessive noise has been explained by Dr Bob Thorne, a well-regarded independent acoustician. Dr Thorne said:

"The thing that none of us has is a consistency across all states. That leads to my mind to the most important function of this bill: it gives a consistent approach to excessive noise throughout all of Australia... This is where I would see the benefit of this particular bill in that it provides a certainty of approach to all states, it provides a certainty of approach to the industry..."
and it gives a clear definition to all the different states' legislation."

The benefits of a definition of excessive noise that applies to all states and territories will provide clarity and consistency of application throughout Australia.

Those who live close to wind farms can therefore be assured the wind farms are required to operate in accordance with established noise guidelines so that any disturbance caused by wind farm noise is minimised.

Ultimately, this is about empowering individuals and communities who have felt disempowered as a result of these large industrial structures and the excessive noise they create.

The suggested limit of background plus 10 dBA is in fact generous compared with current Australian noise guidelines.

The South Australian Environmental Protection Authority's noise guidelines impose a limit of background plus 5 dBA in cases not involving wind farms.

So we must consider is that, in some areas, noise from wind farms is limited at 40dBA, or background plus 5 dBA, whichever is greater. This figure completely fails to take into account the fact that background noise — the sounds we hear all the time — is going to be far lower in rural and regional areas than in metropolitan areas, and instead allows the highest possible level of noise to occur.

The comparative 'noise nuisance' of 40dBA will naturally be much higher in the areas where wind farms are built.

During the Environment and Communications committee inquiry into this bill, leading acoustician Dr Stephen Cooper gave the following evidence:

"The standards say that if a noise is above the background it is likely to be annoying and that exceedances of up to five are of marginal significance. So the concept has been that for general noise you can have noise that is audible but once you get to about five, above the background, it starts to present problems to the community or those people being affected by the noise. So if the background is higher in a city environment, then you can have a higher noise level. If you are near a large industrial estate or near a freeway that generates noise, then you are in a noisier environment and you can have a higher level of noise emission from the industrial sources.

This graph clearly shows that, as you move to quieter environments, then the criteria that apply should also drop down."

Excessive noise in general has been shown to cause sleep disturbance and disruption, as discussed in the World Health Organisation's 'Guidelines for Community Noise'.

There is so much information flying around in this debate that it important that independent research into the potential health effects of excessive noise from wind farms is undertaken.

I note that the Coalition has circulated amendments which, if enacted, would require the NHMRC to cause research to be conducted into the possible effects of noise from wind farms on human health.

I thank the Coalition members who have spent a significant amount of time working with Senator Madigan and me to construct some workable amendments. While I do have some concerns about their other amendments, I strongly support the need for more research.

Unfortunately the wind farm debate has been tarnished to some extent by certain individuals who choose to attack those who complain that their health has been adversely affected.

Allowing for independent research is something we should all support, no matter which side of the debate you are coming from.

A unanimous report from the Community Affairs References Committee in 2011 into the social and economic impact of wind farms in regional areas recommended that independent research be undertaken into the reported health effects.

And at this stage it's appropriate to pay tribute to the late Judith Adams and her tireless work in this area.

The committee also recommended that further consideration be given to the separation distance between wind farms and residences, and that
further research be done on the noise effects of
wind farms, including infrasound.

I want to take this opportunity to discuss some
of the arguments that have been raised against
this bill.

Some, including Senator Milne, have claimed
this bill is 'anti-wind farm' and part of a campaign
against renewable energy.

With respect, this bill is not anti anything
except excessive noise.

We already have laws in place to control noise
levels around airports, major roads, and other
significant infrastructure.

How is this any different?

Yes, there are state and territory laws in place
that put noise limits on wind farms. But these
vary from region to region, and can't be enforced
anyway because there is no real-time noise data
available.

Senator Milne also spoke at length against the
reported health effects of wind farms. She went
so far as to claim that 'where people have a
financial interest in the wind farm... these people
do not get sick'.

Firstly, I'd like to mention the case of David
and Alida Mortimer in the South East of South
Australia. They are turbine hosts — they get a
financial benefit from having a turbine on their
property — but they have been very vocal about
the negative impact this has had on their lives.

This bill is not about the purported health
effects of wind farms. This bill is about excessive
noise — something that is widely acknowledged
can have an impact on sleep and quality of life.

But where is the harm in commissioning
research into possible health effects? If there is no
link, then what is there to fear?

Senator Milne also said she believed Senator
Madigan and I were 'part of a campaign against
wind energy and renewables in Australia'.

I repudiate that in the strongest terms.

Professor Simon Chapman, whose work on the
plain packaging legislation and tobacco
advertising I greatly admire, also accused me of
being an "anti-wind farm zealot", adding that my
interest in this cause brought about a "sad decline
of a once admirable independent."

At least he thought I was admirable once.

Professor Chapman is of course welcome to
express his opinion, and I am pleased to be able
to express mine.

I am not anti-wind farm.

In fact, I am pro-renewable energy. It is on the
public record that I believe it is important that we
have a mandated renewable energy target of 20
per cent by 2020.

I also believe that we have a very long way to
go to achieve that.

My issue is not with that target but with the
way the target is achieved through an over-
reliance on one specific form of technology —
wind turbines.

Wind farms do not provide a reliable baseload
power, which means dirty coal-fired power
stations need to be kept on standby.

We need to be investing in baseload reliable
renewables, and I worry that our reliance on wind
energy is in fact stifling investment in other areas,
such as geothermal, solar thermal and tidal
power.

So I am not anti-wind power.

But I do believe that wind power is only one
part of the solution, and we shouldn't focus on it
to the exclusion of everything else.

In September last year, The Australian's
environment editor Graham Lloyd wrote about a
two year analysis of Victorian wind farms,
undertaken by mechanical engineer Hamish
Cumming.

Lloyd wrote:

"[Cumming's] analysis shows that despite
receiving hundreds of millions of dollars from
green energy schemes driven by the renewable
energy target, Victoria's wind farm developments
have saved virtually zero carbon dioxide
emissions in the state."

He goes on to describe how, despite the feed
of wind-generated power into the grid, fossil fuel
generators do not reduce their rate of coal
consumption.
In South Australia, Cumming estimated that the cost of greenhouse gas abatement was at $1484 a tonne.

I believe climate change is real and must be addressed urgently. We must do everything we can to mitigate the damage it has and will cause to our environment and our economy.

Part of that challenge is reshaping our economy to move towards less carbon-intensive ways of operating across all sectors. It is a fine balance between using a carrot and a stick. We are not striking that balance.

For example, the structure of the current carbon tax could act as a positive disincentive to investment in other forms of renewable energy.

So, while I of course commend this Bill, I believe we also need to look at our over-reliance on wind energy and the repercussions for investments in other innovative forms of renewable energy.

I note that the Government does have upcoming legislation to extend a tax rebate to geothermal exploration activities.

This is certainly a step in the right direction. But geothermal projects still struggle to get access to funding, even when specific amounts have been set aside.

For example, in a response to an estimates question I placed on notice last year, the Department of Resources, Energy and Tourism stated that the Government had committed a total of $899 million to renewable energy projects.

Of this, only $302 million was for solar projects and $205 million was for geothermal.

And, even worse, only $104 million had actually been received by grant recipients.

This shows a serious neglect in funding alternative forms of energy.

We put all our eggs in one basket with coal-fired power, and we're now paying the price. Let's learn from that and not make the same mistake again.

I understand there is a lot of controversy about wind farms, and that these arguments make some people uncomfortable.

But ultimately, this is a question about excessive noise. It is fair and reasonable that there be a national standard for noise, and that wind farms publish live information to show their compliance with this standard.

In the end, communities must be empowered. They must have access to real-time information on the noise generated from these turbines, because right now they are fighting legal battles with one hand tied behind their back.

In the same way that aircraft noise near airports is publicly available, the same approach should be taken to wind farms.

Surely in the interests of transparency, the industry should not object to this information being made available to local communities.

As I said before, this is no different from noise restrictions in place elsewhere.

I indicate my support for this bill, and I hope this is only the beginning of the debate on these issues.

Senator LUDLAM (Western Australia) (10:32): I am pleased to speak today on the Renewable Energy (Electricity) Amendment (Excessive Noise from Wind Farms) Bill 2012. The bill seeks to establish a definition of excessive noise for wind farms and the impact of noise on sleep and health. My colleague Senator Di Natale has canvassed with great sensitivity and coherence the way that you assess how people are experiencing health impacts. He did it far more coherently than I could. It is a shame that Senator Edwards is leaving the chamber, because I did want to pick up on one of the issues that he mentioned.

Senator Edwards: I'm still here!

Senator LUDLAM: He is still here, which is excellent. The Senate Environment and Communications Legislation Committee inquiry into this bill concluded that the bill is effectively discriminatory against one kind of power generator, that the bill will not prevent wind farms from operating but could in fact have an impact on electricity prices...
and that the bill involves the Commonwealth taking over planning and regulatory responsibilities that, in my view, properly lie with the states.

But the committee also concluded—and perhaps that is something that we can all agree on, although the Greens will not be voting for this bill—that every resident, whether in a city environment or in a rural area, should be protected from unreasonable environmental impacts by the operation of planning laws and guidelines. Obviously that applies to a much larger degree of industrial phenomena than simply wind farms. It is an important principle, though, and I would like to acknowledge Senators Madigan and Xenophon for bringing that forward, apart from the rather peculiar way in which wind farms have been singled out in this bill.

When the committee held the hearing into the bill, in November last year, there were strong feelings from people who felt that they had been negatively affected by wind farms. I draw senators' attention to the comments made by Senator and Dr Di Natale that those people should not be dismissed out of hand, because these symptoms are clearly real. People are not making these things up. But how we attribute the cause is extremely important.

Every large-scale industrial technology can be done badly. It can be done with poor consultation and it can have negative impacts on people. It is the case that wind farms have an impact. They are not invisible. They are large structures in the landscape. So there is a visual impact and there is a noise impact and there do need to be clear regulations in place about how to manage those. Ironically enough, I have never heard anybody in the wind industry, which I have good contacts with, disputing any of these things. We should study the impacts and we should learn the lessons. We need to acknowledge what exists in the medical literature and what does not exist. Most importantly, from the perspective of the Greens, we need to learn how to improve consultation processes with affected communities, whether it is for a wind farm installation or anything else.

The other thing from our perspective is to do with the placement of wind installations. If you put them across bird or bat fly ways, you can have impacts on wildlife. The industry has already learnt a great deal in the decades that it has been operating about how to place these installations well. It is crucial to learn the lessons and improve the processes about this technology, because this industry has such a large and important part to play in the future of electricity generation here in Australia and around the world.

We need to acknowledge another important report into wind farms, which was tabled in June 2011, from a Senate Community Affairs References Committee inquiry chaired by my colleague Senator Rachel Siewert. That offered another careful consideration of these issues. I am canvassing this history in order to underline the point that we must not dismiss these issues out of hand. I do not think wind farm developers should get a free run and be able to circumvent proper community consultation and proper planning procedures just because they are part of an industry I support. I think they should be held to the same standards of community engagement, public health and safety, and planning guidelines as other things—as we are so dramatically failing to uphold in the instance of the coal seam gas industry, the coal industry and the uranium industry, to name three examples that are close to my heart, where we see communities being assaulted, effectively, by invasive industrial processes that have very real and present health threats to those communities.
So the report that Senator Siewert undertook also adopted quite a sensitive approach to people who had come forward expressing health concerns and undertook very rigorous analysis, in particular, of the concerns around infrasound because those issues, in my view, had not been canvassed particularly well in Australia before that inquiry was undertaken.

So the Greens do take these issues seriously, but we also take the fortunes and the future of the wind energy industry very seriously because it is such an important part of our future. It has to be part of our future to mitigate the worst impacts of dangerous climate change. We already live in the age of climate change, and it is actually completely immaterial whether people like Mr Abbott and Senator Joyce believe it exists or not; it is occurring around them regardless. They can choose to adopt a policy blindfold and stumble around in the dark—I would prefer that they did not because of the harm that it threatens to the rest of us—but it is happening whether they believe it to be so or not.

Wind energy, as the most mature, large-scale renewable energy technology where economies of scale have long been an important part of the reason why it is being built, does have a very important part to play in the energy mix here in Australia. We need a zero emissions energy sector, and wind is clearly going to be a large part of that. In all of the studies that investigate how to achieve 100 per cent renewable energy networks, including the one that Senators Milne and Bob Brown and the member for Melbourne, Adam Bandt, were able to incorporate in the negotiations for the Clean Energy Act being undertaken right now into what a 100 per cent renewable energy sector for the national electricity market would look like, wind is going to take up a large fraction of the heavy lifting because it is cheap, it can be installed rapidly and the technology is mature. I would like to see a greater degree of local content of manufacturing and fabrication here in Australia.

Part of that is around the economics. Last week, my colleague Robin Chapple and I launched Energy 2029, which is a more fine-grained study than has yet occurred in Western Australia for how you would get to 100 per cent renewable energy on the South West Interconnected System—the SWIS—in WA. In both of the scenarios that we had commissioned, wind did a very large part of the heavy lifting for the reasons I have expressed.

As of February this year, wind is now cheaper than fossil fuels in producing electricity in Australia—

Senator Boswell: Absolute rubbish!
Senator LUDLAM: and the LC—
Senator Boswell: Absolute rubbish!

Senator LUDLAM: Senator Boswell, just listen quietly and you may learn something.

Senator Boswell interjecting—


Senator Jacinta Collins: You'll have a chance to speak.

Senator LUDLAM: Thank you, Acting Deputy President. You will have a chance to speak, Senator Boswell, and I am so looking forward to hearing your contribution.

Now the LCOE calculations that appear to have completely baffled Senator Boswell's colleague Senator Edwards are just a standard way of assessing one energy technology against another. If you are going to compare the lifetime capital and operating costs of an energy technology in a way that is fair—you can compare a nuclear power
station, coal, gas and various forms of renewable energy technologies, new and mature—then you need a metric like the levelised cost of electricity, otherwise you are not operating on a level playing field.

It is a shame that Senator Edwards came in here expressing his bafflement at how these calculations are made, because they are entirely standard in the energy industry. What they tell us is that a new wind farm can supply electricity at a cost of $80 per megawatt hour, compared with $143 or $116 from a new coal or gas fired power station. Senator Boswell, 80 is lower, is less, than 143—

Senator Boswell interjecting—

The ACTING DEPUTY PRESIDENT: Order! Senator Boswell, please.

Senator LUDLAM: so wind electricity is therefore cheaper—cheaper is the word that I will use—than coal or gas. And both coal and gas technologies have important negative health consequences for the people living near them. Most of the focus has been on coal dust and the impacts of the coal industry, but I would also invite senators to contemplate the plume of toxic organic chemicals that come from, for example, Woodside's gas plant on the Burrup Peninsula that then shrouds the populations of Karratha, Dampier and Roebourne. The gas industry has its health impacts as well, and they need to be called to account.

Senator Edwards—I found this enormously amusing—blamed wind energy for increases in electricity costs in his home state of South Australia. I am from WA, where, because of blocking actions by the Barnett government, we have not seen as great a deployment of wind energy as we have in South Australia. They are starting to get the picture, so we are seeing some installations, but SA, nonetheless, are still further ahead than we are. When you are calculating in a deregulated market like SA the merit order effect of who shall we bring on because there is a supply gap, which generators can supply energy at the least cost, wind energy generators are generating electricity at night for an effective marginal cost of zero, of nothing because, once you have put the capital in, the energy of the wind is delivered for free. And so the Essential Service Commission of South Australia—the ECOSA—which regulates retail electricity prices in South Australia, has recently released a draft price determination that proposes an 8.1 per cent reduction. Senator Boswell, that means the price is going down by 8.1 per cent in the electricity standing offer because you have such a high degree of wind installation generating electricity effectively at the cost of nothing at all. And that, ECOSA proposes, is likely to translate to a reduction of $27 per megawatt hour. What that means in South Australia is a fall in electricity bills by an average of $160 per household. Senator Boswell, that is prices going down, which is different to prices going up.

Senator Boswell interjecting—

The ACTING DEPUTY PRESIDENT: Senator Ludlam, I would ask you to talk through the chair, not directly to Senator Boswell, and that may discourage him from interjecting.

Senator LUDLAM: I might need your assistance, Acting Deputy President, in spelling out to Senator Boswell the difference between prices going down and prices going up. We can dwell here further if you think that it would be useful to do so.

Renewable energy is capital intensive, and the costs are all up-front, but your fuel costs are zero, and that goes for solar energy as well, which is why it is so exciting to see in Spain, the United States and other markets around the world the development of very
large-scale, effectively better than baseload, solar power stations.

Senator Boswell interjecting—

Senator LUDLAM: Senator Boswell, they had a housing bubble because of rampant speculation in the housing market, and thank goodness they have got out in front and developed a robust renewable energy technology sector. We will shortly be importing componentry from them because they got out in front. It is not too late for Australia to take a lead in this industry and in this sector, but attacking the wind industry in particular and singling them out, I would respectfully suggest to our coalition colleagues and to Senator Madigan, is a rather poor way of doing that.

Wind power has actually grown faster than the booming solar industry but of course it had something of a head start. In 2008, installed wind power capacity rose by 30 per cent and it is the fastest growing type of new electricity generation. That is why the contributions that you will hear from all Greens who will speak in this debate will say that it is very important to get the planning processes right, to make sure that communities do not feel they are being cut out of the consultation processes if these things are going in their communities or close to their communities.

Currently Australia has 59 separate wind farms, which consist of 1,345 individual turbines with 2,480 megawatts of capacity. Generally you would not get them all generating at the same time but if all of those wind farms were operating at maximum output, they would produce almost 2½ gigawatts of electricity—that is, the output of two large nuclear installations. This technology is mature and it does have a very big place in the Australian energy market. I should acknowledge that there are currently over 14 gigawatts of large-scale wind farm energy projects around the country. One of the reasons the industry is finally stepping up here is that we have some of the policy settings right. We have a renewable energy target that was, I acknowledge, introduced by the Howard government.

Senator Boswell: Two per cent.

Senator LUDLAM: It was two per cent originally, Senator Boswell. I was around then. We thought at the time that that renewable energy target was interesting and, of course, partly because of rapid advances in the wind industry, that target was met years before schedule. It was ramped up to 10, it was ramped up to 20 and now we are seeing, not because this technology is flaky and not because this technology is expensive but because it is so successful, coordinated attacks by fossil incumbents on the wind energy sector. I do not believe for a moment that the individuals presenting with health concerns at these public meetings or the people who fronted Senate inquiries are part of some grand anti-wind conspiracy, but let us not deny that renewable energy technology, capital intensive but having zero fuel costs, is a very effective competitor to fossil fuels. It has the incumbents extremely worried and they are doing everything they can to shut out these competitors.

From a purely commercial point of view you might say that it is their right, as energy incumbents, to protect their investment. The Greens believe there is a public health and an urgent social, economic and environmental imperative to ramp up the output of renewable energy generators across the board. This does not mean cutting regulatory corners, it does not mean putting communities at risk, but the urgency cannot be understated for ramping up this technology. Whether they be mature technologies like wind or encouraging the
next generation like concentrated solar thermal plants, the need is absolutely urgent.

To give a sense of the importance of the wind industry, in my home state of Western Australia, the South West Interconnected System, the SWIS, which effectively stretches from Geraldton through to Kalgoorlie and Albany, takes in the big generators in Collie in Kwinana—SWIS is about 50 per cent in the electricity consumed in WA. Of the small fraction of renewable energy on that grid, 75 per cent of the renewable energy is generated by wind farms. Three of the largest ones, Collgar at Merredin, Walk Away at Geraldton and Emu Downs at Badgingarra, are very large-scale utility plants making a large contribution. It is not going to be enough and we believe that the wind energy industry has a big future in WA, as it does elsewhere. We want to see the same results as those we have seen in South Australia where the large-scale deployment of this technology is seeing wholesale electricity prices falling.

The coalition are entitled to their own opinions and that is good. That is why we assemble in this parliament—to have a clash of opinions. But can you at least not invent your own facts and make things up, which Senator Edwards was doing before, insisting that wind energy has pushed prices up when the South Australian electricity regulator is telling us it is pushing prices down. We know to a decimal place how far wind energy is pushing prices down. I want to underline the idea that we start now in a serious way to roll out the next generation of renewable energy infrastructure, which, once it is built, requires maintenance but no fuel. That is what will ultimately push electricity prices down. When we become efficient about how we use electricity and stop wasting so much of it and when we finally have a large amount of infrastructure in the ground which effectively has zero fuel costs, we will start to see electricity prices coming down.

We do not believe that this bill provides the best way forward, although I think all of us who have contributed have acknowledged the motives of Senator Madigan in bringing it forward as being to give some voice to people who have expressed genuine health concerns. All I can really do by way of comfort to Senator Madigan is to call his attention to the way Senator Di Natale, or the other the Australian Greens, spelt out that these people do need to be given a voice, to have their legitimate concerns aired. But let us have a look at the cause and effect relationship, at exactly what is giving rise to these concerns in the first place. We should look in a fairly clear-headed way at Denmark—world leaders in wind energy technology. They have huge onshore and offshore installations and buffer zones; they do not have people living right underneath the turbines for perfectly good reasons. They have zero of the health effects that some claim are causing the impacts which are being reported to Senate inquiries and through various other processes.

The Greens will stand with the wind energy industry. It has a huge part to play in energy policy here in Australia. We will not be giving them free rides. We will not be enabling cutting of corners, regulatory or consultative, but let us at least try to work from an acknowledged body of facts in this debate—to do any less than that really is to let down the constituents who have spoken to Senator Siewert and Senator Madigan expressing these health concerns—so that collectively we can take the urgent actions that are required of this present generation to rapidly expand the installation and deployment of renewable energy in this country.
Senator BOSWELL (Queensland) (10:51): I have listened to Senator Ludlam carefully, and what he is saying as I understand it is that, if you subsidise something so much, it becomes cheaper and therefore it will give out a cheaper product in the end. If I could put it this way, if the government completely built every house, paid for it and put it on the rental market then of course your rent would be less than for someone that had to build a house and get a return on his investment. That is what Senator Ludlam is saying in a nutshell: the government pays for it—well, the government does not pay for it; the cost gets passed on—the product becomes cheaper and therefore eventually you will not have to pay for it or it will cost less. That works if there is a subsidy on it. If Senator Ludlam can tell me that renewable energy does not need a subsidy, he has got the strongest convert he will ever get. But unfortunately renewable energy does need to be heavily subsidised, and that subsidy is being paid for by industry in Australia.

That is not the subject of the Renewable Energy (Electricity) Amendment (Excessive Noise from Wind Farms) Bill 2012. The subject of this bill that is presented by Senator Madigan and Senator Xenophon is to consider the health issues and the effects on the communities and lifestyles that people are forced into as they live in the vicinity of these particular wind farms and solar energy farms. It is not something I have followed closely, but I have heard and listened to people that say they have definitely been affected, and I think this bill deserves support. I hope the coalition will support it.

But I think there is a bigger effect than that. That is a huge effect, but the effect this is having on prices, the cost of industry, the cost of business and the cost of jobs has to be taken very seriously into consideration. I have here a list of industries that are paying a renewable energy tax and a carbon tax, and I have a list of these people that were paying these taxes in July. I will not mention their names, except for the people that have said that I can. There is a car hire business. You would not think a hire car business would pay much renewable tax or carbon tax. In July they paid $440 of carbon tax and a renewable energy tax of $291. Multiply that out. This is for a very small car hire business. The combined carbon tax and renewable energy tax comes to $8,772 a year. That is a domestic industry. It is a small industry. It probably has an office and not much else. So those self-employed people that drive those cars have to front up for a tax bill of $8,772 every year.

I have another one here called Urangan Fisheries. Urangan Fisheries is owned by a friend of mine called Nicky Schulz. He started off fishing when he was a kid. In fact, he went out fishing in a sailing boat and then developed a fishing business and then, from that, developed an export industry. It employs 60 or 70 people. I asked him to do his carbon tax sums. He said he would in July. In July his carbon tax was $1,967.75 and his renewable energy tax was $1,294.87. So multiply that by 12 and he is up for $39,151.44 in carbon and renewable energy tax. Nick Schulz is a fisherman who worked his way up to be a fish processor, and his product goes on the export market. Because of the high dollar he is having tremendous trouble meeting the market—getting his product away. He has three or four boats of his own, and a number of other fishermen come in and use his facilities to process their fish. He has to meet a high dollar and then pay $39,000 for the privilege of having a carbon tax and a renewable energy tax. How do people compete? How can he compete? How can he sustain his business, which is basically export, when these taxes are
inflicted on him? He is having a great deal of difficulty doing it.

There is another one, a Queensland ice distributor. I knew these people. Ithaca Ice Works, as it is known, is run by the Mee family—Jimmy Mee. There have been three Jimmy Mees: I have known his grandfather and his father, who is about my age, and now the son runs Ithaca Ice Works. It is a family business, probably employing 20 or 30 people. They are forced into paying a carbon tax of $4,676.72 for July and a renewable energy tax of $3,093, which comes to $93,236. That is renewable energy and a carbon tax. To say, as Senator Ludlam did, that a carbon tax and renewable energy are not costing anything is just absolutely wrong. They are costing industry a fortune.

I have another one here: a small poultry farm paying $8,446 in combined renewable energy and carbon tax. I can go on and on and on. There is a fairly significant hotel on the Gold Coast paying $13,057 a month in carbon tax and renewable energy tax of $9,209 a month—a total of $267,192. These people are struggling. The tourist industry is struggling because of the high dollar. They are fighting to stay in the game, and then a renewable energy cost and a carbon tax are inflicted on them, and then they have to compete against much cheaper nations for the tourist dollar. It is just hurting them. It is a killing field out there. Twenty-seven thousand jobs have been lost in the manufacturing industry. I am not suggesting it is all because of the carbon tax and the renewable energy tax, but they have taken a toll.

If we want to have a manufacturing sector in Australia, we have to take all this into consideration. It is not only the wind farms; it is the same with other technologies like solar—especially rooftop—which continues to enjoy generous subsidies via the Renewable Energy Target scheme. Australians are paying for energy sources that achieve nothing environmentally and only work to drive power prices higher every year. RET is costing Australia $5 billion a year, not far behind the $9 billion carbon tax. The RET in its current form is unacceptable, and one reason for that is that it was originally a fixed target, but now with 20 per cent by 2020 we are paving the way for around 20 to 28 per cent of power to be sourced from renewables by 2020. We put a target figure of 20 per cent, but, because of the dwindling demand for energy across Australia, AEMO's annual energy and maximum demand forecast in 2012 was significantly lower than the 2011 estimate. Matt Zema said:

We have not seen electricity use drop this much since the National Electricity Market (NEM) commenced.

Energy use in the large industrial sector was expected to decline three per cent between 2011-12 and 2012-13. That is expected to fall even more over the next five years.

You would think with a rising population and a demand for more jobs that our energy use would be going up. Instead, jobs are being cut, factories are shutting down and electricity consumption is falling—all thanks to the sky-rocketing prices that have resulted from the carbon tax and RET. Reducing the LRET to 28,000 gigawatt hours would make it a true 20 per cent target rather than the 41,000 gigawatt hours target that represents around 26 or 28 per cent of the forecast future demand. Power companies, businesses and industry have all flagged a significant cost saving that could be made by doing this. It is chilling to think what the Australian situation could be in 2020, with 26 to 28 per cent of power coming from renewables. Right now around 10 per cent of electricity generated in Australia comes from renewable sources. Of that, seven per cent is from
hydro while three per cent is from wind and solar. The Productivity Commission estimated that the abatement of one carbon tonne cost $60 for wind sources and between $473 and $1,043 for solar sources. Hydro is reliable and relatively cheap, but wind and solar are costing us too much and we do not gain anything environmentally.

Just last week the Queensland Competition Authority announced the biggest hike in household electricity prices in years. The typical customer's annual bill went up by $253. Solar rooftop subsidies and the carbon tax were named as the big culprits. Make no mistake—wind and other renewables are just as bad. The cost of RET now stands at 60 to 70 per cent of the cost of the carbon tax. This will only go up as the annual renewable target goes up. The QCA's findings were not isolated. IPART has already reported the average cost of RET compliance for a typical electricity customer will be $102 per household, which is a nearly five per cent increase on the previous year. It is not only householders who are suffering under the wind and solar power induced RET burden; energy retailers have been forced to pass on the cost of overpriced renewable generated electricity to their customers or to shoulder them themselves. Origin Energy will cut 350 jobs by the end of this year, mostly in Queensland and Victoria, on top of the 500 jobs it has already cut this financial year. There were the 500 or so jobs cut last year by Ergon Energy, which has long pinpointed RET and the government's carbon related policies for pushing up prices. If the power companies are struggling with the cost of renewables, it is their business customers who are really bearing the brunt of this destructive policy. I have brought into this chamber several examples of the hundreds of thousands of dollars RET along with the carbon tax is costing Australian business. As long as 2020 renewable target stays in place, these huge Greens influenced imposts will not go away. One large industrial user in Queensland predicted a $5.78 million electricity bill this year—$1 million tied to the carbon tax and $495,000 tied to RET. Over a quarter of its bill will come from the carbon tax and RET combined. The RET alone represents almost 10 per cent of the power costs.

We all rely on our experience in this place. Senator Di Natale is a doctor and he brought forward his views on renewables. Before I came into this place I sold hardware products and represented various factories in industry. I know how they work and I know who they employ. I know the value of people having a job and I know the value of low-income earners having a job. Unfortunately we are seeing 27,000 people losing their jobs—not because of the high dollar but because of the high renewable energy and carbon tax costs. They are the people that the Labor Party should be supporting—the lowest paid people and the people on Newstart who get $38 a day—and they have been told to go and find a job. I do not know where these jobs are, because every day you see industry closing—300 jobs at Amcor the other day, Pentair, Origin Energy. If factories are not closing, they are moving to New Zealand, like Heinz, which is shutting down some lines here and moving to process tomatoes and beetroot in New Zealand because the costs are too high here.

When manufacturing businesses make the decision either to close or to turn into distributing businesses, buying products from China or America and distributing them and going from perhaps 300 jobs to 60 jobs, they are announcing that renewable energy and the carbon tax are pushing them out of business. It is the underprivileged, those on low incomes, who are paying the price. They are the processors, the people on the production lines; they are the people who
work in factories. They are the people out in the west, where the Labor Party are at the moment, trying to say, 'We support you.' Well, they do not support you. They are keeping you out of jobs. Pentair, the pipe manufacturing people in Western Sydney, had to close down. A couple of hundred jobs went there.

If the Prime Minister is sincere, she will go out there and try to recognise the problems that people from Western Sydney have. They do not live in the eastern suburbs; they live in the western suburbs and they have been traditional Labor Party voters. But, because of the high carbon tax prices and the renewable energy tax, businesses are shutting down every day. Amcor shut down just the other day. There are 700 jobs going from various businesses. I do not think 27,000 is a realistic figure. The Food and Grocery Council said that 7,000 jobs have been lost from the food processing industry, with 350 businesses having shut down.

These are not the people who live in eastern Sydney or on the North Shore; these are the people who live out in the western suburbs. They want a job. They want the dignity of having employment. But you have given them $38 a day and said, 'Go and get a job.' Well, there are no jobs out there; they have been shut down. All the Labor Party have done is come up with an industry policy that has put more cost on businesses. They are trying to embed in business a public servant who is supposed to tell them what to do and how to source local government product. Businesses know where the cheapest product is. That is how they live—by sourcing cheap products to make their product and put it on the market.

Every day we see the government come up with some stupid thought bubble, some stunt that says that business will pay: 'We will shift the cost onto businesses and they will pay.' Businesses cannot pay any more. They have had it up to the neck. They are going underwater, they are closing down and they are shifting offshore. We are going to see a diaspora of Australian manufacturers and Australian food processors right around the world because they cannot live in Australia with the high dollar and the high costs. It is completely closing down. I think the Prime Minister would understand that you cannot just keep putting costs on businesses and expecting them to employ. If you do that, the inevitable is going to happen; they are going to shut down, turn into distributing companies, import their product from overseas or shift overseas and export back into Australia.

A carbon tax and a renewable energy tax are just luxuries that Australia cannot afford to pay. A renewable energy tax does not achieve the lessening of carbon. A carbon tax gets carbon out of the air but renewable energy does not. Therefore, I will support this bill of Senator Madigan’s. I think he should be commended for bringing it before the Senate.

Senator MADIGAN (Victoria) (11:11): I rise to speak to the Renewable Energy (Electricity) Amendment (Excessive Noise from Wind Farms) Bill 2012, introduced by me and Senator Xenophon. This bill does not actually belong to Senator Xenophon and I; it belongs to and represents a growing number of people in Australia who are affected by wind turbines placed near their homes in rural Australia. The number of people living with wind farms near their home is increasing and will continue to increase. Permits are currently being granted all over the country.

My stance on renewable energy has been questioned, but both Senator Xenophon and I have spoken of the virtues of various types of renewable energy, including geothermal
energy, solar energy and tidal energy. In the course of debate on this bill we have spoken about a lot of peripheral issues but not actually about the bill. Even this morning in this place, people have gone off on various tangents. This bill is about people. This bill is about communities. This bill is about people’s health. This bill is about there being an incentive to act and to comply by the proponents of wind farms. If there is no penalty, there is no incentive to act. If there is no regulatory body that actually regulates, it is a toothless tiger.

Earlier today we heard about campaign tactics of fear. The campaign tactics of fear are very broadly used by some in the green movement, which then brings into contention in the community the motives of some in the green movement. Yet I do know that there are many genuine people in the green movement who do have genuine concerns and raise those concerns in the community in a very honest and open way. But the green movement gets tarnished by the actions of some.

Earlier, in Senator Di Natale's contribution, we heard about the contribution of Professor Simon Chapman. Professor Simon Chapman, along with any other person in the Australian community, is entitled to an opinion.

But, when you use the honorific ‘professor’ in speaking about health, most people in the community believe you are a medical doctor or a professor in the field of medicine. Professor Simon Chapman, however, is a sociologist. Professor Simon Chapman is entitled to an opinion, as we all are. That is his right in our democratic country. But let us be crystal clear about what he actually is and does—while acknowledging that in the past he has done some very good work on the issue of smoking and its effect on people's health.

We have also heard today about the effect on people's health from coal and other forms of energy generation. But how do we know of these impacts? We know coal and other forms of energy have serious health impacts on people because there has been independent, eminent research on the subject. Research is still being conducted today on what is happening to people. I support such research wholeheartedly, whether it is into the impact of coal, coal seam gas or whatever. To question is to learn.

In the midst of all this public debate and toing and froing, people in the community quite often tell me that they feel disempowered. They feel disempowered because they are presented with predetermined outcomes—people turning up at meetings and doing the old tick and flick. The Murray-Darling Basin Plan comes to mind here, and I think the people of Collingullie, west of Wagga Wagga in New South Wales, will attest to that and to their disgust and sense of disengagement with the political process.

As I have said from the first time I raised the issue of wind farms in the Senate, all I want is for there to be independent, rigorous, eminent Australian research under Australian conditions. I want the methodology of and the facts from that research in the public domain so that proponents, opponents and people who are undecided can see how we reached a conclusion. It is important, though, that even when we do reach a conclusion we do not close our minds to new research that may present itself in the future.

I am appalled at how some opponents of this bill have approached this debate. The concerns of men and women around Australia have been belittled, mocked and ignored. Here we are, some 20 months after Senator Siewert chaired the initial Senate
inquiry into wind farms, and nothing has been done. I would also like to make it clear that the National Health and Medical Research Council does not itself conduct research. This is something which people in this place fail to be clear about. 'I will hand it to the National Health and Medical Research Council to do it', they say—but the NHMRC does not actually do research itself.

The legitimacy of claims of illness caused by wind farms have been questioned and the people making those claims belittled. We have heard the claims of these people referred to as being the result of 'the nocebo effect' and we heard experts questioned by the inquiry clearly state that a diagnosis of illness caused by wind farms could never be considered until every other possibility had been eliminated. I have always said that the onus of proof should not be on residents to prove that a wind farm is damaging to his or her health; the onus should be on the proponent—the corporation making the profits—to prove that they are compliant and that they are not having an adverse effect on people's health.

I have also raised grave concerns about the way this bill was dealt with in committee. Leading experts on both sides of this argument from around the world gave evidence which, in some cases, was either ignored or distorted. I question Senator Cameron's attempts to explain away all the health complaints by reference to what he also calls 'the nocebo effect'. In doing so, he totally ignores the overwhelming evidence that health impacts from wind turbines can be and have been proven—that they are a legitimate concern.

To date, the objections I and others have received from the wind industry have been about the bill's requirement that they supply the data which will determine whether they are in breach of regulations or not. If they are not in breach, what is the problem? I would have thought that they would be tripping over themselves to provide the necessary information to support their claims that they are compliant with the so-called regulations which govern them.

I find it ironic that the proponents of this industry are the sorts of people who espouse free markets—the so-called level playing field. Yet here we have an industry which is not subject to the same requirements as every other industry in this country. Every other industry in this country is subject to an 'intrusive noise' definition of background noise plus five decibels. This industry is not. When we talk about noise in an urban setting—say, for instance, Redfern in Sydney—the background noise is different from the background noise in a place like Waubra.

People living in the country are used to a different level of background noise from people living in Redfern in Sydney, Brunswick in Melbourne or in the heart of Brisbane. You cannot compare them.

I think the problem is that, like the Waubra wind farm, many wind farms are operating without having been given a certificate of compliance by the state authority, yet they have been accredited by the Clean Energy Regulator and are in receipt of hundreds of millions of dollars in renewable energy certificates. The checks and balances appear to have been pushed aside in the rush to get the turbines up and running and to start the lucrative flow of RETs.

My argument is that this bill is to address people. We are elected by people to represent people. We are not elected to represent corporations and we are not elected to represent an ideology. We, collectively in this place, have a duty of care to people. Today we have heard the economic
arguments, but the fact is that we are talking about people. Time and time again this debate has fallen into an economic argument. This debate, this bill, is about people, about their health and wellbeing and about their right to live on their properties and enjoy them the way they have for generations. These people are not political activists, and a great majority of these people are coalition voters. These people, who are also ALP voters and Greens voters, are affected by these things.

I implore all of you to think seriously about this matter and to give this industry the scrutiny that you foist onto other industries—and rightly so—to make them accountable. If this industry can prove that it is compliant, that it is not doing what people claim is affecting their health and that of their families and their communities, I will be the first one to stand up in this parliament and admit that I got it wrong. To date, I do not believe I have got it wrong. Let me assure you that I will stand up here and I will say, 'I got it wrong.' How many people ever stand up in this place and say that they got it wrong? We just carry on regardless. We never say, 'We got it wrong.' But there is a whole group of people whose health is affected. Let us get to the bottom of it, let us stop ignoring it and let us create a real level playing field.

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

The Senate divided. [11:30]

(The President—Senator Hogg)

Ayes..................32
Noes..................36
Majority..............4

AYES

Abetz, E
Birmingham, SJ
Boyce, SK
Bushby, DC (teller)
Colbeck, R

Bernardi, C
Boswell, RLD
Brandis, GH
Cash, MC
Edwards, S

Fawcett, DJ
Fifield, MP
Humphries, G
Kroger, H
Madigan, IJ
McKenzie, B
Parry, S
Ronaldson, M
Ryan, SM
Sinodinos, A
Williams, JR

Bilyk, CL
Brown, CL
Carr, KJ
Collins, JMA
Di Natale, R
Farrell, D
Furner, ML
Hanson-Young, SC
Laudham, S
Lundy, KA
McEwen, A
Milne, C
Polley, H (teller)
Siewert, R
Stephens, U
Thistlethwaite, M
Whish-Wilson, PS

Bishop, TM
Cameron, DN
Carr, RJ
Crossin, P
Evans, C
Faulkner, J
Gallacher, AM
Hogg, JJ
Ludwig, JW
Marshall, GM
McLucas, J
Moore, CM
Rhiannon, L
Singh, LM
Sterle, G
Thor, LE
Waters, L
Wright, PL

Back, CJ
Cormann, M
Johnston, D
Xenophon, N

Wong, P
Pratt, LC
Conroy, SM
Feeney, D

Question negatived.

Senator BIRMINGHAM (South Australia) (11:33): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator BIRMINGHAM: Thank you, Mr President, and I thank the Senate. I simply seek to make clear the coalition's position in relation to the bill that was just
voted down, given that it was last year that my second-reading contribution was recorded. The coalition is extremely disappointed that the Labor Party and the Australian Greens just joined forces to stymie debate on this legislation of Senator Madigan and Senator Xenophon. We had sincerely hoped to be able to proceed to the committee stage and had circulated, as all senators are aware, extensive amendments to Senator Madigan and Senator Xenophon's legislation. The coalition supported the second reading vote because the coalition hoped to be able to proceed with debating those amendments. Regrettably, that is not going to occur. I indicate to the Senate that the coalition's position at the third reading would have been conditional upon the passage of our amendments, which we are very disappointed not to have had the opportunity to debate.

Foreign Acquisitions Amendment (Agricultural Land) Bill 2010
Second Reading
Debate resumed on the motion:
That this bill be now read a second time.

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (11:34): I rise to speak on the Foreign Acquisitions Amendment (Agricultural Land) Bill 2010. I should state from the start that, because the section of land that they want to bring in as having to cross the foreign ownership threshold level is too small—I think it is merely five hectares—it is going to be very hard for us to support it, so we will not. But I just want to talk about how this is an issue that we do have to go further with. I think it is no secret—every time I hear Mr Emerson mention my name—that the public know my position that we need stronger controls on foreign ownership, especially in the realms of state owned enterprises. I say that because state owned enterprises are not individuals. State owned enterprises are an arm of another nation's government. As an arm of another nation's government, they do not pass away, they do not require a profit and they very rarely go broke, and in any dispute you have to recognise that you are not having a dispute with an individual; you are having a dispute with another nation. Therefore it creates concerns in regard to how—

Senator Milne: Mr Deputy President, I raise a point of order. Senator Joyce, just for clarity and accuracy: the bill is about $5 million, not five—

The DEPUTY PRESIDENT: This is a debating point, Senator Milne. There is no point of order.

Senator Milne: It is an important clarification—

The DEPUTY PRESIDENT: There is no point of order.

Senator JOYCE: It is really important that we recognise that the coalition is going down a process of a more stringent review than where we currently are. Where we currently are at the moment is $244 million before you even go to the Foreign Investment Review Board. Two hundred and forty-four million dollars is a rather substantial amount of money, and it is more than that, because you can buy a place for $243,999,000 today and buy another one for $243,999,000 the next day. That is a ludicrous position.

We have to also acknowledge that, where we are currently, there has been a tenfold increase in the amount of investment in agriculture, forestry and fishing from a baseline average of the 2007-08 level to 2011-12.

Something is on. People are securing their agricultural footprint and they are doing it at the expense of a position that is held in
Australia that is not replicated anywhere in the world. You cannot go to the People's Republic of China and buy up their agricultural land. You cannot go to Japan and do it. You cannot go to Korea and do it. You cannot go to Saskatchewan in Canada and do it. You cannot go to Nebraska in the United States and do it. You cannot go to New Zealand and do it.

So let us dispense with this argument that it is somehow xenophobic to state the bleeding obvious, because it is an issue that is peculiar to Australia and it is not xenophobic to try to protect your nation's interest. One of the greatest representations of this nation is the soil we stand on. One of the greatest aspirations this nation should have is the aspiration that Australian families will live on Australian farms just like Australian families will live in Australian houses in Australian suburbs. They might not neatly fit into any economic principle of unbridled free-market, but it is a principle of patriotism, it is a principle of how we see the nation and it is most certainly a principle you see out in the street every day. This is an issue that is brought up to me by people I speak to all the time. It is one of those classic issues. Walk past someone in the street and they will find some relationship about you and the political debate. Well, this is it. This is what they talk about.

It is galling to read an article quoting the Minister for Trade Mr Craig Emerson telling China green tape will be cut, saying:

Australia has promised China it will iron out problems with excessive 'green tape' and environmental approvals to encourage and fast-track greater Chinese investment in Australian agriculture.

What about Australian families? What about ironing out for Australian families? What about doing it for our people? What happened to that idea? This is where there is this incredible disconnect. It is going to be very interesting for Mr Emerson when he actually goes to contest his seat because, if people read what he believes in, he might not be the person they want to vote for, because his beliefs are not a reflection of the general psyche of Australia. Australians are not xenophobic, but they do want to make sure that our nation has proper control over our destiny. Our future is represented in our ownership of the most crucial manifestation of what our nation is—the soil we stand on.

In urban environments the laws are different. You cannot go to residential areas as a foreign entity and buy up established residential housing. You are just not able to do it. That went through quietly. Why? Because of the political ramifications. The Australian people did not want that to happen. The National Party asks: what is the epiphany about a 60 kilometre per hour speed limit that changes a piece of legislation so that, once you get out in the country, all of a sudden, it is a free-for-all? Why? Surely if controls are worthwhile in an urban constituency—and good luck to them—then a semblance of the same controls is worthwhile in a regional constituency. We are not asking for something different. In fact, we are asking for something that our fellow Australians have in an urban constituency. I think the Australian people want that. We want to trade with South-East Asia. We know our future is in South-East Asia, we must trade with South-East Asia, but we will trade on our terms as the benefactors from the wealth from our land. We will definitely have foreign investment. We acknowledge that but what we also acknowledge is that lately there has been exponential growth in this. We have been bullied and corralled into saying, 'You cannot talk about it, you are not supposed to talk about it, you are not supposed to ventilate this issue.' Well, I think we have got to.
I support the essence of the further ventilation of issues via this bill but I also acknowledge that, for reasons we have stated, the coalition is already walking down a path of a greater review of this process. It is not that we are outside the field or not participants in this. I do acknowledge that I will doing my darnedest and so will my colleagues and the National Party to make sure.

Senator Heffernan: So will I.

Senator JOYCE: Senator Heffernan says so will he. That is what we need to make sure that we get a constructive move to a more prudent and provident national interest test. I welcome support; the more support the better. In South Australia there is an issue in the wine industry. We have a Chinese state owned enterprise buying up a large section of the South Australian wine industry. They are going to change the name of the wine to Great Wall. They are going to send the wine back to China. That is going to make life a bit tough. We are starting to remove the mechanisms of commerce and send direct. You say that is all right, but it is not all right. How are you going to track this? It is going to be an issue of transfer pricing. How are you going to completely shine a light on asking, ‘Exactly what is the profit you made in Australia and what is the profit you make back in China and is the Australian taxpayer getting a fair return from this?’ How are we going to do that? What happens when there is a challenge? We are going to have to be awfully brave souls to say we are going to take the Chinese government to court. That will be a very interesting day.

I am always very proud of the fact that in my area you have about 5,000 to 6,000 people and only a couple of years ago it produced $640 million worth of cotton. Then you have grain, you have cattle, you have grapes, you have onions, you have wool and right down to kangaroos. Everything sits on top. There is an annual renewable income in that small section of our nation of between three quarters to $1 billion a year. That is not a bad return. In fact, if the whole of our nation did that per capita, we would be the richest nation on earth.

What worries me a bit is that more than half of the irrigation country in my area is either directly foreign owned or implicitly foreign owned by a trust in the Cayman Islands or by Chinese partially state-owned spinning companies. This is the reality. So when someone says to me, ‘We are only five per cent, four per cent, two per cent or one per cent foreign owned,’ it is an absurdity. I look into my own backyard and say, ‘That is not the case in my district. It is not happening there.’

The reason they get around it is because in the assessment guidelines—Senator Heffernan would know a lot about this—they do not pick up some of the mechanisms and processes of ownership. We have other discrepancies, such as where someone is deemed to be a mining interest—this is the classic around the Breeza Plains—and are a huge owner of an agricultural asset but do not register as a farm because they are nominally a mining interest. It is an absurdity because it obviously is an agricultural asset. We are not doing our job for the Australian people if we ignore these issues.

I went to a peak body dinner some time ago in Melbourne, where I was really quite disturbed by hearing one of the senior speakers say, ‘We should not be too worried because the future for the Australian farmer is to actually be off the land and to be merely a service provider in a corporate owned foreign entity.’ I do not have a vision for Australians swinging off a spanner in a
foreign owned farm. I want Australians to own the farm. I want Australian families to be on the farm. I want us to direct policy so that they can get us a better return on the farm. I want us to address the issues as to why we are not getting a substantial return at the farm gate. I think that, as we move towards this eternal election campaign, is an issue that should become part of the dynamics of the discussion. I want to see Australian families in Australian houses and in Australian suburbs. I do not particularly want them to rent; I want them to own, because I think that is a good thing. I think that would be a semblance of security.

I remember very well one of the early things—and I have said this before—that my father used to say to me when we used to have shooters come onto the place. I used to get annoyed, because I found them a nuisance and they would be in the paddock where we had lambing ewes. I would get annoyed and I would see them making their way across my property. I wanted to get them off. I wanted them to own. My father used to say to me, 'A person can't love their country if they are never allowed to set foot on it. Just leave them alone. A person cannot love their country if you do not let them set foot on it. Leave them alone; they are not actually hurting you. That man is out with his son shooting foxes—just let them go.'

The extension of that is: how does someone love their country when they do not actually own it anymore and, in fact, they see that the ownership of their nation has passed to the hands of another nation's government? That is the absolute essence of the divestiture of the Australian people. The Australian people, in all their many and varied colours and creeds, have a right to believe that this parliament and the mechanisms that are associated with it first and foremost look after their interests.

I want to also note that not one application to the Foreign Investment Review Board that is pertinent to land has ever been rejected—not one. This is an absurdity. I want to also state that, even when this Senate chamber has asked of the Treasurer of this nation—who is merely a servant of the people like we are—to explain to us clearly why the sale of the largest farm in our nation in value, Cubbie Station, was not contrary to the national interests, he never, ever did. He just completely ignored the request of the Senate. It is not even holding the Senate in contempt; he holds the Australian people in contempt. He says, 'I do not have to listen to you anymore.'

This is the culture of the current establishment. It seems peculiar to me, because I always thought they would be more sympathetic to a greater role of looking after the Australian asset. I thought that that would be more of their ilk. In this instance, they are more of the views of Dr Craig Emerson—he has infiltrated them. They have this zealotry and puritanical pitch. I do not know to what constituency and I have no idea to what effect. If they say that we are xenophobes then so is every other nation in South-East Asia.

Now we have the absurdity that the only countries that have greater foreign ownership than us are the Democratic Republic of the Congo, the Philippines and Indonesia. We are No. 5. There has to be a bell that rings there. Even Mr Coleman, from the Foreign Investment Review Board, clearly stated that there are issues in regards to state owned enterprises. If there are, let us do something about them. Let's not be bullied, let's not be corralled, let's not be intimidated and let's actually stand up and do something that is right for the Australian people.

The PRESIDENT: Order! The time allotted for this debate has expired.
NOTICES
Presentation
Senator Eggleston to move:
That the time for the presentation of the report of the Foreign Affairs, Defence and Trade References Committee on aid to Afghanistan be extended to 16 May 2013.

Senator Hanson-Young to move:
That the Senate rejects the vilification of refugees and asylum seekers.

Senator Kim Carr to move:
That the Senate adopt the recommendations of the first report of 2013 of the Procedure Committee.

COMMITTEES
Selection of Bills Committee
Report
Senator McEWEN (South Australia—Government Whip in the Senate) (11:51): I present the second report of 2013 of the Selection of Bills Committee.

Ordered that the report be adopted.

Senator McEWEN: I seek leave to have the report incorporated in Hansard.
Leave granted.

The report read as follows—
SELECTION OF BILLS COMMITTEE
REPORT NO. 2 OF 2013
1. The committee met in private session on Wednesday, 27 February 2013 at 7.20 pm.
2. The committee resolved to recommend:
   That—
   (a) the Criminal Code Amendment (Misrepresentation of Age to a Minor) Bill 2013 be referred immediately to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 27 June 2013 (see appendix 1 for a statement of reasons for referral); and
   (b) the provisions of the Family Assistance and Other Legislation Amendment Bill 2013 be referred immediately to the Community Affairs Legislation Committee, and the Economics
   Legislation Committee for inquiry and report by 18 March 2013 (see appendices 2 and 3 for a statement of reasons for referral); and
   (c) the Small Business Commissioner Bill 2013 be referred immediately to the Economics Legislation Committee for inquiry and report by 15 May 2013 (see appendix 4 for a statement of reasons for referral).
3. The committee resolved to recommend:
   That the following bills not be referred to committees:
   • Australian Capital Territory (Self-Government) Amendment Bill 2013
   • Broadcasting Legislation Amendment (Digital Dividend) Bill 2013
   • Environment Protection and Biodiversity Conservation Amendment (Prohibition of Live Imports of Primates for Research) Bill 2012
   • Export Finance and Insurance Corporation Amendment (Finance) Bill 2013
   • Export Market Development Grants Amendment Bill 2013
   • Higher Education Support Amendment (Asian Century) Bill 2013
   • Higher Education Support Amendment (Further Streamlining and Other Measures) Bill 2013
   • Marriage Equality Amendment Bill 2013
   • Royal Commissions Amendment Bill 2013
   • Superannuation Legislation Amendment (Reform of Self Managed Superannuation Funds Supervisory Levy Arrangements) Bill 2013
   • Tax and Superannuation Laws Amendment (2013 Measures No. 1) Bill 2013
   • Tax Laws Amendment (Countering Tax Avoidance and Multinational Profit Shifting) Bill 2013.
The committee recommends accordingly.
4. The committee deferred consideration of the Social Security Legislation Amendment (Caring for People on Newstart) Bill 2013 to its next meeting.

(Anne McEwen) Chair
APPENDIX 1

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of Bill:
Criminal Code Amendment (Misrepresentation of Age to a Minor) Bill 2013

Reasons for referral/principal issues for consideration:
In undertaking the inquiry, the Committee should consider:
1. The current levels of online crime, particularly in relation to crimes against minors
2. The prevalence of online communications between minors and adults, the purpose and content of those communications, and previous criminal offences where misrepresentation of age has occurred
3. The current offences in the Criminal Code Act and their effectiveness in preventing and punishing offences in relation to the evolving online environment.

Possible submissions or evidence from:
Attorney-General's Department
Australian Federal Police
National Children's Commissioner
Carly Ryan Foundation
Bravehearts
Australian Law Reform Commission
State and Territory Police

Committee to which the bill is to be referred:
Senate Standing Committee on Legal and Constitutional Affairs (Legislation)

Possible hearing date(s):
April/May 2013

Possible reporting date:
27 June 2013

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

APPENDIX 2

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee:

Name of bill:
Family Assistance and Other Legislation Amendment Bill 2013

Reasons for referral/principal issues for consideration:
Examination of the impact of the bill on families, individuals and young people; examination of the social impacts of the proposed changes.

Possible submissions or evidence from:
ACOSS
The Australia Institute
Welfare Rights
Australian Institute of Family Studies
FaHCSIA
DEEWR

Committee to which bill is to be referred:
Community Affairs

Possible hearing date(s):
15 March 2013

Possible reporting date:
21 March 2013

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

APPENDIX 3

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee:

Name of bill:
Family Assistance and Other Legislation Amendment Bill 2013

Reasons for referral/principal issues for consideration:
Examination of economic impacts on families; examination of broader economic impact, including on birth rate.

Possible submissions or evidence from:
Australian Bureau of Statistics
Australian Institute of Family Studies
Australian Families Association
Kids First Australia

(signed)
Senator Siewert
Whip/Selection of Bills Committee Member
Committee to which bill is to be referred:
Senate Economics Committee

Possible hearing date(s):
5 March 2013

Possible reporting date:
12 March 2013

(signing)
Senator Fifield
Whip/Selection of Bills Committee Member

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

Name of bill:
Small Business Commissioner Bill 2013

Reasons for referral/principal issues for consideration:

- The bill has not been released in draft form; the small business sector and current Federal Small business commissioner and state small business commissioners need an opportunity to comment on it before it is debated by Parliament.

- To investigate the interaction of the powers of the office of the small business commissioner with other government agencies.

Possible submissions or evidence from:

- State small business commissioners.

- Federal Government Departments/Agencies (ACCC, ASIC)

- Small Business peak organisations (Council of Small Business of Australia)

- Business peak organisations (ACCI)

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

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

Possible reporting date:
Late March to mid April 2013

(signing)
Senator Siewert
Whip/Selection of Bills Committee member

BUSINESS
Rearrangement

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (11:51):
I move:

That:

(a) the following government business orders of the day be considered from 12.45 pm today under the temporary order relating to non-controversial government business:

No. 4 Offshore Petroleum and Greenhouse Gas Storage Amendment (Compliance Measures) Bill 2012

No. 5 International Tax Agreements Amendment Bill 2012

No. 6 Financial Framework Legislation Amendment Bill (No. 4) 2012

No. 7 Marine Safety (Domestic Commercial Vessel) National Law Amendment Bill 2013; and

(b) government business be called on after consideration of the bills listed in paragraph (a) and considered till not later than 2 pm today.

Question agreed to.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (11:52):
I move:

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

(a) general business order of the day no. 94 (Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012); and

(b) orders of the day relating to government documents.

Question agreed to.

Leave of Absence

Senator McEWEN (South Australia—Government Whip in the Senate) (11:52): At the request of Senator Xenophon, I move:
That leave of absence be granted to Senator Xenophon for today, for personal reasons.
Question agreed to.

COMMITTEES

Legal and Constitutional Affairs
References Committee
Reporting Date
Senator McEWEN (South Australia—Government Whip in the Senate) (11:53): by leave—At the request of the Chair of the Legal and Constitutional Affairs References Committee, Senator Crossin, I move:
That the time for the presentation of the report of the Legal and Constitutional Affairs Legislation Committee on the provisions of the Native Title Amendment Bill 2012 be extended to 18 March 2013.
Question agreed to.

Foreign Affairs, Defence and Trade
References Committee
Reporting Date
Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (11:55): by leave—At the request of Senator Cameron, I move:
That the time for the presentation of the report of the Foreign Affairs, Defence and Trade References Committee on the victims of sexual and other abuse in Defence be extended to 16 May 2013.
Question agreed to.

NOTICES
Postponement
The following items of business were postponed:
General business notice of motion no. 1077 standing in the name of Senator Madigan for today, proposing the introduction of the Citizen Initiated Referendum Bill 2013, postponed till 12 March 2013.
General business notice of motion no. 1141 standing in the name of Senator Xenophon for today, proposing the introduction of the Broadcasting Services Amendment (Material of Local Significance) Bill 2013, postponed till 12 March 2013.
General business notice of motion no. 1160 standing in the name of Senator Madigan for today, relating to renewable energy certificates, postponed till 12 March 2013.

COMMITTEES

Environment and Communications
References Committee
Reference
Senator McEWEN (South Australia—Government Whip in the Senate) (11:55): At the request of Senator Cameron, I move:
That the following matter be referred to the Environment and Communications References Committee for inquiry and report by 15 May 2013:
The feasibility of a prohibition on the charging of fees for an unlisted (silent) number service, with particular reference to:
(a) recommendation no. 72.17 contained in report no. 108 of the Australian Law Reform Commission on Australian privacy law and practice;
(b) whether the payment of a fee unduly inhibits the privacy of telephone subscribers;
(c) the likely economic, social and public interest impact for consumers and businesses, carriage service providers and the White Pages directory producer, if the charging of fees for unlisted (silent) number services was prohibited;
(d) the implications of such prohibition for the efficacy of the national public number directory; and
(e) any other relevant matters.
Question agreed to.
Community Affairs References Committee Reference

Senator THORP (Tasmania) (11:55): I move:
That the following matter be referred to the Community Affairs References Committee for inquiry and report by 26 June 2013:

The care and management of younger and older Australians living with dementia and behavioural and psychiatric symptoms of dementia (BPSD), including:
(a) the scope and adequacy of the different models of community, residential and acute care for Australians living with dementia and BPSD, with particular reference to:
   (i) Commonwealth-provided support and services,
   (ii) state- and territory-provided services, and
   (iii) services provided by the non-government sector;
(b) resourcing of those models of care; and
(c) the scope for improving the provision of care and management of Australians living with dementia and BPSD, such as:
   (i) access to appropriate respite care, and
   (ii) reduction in the use of both physical and chemical restraints.

Question agreed to.

Rural and Regional Affairs and Transport References Committee Reference

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (11:56): At the request of Senators Colbeck, Ruston, Edwards, Heffernan, Xenophon, Whish-Wilson, Madigan and McKenzie, I move:

That the following matter be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 20 June 2013:

Review of the citrus industry in Australia, including:
(a) scale and structure of the industry;
(b) opportunities and inhibitors for growth of the Australian industry;
(c) competition issues in the Australian market;
(d) adequacy and efficiency of supply chains in the Australian market;
(e) opportunities and inhibitors for export and export growth; and
(f) any related matters.

Question agreed to.

BILLS

Therapeutic Goods Amendment (Pharmaceutical Transparency) Bill 2013

First Reading

Senator DI NATALE (Victoria) (11:57): I move:
That the following bill be introduced: A Bill for an Act to amend the Therapeutic Goods Act 1989, and for related purposes.

Question agreed to.

Senator DI NATALE: 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 DI NATALE (Victoria) (11:57): 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 DI NATALE: I table an explanatory memorandum and I seek leave to have the second reading speech incorporated in Hansard.

Leave granted.
The incorporated speech read as follows—

THERAPEUTIC GOODS AMENDMENT (PHARMACEUTICAL TRANSPARENCY) BILL 2013

Australia's health system is one of the key responsibilities of government. In the modern age, some of the most crucial components of the health system are the medicines we take. Modern medicines, since the advent of penicillin to the latest gene- or bio-therapy, are one of the key reasons human life spans have increased over the last century. In Australia, thanks to the Pharmaceutical Benefits Scheme, we are fortunate to have easy access to the array of modern medicines that extend our lives and keep us healthy. The $12 billion or so that the Commonwealth spends annually on medicines is a sound and proper investment in the health of the nation. For this investment to be maximised, our medicines must be safe, effective and appropriately and efficiently dispensed to patients.

When it comes to safety and efficacy, Australians are fortunate to be well protected. The Therapeutic Goods Administration has an excellent reputation for high standards in regulating the safety of medicines. In terms of cost-effectiveness, the Pharmaceutical Benefits Advisory Committee also sets a world-standard in the evaluation of treatments for public funding. The third component of our medicines system is that which begins when a physician writes a prescription and concludes when the script is filled and paid for - usually by the Commonwealth - at a community pharmacy.

Under Australian law, the pharmaceutical industry is forbidden from advertising prescription medicines directly to consumers. The number of prescriptions written for their medicines, and hence the revenues of the pharmaceutical companies, is therefore determined by the number of diagnoses made and prescriptions written by doctors. These companies will naturally take steps to maximise the number of such diagnoses and scripts. It is thus in the interactions between industry and doctors that the potential exists for the integrity of the medicines system to be undermined, and is the reason for this bill.

It is appropriate that doctors receive information from pharmaceutical companies. There is much innovation in medicines and the landscape is constantly shifting, so doctors need up-to-date information about new therapies that could help their patients. On the other hand, it is important that doctors remain independent from this industry so that clinical judgement is not affected by commercial pressures. It is unthinkable, for instance, that a doctor should receive a commission on each prescription for a certain medicine, because - consciously or not - that doctor could be expected to be more vigilant for symptoms that correspond with the more lucrative treatment, potentially at the expense of patients with other maladies. On this, the medical profession and the pharmaceutical industry would no doubt strongly agree.

The question remains as to where the line should be drawn regarding the interactions between doctors and industry. Where does the greatest potential exist to influence prescribing behaviour unduly? As it happens, there is some good evidence to suggest that there remains a risk of undue influence over prescribing habits.

A systematic review that included over 50 studies looked at the impact of pharmaceutical promotion on the quality, quantity, and cost of physicians' prescribing found unambiguously that promotion was associated with more prescriptions, higher costs, and lower prescribing quality. For example, 17 out of 29 studies looking at the impact of visits from pharmaceutical sales representatives found an association between visits and increased prescribing. The authors of this comprehensive review concluded that practitioners should avoid exposure to information from pharmaceutical companies.

Not surprisingly the public is also concerned. A survey conducted in 2011 and published in BMJ in February 2012 found that nine in 10 Australians are concerned about the industry's payments to doctors, with over 70% of respondents worried that payments influence advice to patients. 50% considered the payments a form of bribery. Understandably, the public want to know that the advice they are getting...
advice from their doctor is based on the best available evidence and not compromised by their doctor’s interaction with a drug company.

I understand that doctors are time poor and it can be convenient when an “educational opportunity” is offered by a drug company. It may often be the case that there is no more neutral source of information available that a doctor could easily turn to. Doctors naturally doubt that a plane trip or a nice meal would affect their clinical judgement; and this is no doubt true for many or most of them. But the evidence is clear that these things do make a difference. It is simply human nature. When asked, many doctors do admit that such benefits may affect the behaviour of their colleagues.

Currently, the industry regulates itself when it comes to these interactions with doctors. The Medicines Australia Code of Conduct was recently updated and approved. The code contains provisions including the requirement to report, in aggregate, payments made to healthcare professional consultants and advisory board members. In some ways, the new Code is a step in the right direction, but it does not go far enough. Some of the Medicines Australia members were willing to go further, for instance AstraZeneca who suggested banning gifts and banning overseas events. But the industry is only willing to go so far.

There are other weaknesses with a self-regulation approach. Not all pharmaceutical companies are members of Medicines Australia or consent to abide by the Code. Should a member organisation breach the code, the sanctions they face - as designed by their own industry and a body to which they pay dues - are not particularly harsh.

This bill places the regulation of commerce between industry and medical professionals in Commonwealth legislation. Under the provisions in the Bill, a pharmaceutical company may not:

a) Pay for a medical professional to attend a conference or convention; or pay travel and accommodation costs associated with attending the conference or convention, unless the medical professional is representing the sponsor company and the payments are reported;

b) Sponsor an educational seminar or event that is outside Australia when the majority of participants are located in Australia;

c) Pay travel or accommodation costs for medical professionals to attend an educational seminar sponsored by the company unless the medical professional is representing the sponsor company and the payments are reported;

d) Provide hospitality including meals and entertainment at an educational seminar or other sponsored event with a value of greater than $100 per attendee, or an amount specified in regulation.

Furthermore, pharmaceutical companies are obliged to report annually on payments made to doctors, including fees, gifts, honoraria, services such as travel and accommodation, donations or research grants. These reports will name, as individuals, medical practitioners (who are not full-time employees of the company) who receive this largesse.

Worldwide, there is considerable momentum for reform in this area. The United States’ Sunshine Act contains many similar provisions including those calling for disclosure of the names of doctors on industry payrolls. This bill ensures that the environment in Australia will keep pace with global best practices.

It is worth repeating that Australia’s health system, including the approval, supply and prescription of drugs works well and is of a standard Australians can be justly proud. In the overwhelming majority of cases, doctors can be expected to act with patients’ best interests as their sole concern when prescribing medicines. This bill is not an attack on the integrity of doctors, nor that of the industry. The pharmaceutical industry is, to be sure, a large and very profitable one. But they too are a key part of the health system that keeps us living longer, healthier lives than ever before.

This bill will restore trust, integrity and transparency to medicines in Australia. I commend this bill to the Senate.

**Senator DI NATALE:** I seek leave to continue my remarks later.

Leave granted; debate adjourned.
COMMITTEES

Environment and Communications Legislation Committee

Reporting Date

Senator CAMERON (New South Wales) (11:58): I move:


Question agreed to.

MOTIONS

Charcot-Marie-Tooth Disease

Senator THISTLETHWAITE (New South Wales) (11:58): I move:

That the Senate—

(a) notes that:

(i) Charcot Marie Tooth disease (CMT) is the most common form of inherited motor and sensory neuropathy,

(ii) there is no cure for CMT and while most sufferers live a normal lifespan, many do so with severe disabilities,

(iii) estimates are that around one in every 2 500 Australians is affected by CMT,

(iv) while CMT is more common than diseases such as muscular dystrophy, there is a low level of community awareness of CMT, particularly amongst Indigenous Australians,

(v) genetic counselling and pre-implantation genetic diagnosis means that those carrying the CMT gene can now conceive without the 50 per cent risk of passing CMT to their offspring, and

(vi) despite the advances, detection and genetic counselling, low awareness and detection of CMT means that this disease is still spreading to future generations, when it could be stopped;

(b) notes the need for more investment for research into the cause, care and cure of CMT; and

(c) as a first step, calls on the Government to provide funding for projects which will lead to the eradication of CMT.

Question agreed to.

BILLS

Migration Amendment (Reinstatement of Temporary Protection Visas) Bill 2013 [No. 2]

First Reading

Senator CASH (Western Australia) (11:59): I move:

That the following bill be introduced:

A Bill for an Act to amend the Migration Act 1958, and for related purposes.

Question agreed to.

Senator CASH: 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 CASH (Western Australia) (12:00): 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 CASH: I table an explanatory memorandum and seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The incorporated speech read as follows—

The purpose of this bill is to restore two classes of Temporary Protection Visas (subclasses 785 and 447) that were available under the former Coalition Government for those who arrive illegally in Australia or at an excised offshore place and are found to engage Australia's
protection obligations under the Refugee Convention.

This bill is entirely consistent with the Coalition's long held position of providing temporary protection visas for those who arrive illegally by boat as part of a comprehensive suite of measures to stop the boats.

The Temporary Protection (Offshore Entry) Visa (subclass 785) is a visa for people who:
• Have illegally entered Australia and/or arrived at an "excised offshore place" (such as Christmas Island, Ashmore, Cocos Islands) when they first came to Australia;
• Do not have protection from any other country
• Are found to engage Australia's protection obligations by the Australian Government; and
• Meet health and character requirements

The visa is temporary for a term of up to three years, to be set by the Minister or his/her delegate. The bill defines a secondary movement person as someone who is a non-citizen seeking protection having moved beyond their country of first asylum and who transited in a country other than Australia where the person could have sought protection;

• Of the country, due to but not limited to, that country being a signatory to the United Nations Convention and/or Protocol relating to the Status of Refugees; or
• Through the officers of the United Nations Commissioner for Refugees located in that country;

A secondary movement person cannot be granted a permanent Protection Visa. Such a person may only apply for a further temporary protection visa, or if eligible, one of the mainstream visas for which temporary protection visa holders are eligible.

The Temporary Protection (Secondary Movement Offshore Entry) Visa (subclass 447) is a visa for people who:
• Have illegally entered Australia and/or arrived at an "excised offshore place" (such as Christmas Island, Ashmore, Cocos Islands) when they first came to Australia
• Are secondary movement persons
• Do not have protection from any other country
• Are found to have engaged Australia's protection obligations by the Australian Government; and
• Meet health and character requirements

The visa is temporary for a term of up to three years, to be set by the Minister or his/her delegate. The bill defines a secondary movement person as someone who is a non-citizen seeking protection having moved beyond their country of first asylum and who transited in a country other than Australia where the person could have sought protection;

• Of the country, due to but not limited to, that country being a signatory to the United Nations Convention and/or Protocol relating to the Status of Refugees; or
• Through the officers of the United Nations Commissioner for Refugees located in that country;

A secondary movement person cannot be granted a permanent Protection Visa. Such a person may only apply for a further temporary protection visa, or if eligible, one of the mainstream visas for which temporary protection visa holders are eligible.

The visa gives the holder the right to work, to Special Benefits payments and access to Medicare.

Successive temporary visas can be applied for upon conclusion of the term of the visa unless the Minister allows an application for a permanent protection visa to be made.
• It does not give the right to family reunion or to return to Australia if he/she leaves
• It does not give the holder the right to re-enter Australia if they depart
• It is a condition of the visa that the holder satisfies mutual obligation requirements for receiving special benefit payments

Temporary protection visas deny access to permanent residence and family reunion. Once a visa has expired, an applicant's refugee status would be reassessed and they would either return home if it was safe to do so or be reissued with another temporary visa. Temporary protection visas fulfill Australia's responsibilities under the Refugee Convention by providing safe haven for those who are found to have a legitimate claim to refugee status but have entered Australia illegally without a valid visa. There is no obligation under international law to provide permanent residence.

This bill effectively reverses the decision of the Rudd/Gillard Government in 2008 to abolish Temporary Protection Visas that started the chaos, cost and tragedy on our borders and has
led to more than 33,300 arrivals of people by boat, more than 1,000 deaths at sea, more than 8,100 permanent protection visas being denied to people who applied for a humanitarian offshore visa because they did not come on a boat and a budget blowout for taxpayers of $6.6 billion.

I commend the bill to the Senate.

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

Leave granted; debate adjourned.

MOTIONS

**Australian Quarantine and Inspection Service Licence System**

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (12:01): At the request of Senators Ruston, Xenophon, Madigan and Milne, I move:

That the Senate—

(a) notes:

(i) the significant increase in Australian Quarantine and Inspection Service (AQIS) licence fees for exporters from $500 to $8,350 from 1 July 2012 for horticulture and plants,

(ii) the disproportionate impact on small and medium exporters,

(iii) That the licence fees discriminate against and discourage small and medium exporters, and

(iv) the failure of the Government to successfully negotiate the acceptance of AQIS Approved Officers in many of Australia's export markets; and

(b) calls on the Government to urgently review the AQIS licence system so as not to discriminate against and discourage small and medium exporters.

Question agreed to.

**Military Superannuation Pensions**

Senator RONALDSON (Victoria) (12:01): I move:

That the Senate—

(a) notes that:

(i) coal seam gas is a high-risk industry that poses unacceptable risks to our rivers and groundwater, agricultural lands and natural environment, and our communities, and

(ii) since becoming Australia's Minister for Sustainability, Environment, Water, Population and Communities, Mr Burke has not rejected a single coal seam gas project, rather approved multiple enormous coal seam gas field military superannuation pension in 2011-12 was $24,603;

(b) condemns the Gillard Labor Government for its ongoing and stubborn refusal to grant 57,000 Australian military superannuants and their families a fair go;

(c) denounces the Australian Labor Party for misleading veterans before the 2007 election into believing that Labor would actually deliver fair indexation, a point highlighted by Senator Lundy and the then Parliamentary Secretary for Defence Support (Mr Kelly) in their letter to the former Minister for Finance and Deregulation (Mr Tanner) of 14 September 2009; and

(d) criticises the Government for its ongoing failure to schedule a time for the Senate to consider the Veterans' Affairs Legislation Amendment Bill 2012 thus denying the Senate the opportunity to debate and vote on the Coalition's amendments to provide fair indexation for these men and women who have served their nation.

Question agreed to.

Senator WRIGHT (South Australia) (12:01): I seek leave to move an amendment to the motion.

Leave not granted.

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

Question agreed to.

**Coal Seam Gas**

Senator WATERS (Queensland) (12:02): I move:

That the Senate—

(a) notes that:

(i) the significant increase in Australian Quarantine and Inspection Service (AQIS) licence fees for exporters from $500 to $8,350 from 1 July 2012 for horticulture and plants,

(ii) the disproportionate impact on small and medium exporters,

(iii) That the licence fees discriminate against and discourage small and medium exporters, and

(iv) the failure of the Government to successfully negotiate the acceptance of AQIS Approved Officers in many of Australia's export markets; and

(b) calls on the Government to urgently review the AQIS licence system so as not to discriminate against and discourage small and medium exporters.

Question agreed to.

Senator WRIGHT (South Australia) (12:01): I seek leave to move an amendment to the motion.

Leave not granted.

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

Question agreed to.
developments across Queensland, and most recently in Gloucester in New South Wales despite significant community concerns about the health and environmental impacts of this new industry; and

(b) calls on the Federal Government to protect Australia’s rivers and groundwater, agricultural lands and natural environment, our communities and the world’s climate and stop this new high-risk industry.

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

The Senate divided [12:07]

(The President—Senator Hogg)

Ayes........................9
Noes.........................39
Majority......................30

AYES

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

NOES

Birmingham, SJ
Brown, CL
Cameron, DN
Collins, R
Crossin, P
Evans, C
Ferravanti-Wells, C
Furner, ML
Hogg, JJ
Kroger, H (teller)
Ludwig, JW
Madigan, JJ
McEwen, A
McLucas, J
Parry, S
Polley, H
Ruston, A
Smith, D
Sterle, G
Thorp, LF
Williams, JR

Question negatived.

Defence Procurement

Senator LUDLAM (Western Australia) (12:09): I move:

That the Senate—

(a) notes that:

(i) the then Prime Minister, Mr Howard, signed an agreement on 11 June 2002 with Lockheed Martin with no public consultation or competitive tendering process for the purchase of up to 100 Joint Strike Fighters (JSFs),

(ii) the then Minister for Defence, Senator Faulkner, announced approval for the purchase of the first 14 JSFs on 25 November 2009 at a cost of around $3.2 billion, contractually committing to two,

(iii) the Australian Auditor-General confirmed in its September 2012 report that the cost for each aircraft is US$131.4 million, more than treble the initial price,

(iv) the aircraft cannot yet fly at supersonic speeds or within 25 miles of storms due to potential ignition of oxygen in the fuel tank,

(v) Senator John McCain of the US Senate describes the JSF program as a scandal and a tragedy, and

(vi) the United Kingdom, the biggest investor in the JSF program, in May 2012 reduced and delayed its acquisition, and the Dutch Parliament in July 2012 voted to cancel its involvement altogether; and

(b) calls on the Government to:

(i) cancel the technically and financially infeasible JSF program,

(ii) urgently examine alternatives given the very long lead times for project development, acquisition and entry into service, and

(iii) focus Australia’s Defence procurement priorities on the equipment and training required to address the defence and humanitarian challenges arising from climate change, water stress and resource depletion.

Before we commit the vote, I seek leave to make a brief statement.

The PRESIDENT: Leave is granted for one minute.
Senator LUDLAM: I hope that we do not have to commit this one to a vote, because I am expecting unanimous support for this position. I think a handshake deal done by former Prime Minister John Howard in a Washington hotel room bypassed all Defence's normal procurement processes for one of the largest acquisitions in Australian military history. We can perhaps thank former defence minister John Faulkner for only committing us to two of these fighter jets, but this motion that the Senate will shortly put to the vote commits Australia to cancelling this disastrous program, which is vastly over budget. These aircraft can barely fly, you cannot put them within 25 miles of a storm in case the oxygen tanks explode, the software is buggy and the price has tripled. We do need to commit to an urgent inquiry into what should fill the capability gap, but I think we should commit at this point to simply abandon this disastrous, botched procurement process and pursue alternative courses of action.

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

The Senate divided [12:12]
(The President—Senator Hogg)

Ayes....................9
Noes....................39
Majority................30

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

NOES
Evans, C
Fierravanti-Wells, C
Furner, ML
Hogg, JJ
Ludwig, JW
Madigan, JJ
McEwen, A
McLucas, J
Parry, S
Polley, H
Rushton, A
Smith, D
Sterle, G
Thorp, LE
Waters, LJ
Whish-Wilson, PS
Wright, PL

Question negatived.

Whaling

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:15): I move:

That the Senate calls on the Australian Government to seek an immediate explanation from the Government of Japan on its non-compliance with the injunction of the Federal Court of Australia in 2008 against whaling in the International Whale Sanctuary in the Southern Ocean.

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

The Senate divided [12:16]
(The President—Senator Hogg)

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

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

NOES
Evans, C
Fawcett, DJ
Fierravanti-Wells, C
Fifield, MP
Furner, ML
Gallacher, AM
Hogg, JJ
Kroger, H (teller)
Ludwig, JW
Lundy, KA
McEwen, A
Marshall, GM
McLucas, J
McKenzie, B
Parry, S
Moore, CM
Polley, H
Payne, MA
Rushton, A
Pratt, LC
Smith, D
Singh, LM
Sterle, G
Stephens, U
Thorp, LE
Thistlethwaite, M
Urquhart, AE

Birmingham, SJ
Brown, CL
Cameron, DN
Colbeck, R
Crossin, P

Bishop, TM
Bushby, DC
Cash, MC
Collins, JMA
Edwards, S

Birmingham, SJ
Brandis, GH

Bishop, TM
Brown, CL
Question negatived.

Senator BIRMINGHAM (South Australia) (12:18): by leave—The coalition understand the sentiments of the Greens in moving this motion. However, we have concerns in relation to whether this motion reflects appropriately the jurisdiction of the Federal Court ruling and also we have concerns that the motion could in fact have presented some jeopardising of the legal case that is under way by the government at present. We share the frustrations of the Greens in relation to the slow pace that this government is taking in addressing whaling—the fact that it took fully 2½ years since the 2007 election to progress the case to the International Court of Justice. We would rather have seen faster action there. We would prefer to see monitoring occurring in terms of what is happening in the Southern Ocean Whale Sanctuary at present but unfortunately are not able, due to those concerns, to support this motion today.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:19): by leave—I am disappointed that the Senate did not support this motion because, as we speak, the clashes are still occurring in the Southern Ocean. The Sea Shepherd has been sandwiched between Japanese vessels and flash bombs have been let off by the Japanese, exploding over the Sun Laurel, the Korean flagged vessel which the Japanese have in the Southern Ocean in Australia's Antarctic territorial waters trying to refuel the whaling fleet. Also there is another vessel, the Japanese maritime self-defence vessel, operating in those waters—last known port Fremantle. We believe that ship has been using an Australian port before going out to sea for quite some time, deliberately out there so it could set sail to the Southern Ocean. It is quite clear that the Japanese have—(Time expired)

National Health Reform Funding

Senator DI NATALE (Victoria) (12:21): I move:

(a) condemns the reduction in National Health Reform funding to the states indicated in the Mid-year Economic and Fiscal Outlook;
(b) expresses its concern over whether the methodology used to justify these reductions, especially in regard to population growth estimates, was correct and applied in good faith;
(c) calls on the Government to restore funding to the National Health Funding Pool to all states in 2013 and over the forward estimates;
(d) is concerned that the direct payments to Victorian hospitals announced by the Government undermines the Government's own National Health Reform Agreement; and
(e) condemns the long term underinvestment by some state governments in their public hospitals.

I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator DI NATALE: This motion relates to the debate we have seen in this chamber about hospital funding. There has been a lot of hand-wringing and finger-
pointing over this issue. We have heard the government claim that it has increased funding to the public hospital system and that is true. The pertinent point here, however, is that they have increased funding by less than what was promised.

If I can give an analogy, if you negotiate a three per cent pay increase with an employer and at the end of the year you receive a one per cent pay increase, that is effectively a cut. This is a $1.5 billion cut over four years, and it comes on the back of a chronic underinvestment by state governments in the hospital system. The government's announcement to return money to Victoria is not good enough. It needs to do that to all states, particularly Queensland and New South Wales, who have been hardest hit, and it needs to honour its own agreement and ensure that funding is done through the National Health Funding Pool.

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

The Senate divided. [12:24]
(The President—Senator Hogg)

Ayes.....................10
Noes.....................40
Majority................30

AYES

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

NOES

Bilyk, CL
Bishop, TM
Brown, CL
Cameron, DN
Colbeck, R
Crossin, P
Evans, C
Fierravanti-Wells, C

Question negatived.

Senator FIERRAVANTI-WELLS (New South Wales) (12:26): I seek leave to make a one-minute statement in relation to the division just taken.

Leave granted.

Senator FIERRAVANTI-WELLS: This is nothing more than a stunt by the Greens. The Greens were Labor's minority government partner when these cuts were announced in MYEFO, when the Treasurer made the detailed determinations in November 2012 and when the retrospective cuts were made in December 2012. As the government's partner, they facilitated these cuts and failed to stand up for public hospitals in this country. Now they are crying crocodile tears. Despite the faux break-up, the Greens continue to provide confidence and support for this chaotic government, irrespective of the damage being done to the Australian community. As such, the Greens are culpable for these hospital cuts as a partner in the minority Gillard government. We do not support the Greens' duplicity on these cuts and these belated stunts to cover their tracks. It is just another attempt by the Greens to hide their dirty hands on this and many other issues.
Asbestos

Senator MILNE (Tasmania—Leader of the Australian Greens) (12:27): I seek leave to amend general business notice of motion No. 1155 standing in my name for today.

Leave granted.

Senator MILNE: I move the motion as amended:

That the Senate—

(a) notes that Australia has the highest number of asbestos victims per capita in the world and this is not expected to decline until after 2020;

(b) notes that many Australians are still vulnerable to mesothelioma when they renovate older houses and also through inadvertent exposure as a result of natural disasters destroying property;

(c) supports the Asbestos Free Australia campaign of the Australian Manufacturing Workers’ Union and the Construction, Forestry, Mining and Energy Union; and

(d) encourages the government to establish a National Asbestos Authority to implement the National Strategic Plan in line with the recommendations of the Asbestos Management Review.

Question agreed to.

National Parks

Senator WATERS (Queensland) (12:28): I move:

That the Senate calls on the Minister for Sustainability, Environment, Water, Population and Communities (Mr Burke) to act on his promise of August 2011 to protect national parks under federal environment laws by listing them as matters of national environmental significance to protect them from the threats of logging, grazing, mining or large scale land clearing.

Question agreed to.

BUDGET

Consideration by Estimates Committees

Senator McEWEN (South Australia—Government Whip in the Senate) (12:29):

On behalf of the respective chairs, I present additional information received by committees relating to the following estimates:

Additional estimates 2011-12—Education, Employment and Workplace Relations Legislation Committee—Additional information received on 4 December 2012—Education, Employment and Workplace Relations portfolio.

Budget estimates 2012-13—

Economics Legislation Committee—Additional information received on 12 February 2013—Department of Industry, Innovation, Science, Research and Tertiary Education.

Education, Employment and Workplace Relations Legislation Committee—Additional information received on 6 December 2012—Education, Employment and Workplace Relations portfolio.

Environment and Communications Legislation Committee—Additional information received between 19 September 2012 and 7 February 2013—Sustainability, Environment, Water, Population and Communities portfolio.

Budget estimates 2012-13 (Supplementary)—

Community Affairs Legislation Committee—Additional information received between 31 October 2012 and 27 February 2013—Families, Housing, Community Services and Indigenous Affairs portfolio.

Health and Ageing portfolio.

Human Services portfolio.

Indigenous issues across portfolios.

National e-Health Transition Authority.

Economics Legislation Committee—Additional information received between 7 February and 28 February 2013—


Treasury portfolio.

Education, Employment and Workplace Relations Legislation Committee—Additional information received between 7 December 2012 and 12 February 2013—Education, Employment and Workplace Relations portfolio.
Environment and Communications Legislation Committee—Additional information received between 7 February and 27 February 2013—
Broadband, Communications and the Digital Economy portfolio.
Climate Change and Energy Efficiency portfolio.
Sustainability, Environment, Water, Population and Communities portfolio.
Foreign Affairs, Defence and Trade Legislation Committee—Additional information—Defence portfolio.

Additional estimates 2012-13—
Community Affairs Legislation Committee—Additional information received between 31 October 2012 and 27 February 2013—
Families, Housing, Community Services and Indigenous Affairs portfolio.
Health and Ageing portfolio.
Human Services portfolio.
Indigenous issues across portfolios.
Economics Legislation Committee—Additional information received between 13 February and 14 February 2013—
Resources, Energy and Tourism portfolio.
Treasury portfolio.

COMMITTEES

Publications Committee

Report
Senator McEWEN (South Australia—Government Whip in the Senate) (12:29): On behalf of Senator Carol Brown, the Chair of the Senate Standing Committee on Publications, I present the 23rd report of the committee.
Ordered that the report be adopted.

Regulations and Ordinances Committee

Delegated Legislation Monitor
Senator McEWEN (South Australia—Government Whip in the Senate) (12:30): On behalf of Senator Furner, the Chair of the Standing Committee on Regulations and Ordinances, I present the Delegated Legislation Monitor for 2012.

National Broadband Network Committee

Report
Senator CAMERON (New South Wales) (12:30): On behalf of the Chair of Joint Standing Committee on the National Broadband Network, I present the fourth report of the committee entitled Review of the rollout of the National Broadband Network, covering the period from 1 January 2012 to 30 June 2012, as well as other current issues related to this report. I seek leave to move a motion in relation to the report.
Leave granted.
Senator CAMERON: I move:
That the Senate take note of the report.
Under its terms of reference, the NBN committee is required to report to the parliament every six months on the rollout of the NBN, including on the achievement of NBN Co.’s take-up targets, its network rollout performance, the meeting of its obligations as set out in the stakeholder charter, its engagement with consumers, its risk management processes and any other matters pertaining to the NBN rollout. The committee's fourth report therefore covers a comprehensive range of matters.
Chapter 1 of the report provides important introductory information about the committee's fourth review inquiry process and a useful summary of major
developments over this reporting period that are relevant to the NBN rollout.

Chapters 2 and 3 cover the core topics of performance reporting and regulatory issues. The section on performance reporting examines key performance indicators for the NBN, NBN rollout progress and NBN Co.'s financial results. The committee made three recommendations concerning these matters. These three recommendations are aimed at enhancing transparency and accountability of government and NBN Co. reporting on the NBN rollout. I should note that in this respect NBN Co. is already subject to greater levels of transparency and accountability than is normally applied to government business enterprises. Given that GBE corporate plans are not required to be publicly released, the release of NBN Co.'s corporate plan clearly demonstrates the government's commitment to ensuring that all Australians have as much detail as possible regarding the NBN. NBN Co. is also subject to the Freedom of Information Act and to scrutiny by the joint parliamentary committee. These measures are in addition to the normal accountability measures that apply to government business enterprises, including annual reporting and regular appearances before the Senate estimates committee.

Chapter 4 of the committee's report looks at the important issue of NBN rollout progress in regional and remote communities. A combination of the three NBN technologies—fibre, fixed wireless and satellite—will be rolled out to regional and remote areas of Australia. Over 70 per cent of regional homes and businesses will get access to optic fibre under this government. One important development that has occurred since the finalisation of this report is Minister Conroy's announcement that NBN Co.'s fixed wireless and satellite services will deliver speeds of 20 megabits down and five megabits up. This means that people living in regional and remote Australia will be able to access significantly faster speeds than are available now in the cities using ADSL services. They will be better than the current ADSL services. The committee also acknowledges progress to improve mobile coverage in regional Australia through shared use of NBN fixed wireless infrastructure in regional areas.

It recommends that the government support NBN Co. to continue to facilitate private providers and use of NBN Co. infrastructure and to provide and improve mobile telephone services and coverage across Australia, particularly in remote and regional areas.

Chapters 5 and 6 of the report considered a range of matters determined by the committee to be of significance at this stage of the NBN rollout. These are connecting multidwelling units, medical alarms, private equity engagement and workforce issues. The committee made recommendations concerning a number of these matters. In particular, on the matter of workforce issues, the committee will continue its monitoring of the Telstra Retraining Funding Deed. Under this deed the government has committed to provide $100 million to Telstra to support the availability of an appropriately trained workforce for the NBN and to retrain Telstra staff affected by the NBN rollout. The committee therefore recommended that the Department of Broadband, Communications and the Digital Economy provide an annual statement to the committee on progress concerning a range of matters under the Telstra Retraining Funding Deed.

On a final note, the report also includes a detailed summary of the NBN committee's visit to New Zealand from 24 to 28 September 2012 under the Australia New Zealand Parliamentary Committee Exchange
Program. The objectives of the committee's visit were to establish links with the Commerce Select Committee, selected private sector organisations and government agencies responsible for the delivery of New Zealand's high-speed broadband network and to gain a practical insight into the workings, policies and funding arrangements underpinning New Zealand's ultrafast broadband and rural broadband initiatives, in particular; the mix of technologies incorporated in New Zealand, associated telecommunications regulatory issues in relation to the demerger of Telecom New Zealand; wholesale pricing issues; community consultation and community education strategies; government, corporate and community readiness; and existing employment and skilling issues.

The committee welcomed the opportunity to learn about the New Zealand experience in developing its high-speed broadband network. I note that New Zealand was in the process of building a fibre-to-the-node network but recognised the inadequacies of this infrastructure to support their future economic needs. New Zealand is now building a fibre-to-the-home network to 75 per cent of homes and businesses. The committee saw the differences between these two infrastructure choices, including the significant challenges in providing electric power to a large number of nodes and the need to provide for continuity of power to nodes during power outages.

We visited a suburb called Churton Park in Wellington. This suburb had three different types of broadband to the home. It had fibre to the home, which was the NBN type build; it had the fibre-to-the-network approach; and it had cable TV movie channel types. The government had decided that, regardless of having fibre to the node and regardless of having the cable TV approach, it would overbuild fibre to the home because fibre to the home was far more appropriate for the future needs of the community and the economy in New Zealand.

Some of the issues relating to fibre to the node were the continued use of copper and, when there were natural disasters, the depressurisation of pressurised copper cables, which resulted in the breakdown of communications and the capacity to provide networks to the homes. They had to build special cabinets for the fibre-to-the-node approach. In New Zealand one of the issues was cooling. Even in New Zealand cooling was a problem and the cabinets had to be specially built to deal with the issue of cooling. They had to be heated in the winter. They had to have an electricity supply to the cabinet and they had to have generator backup to make sure that the fibre to the node continued to work. On that basis the government in New Zealand decided that fibre to the node was the most efficient way to deal with a network within New Zealand and they decided to move directly to fibre to the home because of the issue of electricity supply, as such a supply to the cabinet would not be needed. So specialised cabinets would not be needed and generator backup would not be needed. Fibre to the home was far more efficient and effective—and that is what NBN Co. is building within Australia, a fibre-to-the-home network that means we will not be faced with the problems that New Zealand has recognised and has set about fixing. The NBN approach is the best approach. (Time expired)

The ACTING DEPUTY PRESIDENT (Senator Bernardi): Senator Birmingham, before you commence I remind you as a courtesy that the debate will be interrupted at 12.45 pm.

Senator BIRMINGHAM (South Australia) (12:40): Thank you for that courtesy, Mr Acting Deputy President. I rise
to speak on the fourth report of the Joint Standing Committee on the National Broadband Network and in particular draw the Senate's attention to the dissenting report published by coalition members and senators. I note that Senator Cameron did, as the report does, touch on the committee's visit to New Zealand. Although I was unable to join that delegation, I would highlight to the Senate that particularly relevant information has come to light since that time, that relevant information being that Chorus, the company building the ultrafast broadband network in New Zealand, has this week had to concede and admit a far higher per-premises cost in relation to the delivery of broadband to each home. Remarkably, the government continues to claim that it will be able to build the NBN in Australia at a significantly lower per-premises cost than is the case in New Zealand. This is remarkable indeed because, of course, average wage rates in Australia are significantly higher than those in New Zealand. So, despite higher costs, somehow the government is going to build its NBN at a lower cost than the government of New Zealand. This is indeed remarkable and demonstrates that there is a financial disaster and calamity heading our way under the National Broadband Network as proposed by this government.

It is for these reasons that the dissenting report of coalition members and senators includes some specific recommendations, in particular recommendations that go very directly to issues around transparency about the cost per premises. We believe it is absolutely critical that what is clearly understood and clearly detailed is the cost per premises especially for the building of fibre in brownfield areas and equally for the building of fibre in greenfield areas and for the rollout of the fixed wireless network. NBN Co. and the government claim to have provided some information on this to date, but it is imprecise to say it is the absolute best. NBN Co. of course are pretty keen on imprecise information because we see that from what was given to Senate estimates by way of answers in the last round. NBN Co. in fact refused to provide answers to questions in any level of detail, claiming:

Now that NBN Co. has reached volume rollout it is impractical for NBN Co to provide ad hoc updates on financial and deployment metrics to a level of granularity not already provided for in public releases, parliamentary reporting processes and regular rollout information provided on our website for the use of access seekers.

Such basic information as the number of customers NBN Co. has on its fibre network in Tasmania was deemed to be too granular for NBN Co. to provide to the Senate estimates committee. It beggars belief that this government somehow is able to claim that it is on top of what NBN Co. is doing and yet cannot provide the most basic information to a committee when asked. Equally, since much of the evidence contained in this report was received we have learned that Syntheo, the NBN Co. contractor for South Australia, the Northern Territory and Western Australia, has, despite 19 months of so-called volume rollout activity, failed to finish connection as to a single area of broadband rollout in any of those jurisdictions.

South Australia, Northern Territory and Western Australia—19 months of construction activity and not one connection has materialised. Remarkable, and demonstrates once again the lie when this government says a 12-month average from construction to connection, and demonstrates again the very serious concerns this opposition has about the costs associated with the NBN.
The ACTING DEPUTY PRESIDENT (Senator Bernardi): Order! The time allotted for the debate has expired.

**BILLS**

**Offshore Petroleum and Greenhouse Gas Storage Amendment (Compliance Measures) Bill 2012**

**Second Reading**

Debate resumed on the motion:

That this bill be now read a second time.

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (12:45): The coalition supports this bill. The bill amends the Offshore Petroleum and Greenhouse Gas Storage Act 2006. It strengthens the offshore petroleum regulatory regime with respect to compliance, safety, integrity and environmental management objectives. The amendments are largely in response to the report of the Montara commission of inquiry. They clarify and strengthen the compliance monitoring, investigation and enforcement powers of the National Offshore Petroleum Safety Environmental Management Authority—NOPSEMA—and ensure that enforcement measures for contraventions of the act are appropriate in application and severity in the context of a high-hazard industry. The coalition believes that it is important that the oil and gas industry in Australia operates not only within its permits and licences, but also within its social licence. The bill ensures that Australia not only has a regulatory regime which provides the safety and integrity and environmental management that we need, but also that we have regulations in place to ensure that the public have confidence in the industry. What we saw with the Montara incident was extraordinary, and, while the industry had operated for almost 30 years without incident in Australia, public concern has increased.

The Montara commission of inquiry recommended a series of amendments to the offshore petroleum regulatory regime. The government consequently undertook a review of the legislation and this bill amends the act to implement a number of the findings of the review. The amendments will see the introduction of a civil penalty regime and an increase in the current criminal penalty levels under the act. This change will bring about some consistency with compliance offences in other major hazard industry legislation. The amendments also ensure that penalties, including custodial penalties, for occupational health and safety offences under the act will be harmonised with the Work Health and Safety Act 2011. Redrafting the NOPSEMA inspectorate powers will provide greater clarity and consistency between the various powers of each category of inspector and remove unnecessary procedural requirements that are likely to impede NOPSEMA's ability to effectively perform its enforcement function.

The bill also implements a decision to remove the responsible state minister for Tasmania—which I understand is that state's preference—from the joint authority arrangements in the offshore regulatory regime. The bill does not complete the process, and I understand that the minister has already signalled his intention to introduce further amendments later this year. The coalition will support these amendments as we believe they are sensible and necessary to improve a regulatory regime that was seen to be plainly inadequate in its present form. It is our strong view that we must ensure that the industry is able to operate not only effectively and efficiently, but also with the highest degree of safety and integrity, and at the same time ensure that environmental protections are in place. This is an industry which provides a great deal of wealth and employment to Australia, and we must, as I
said before, ensure the public has confidence in it. Because these measures are designed in a sensible and measured way to engender that confidence, they have the opposition's support.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:48): The Greens too will be supporting this bill, but I want to take a few minutes to outline the Greens' ongoing involvement in this and concerns about it, but also remind the chamber about the genesis of these particular series of amendments. As Senator Brandis pointed out, the Montara incident was a key genesis for this series of reforms that have been carried out to offshore petroleum regulation in this country. As the explanatory memorandum points out the Montara incident was part of it, but so was the Deepwater Horizon episode in Gulf of Mexico, which is to this day having ongoing adverse impacts on the environment and those that make their livelihoods in association with that marine environment.

There have been a series of amendments made following the release of the commission's report, but I point out the reason we need such strong environmental regulations and such strong regulation of the oil and gas industry. As the commission of inquiry pointed out in its report, it is unlikely that the actual environmental impact of the oil spill will ever be known as there was little pre- or post-oil spill evidence available to the commission of inquiry about its environmental impacts. The inquiry stated that the observed wildlife toll was only a proportion of the total fatalities because dead animals may not have stayed afloat long enough to be detected in large numbers. We do not know the total impact because there was very little monitoring done. There was certainly no adequate baseline data that was required for the development of the Montara platform, and monitoring did not start for several months down the track from the oil spill. Not only did we miss that potential initial impact but we also do not know what was there in the first place nor, as the report pointed out, did we have any idea how many animals were affected because they did not stay afloat to be counted.

One of the other long-term impacts that we are still concerned about is the impact of the Montara oil spill on the Timor Sea and on the livelihoods of Indonesian fishers. To this day, those fishers are still trying to keep this issue on the agenda and to get a study done of the potential impacts on the marine environment, on coastal environments and on their livelihoods. There has still been no compensation to those fishers, despite the fact that we clearly established that the oil went into Indonesian waters, that it impacted on the fishers and that they had to stop fishing. Those fishers in those communities still have not been compensated. We have written to both the federal government and the company to ask them to speed up this process, because it is those people who have suffered significantly.

In the rolling out of legislation, the government has taken a systematic approach to implementing the recommendations of the Montara inquiry, of which there were over 100. They took on board nearly all of them. There were two that they did not accept and 10 that they took note of, and they are progressively implementing the remainder. The government has undertaken a Commonwealth review of the legislation applicable to offshore petroleum. That, I understand, was completed at some stage last year. It was due in June last year. That overall review has not been released, so the government is implementing the findings of that review, and we support those—as I said, we support this bill and we support the establishment of NOPSEMA and other regulatory changes. It would be good to be
able to see that. I have done a search and I have not been able to find it. However, I note that submissions close today on the issues paper that was released late last year on the environmental regulation and canvassing potential amendments, and the government has indicated that it will be bringing those on sometime this year. We will look at those and seek to ensure that they are implemented as soon as possible. It is very important that we get these regulations right because we have seen the catastrophic implications if we do not.

There are a couple of things that I suspect the government will not do and that still need to be reviewed—that is, the way that we release acreage in this country for oil and gas exploration. There is not enough consultation prior to the release of that acreage and we find that we have to mount rearguard actions to get these areas protected. Not long after the Montara incident, we saw the important Mentelle Basin, off the coast of Margaret River, released for exploration. That particular area is deepwater exploration and there is a very strong potential for an environmental impact there, because that is a very important area for species like blue whales and it is another area with very high marine biodiversity. That is not taken into consideration when we release these areas for offshore exploration. Of course, you do not explore if you have no intention of eventually producing from there if you find something.

Some of these areas are just too important. The Bremer canyons, off the south coast of Western Australia, near Fitzgerald River National Park, is an area of important marine biodiversity, as are areas off the Scott Reef. The government has now said some of those areas will not be released, but it should not be left up to the community to fight every time one of these areas is released. There should be a much more considered approach to the release of some of these areas. We also believe that, if no-one has applied for these areas, and mistakes have been made in releasing them, there needs to be a much faster process to ensure that they are considered for inclusion on the list of marine reserves around this country.

We are still planning the protection of our marine environment around oil and gas potential productivity, in particular, and we do not believe that is the appropriate way to plan. I have raised this issue in this chamber before. We need to be looking at an area's ecological value and not compromising marine protection because—as is the case along the north-west coast of Western Australia—it might be prospective. They have very important environmental values, and those values should be considered. The primary purpose of marine conservation is, of course, to protect those areas of high conservation value.

We will be supporting these amendments. We will be continuing to watch the implementation of those final recommendations, and I urge the government to look again at the issue of the Indonesian fishers who have been adversely affected by the Montara spill. It has been far too long a process. It will be going on four years this year since that spill occurred, and those fishers need to be fairly compensated.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (12:56): I thank those senators who have spoken in this debate and commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Bernardi) (12:57): As no amendments to the bills have been
circulated, I shall call the minister to move the third reading unless any senator requires that the bill be reconsidered or be considered in committee of the whole.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (12:57): I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

International Tax Agreements Amendment Bill 2012
Second Reading
Debate resumed on the motion:
That this bill be now read a second time.

Senator FIFIELD (Victoria—Manager of Opposition Business in the Senate) (12:57): The coalition supports this bill, which amends the International Tax Agreements Act 1953 to bring into force, in Australian law, new taxation agreements with India, the Marshall Islands and Mauritius.

The Indian protocol was signed in New Delhi on 16 December 2011. This protocol will amend the agreement between the government of Australia and the government of the Republic of India for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, which was signed in 1991. The Indian protocol seeks to improve the administrative framework for tax cooperation between Australia and India. It updates the rules for the taxation of business profits and services to bring them into line with international practice. It will also insert rules to protect taxpayers from tax discrimination.

Both the Marshall Islands and Mauritius agreements cover allocation of taxing rights and transfer pricing adjustments. The Marshall Islands agreement was signed in Majuro on 12 May 2010. There is no pre-existing agreement of this type between Australia and the Marshall Islands. The Mauritius agreement was signed in Port Louis on 8 December 2010. Both agreements include provisions dealing with a range of circumstances, including income from pensions and retirement annuities, which will generally be taxed only in the country of residence of the recipient, provided the income is subject to tax in that country; income from government service will generally be taxed only in the country that pays the remuneration; payments made from abroad to visiting students and business apprentices, for the purposes of their maintenance, education or training, will be exempt from tax in the country visited; and a non-binding administrative mechanism will be established to assist taxpayers to seek resolution of transfer pricing disputes.

These are non-controversial international agreements that seek to avoid double taxation, codify tax allocation and combat tax avoidance. As I have indicated, the coalition will be supporting the bill.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:00): I would like to thank the senator for his contribution. I commend this bill to the Senate.
Question agreed to.
Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Bernardi) (13:00): No amendments to the bill have been circulated. Before I call the minister to move the third reading, does any senator wish to have a committee stage on the bill to ask further questions or clarify further issues? If not, I call the minister.
Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:01): I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Financial Framework Legislation Amendment Bill (No. 4) 2012

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

Senator FIFIELD (Victoria—Manager of Opposition Business in the Senate) (13:01): The coalition will not oppose the Financial Framework Legislation Amendment Bill (No. 4) 2012. The bill seeks to amend five acts across three portfolios as part of an ongoing program to ensure that the Commonwealth's financial framework remains up to date and consistent across government.

The five main purposes of these amendments include amending the Commonwealth Authorities and Companies Act 1997—the 'CAC Act', which is such a quaint and delightful acronym, Mr Acting Deputy President Bernardi, I am sure you will agree—to substitute references of Commonwealth procurement guidelines to reflect a name change and to create consistent wording with the Financial Management and Accountability Act 1997, and amending the Environment Protection and Biodiversity Conservation Act 1999 to increase the threshold of the amount for which the Director of National Parks can enter into contracts from $250,000 to $1 million, without having to seek ministerial approval, to reflect increased costs since the previous increase in 1992. Whilst you will have noticed that this is a significant increase, the threshold was last increased to $250,000 in 1992. The explanatory memorandum notes that, due to increases in the costs of goods and services over the past 20 years, many routine transactions involving such things as fuel purchases, cleaning and maintenance of equipment and buildings, required in the management of Commonwealth reserves such as Uluru and Kakadu national parks, exceed the existing threshold.

The bill also amends the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 to establish a distinct new special appropriation for making remissions or refunds in relation to import and manufacturing levies relating to synthetic greenhouse gas management equipment—which all rolls very easily off the tongue! Currently, refunds and remissions are paid under section 28 of the Financial Management and Accountability Act, and the amendment is designed to increase the transparency and workability of the refund mechanism.

The bill also amends the Papua New Guinea (Staffing Assistance) Act 1973, which prescribes retirement benefits for former employees of the administration of the territory of Papua and New Guinea to provide clear provision for the recovery of retirement benefits deposited inadvertently into an account after the death of a recipient.

The bill also sets new requirements for public reporting by ComSuper of any recoverable death payments that have been made. It is important to note that the proposed amendments to the Papua New Guinea (Staffing Assistance) Act do not in any way affect benefit entitlement of PNG scheme pension recipients. They do clarify a pathway for the recovery of technical overpayments, to reflect previous financial framework amendments in relation to recoverable death payments with regard to welfare benefits.
The bill also amends the Public Accounts and Audit Committee Act 1951 to replace the terms 'Chairman' and 'Vice-Chairman' with the gender neutral terms 'Chair' and 'Deputy Chair', which I am sure may have caused concern. This is the 12th financial framework legislation amendment bill since 2004. They are generally noncontroversial and housekeeping in nature. Acting Deputy President Bernardi, I appreciate the interest that you have shown from the chair in these matters.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:05): I would like to thank Senator Fifield for his contribution. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Bernardi) (13:06): No amendments to the bill have been circulated. Before I call the minister to move the third reading, does any senator wish to have a committee stage on the bill to ask further questions or clarify further issues? If not, I call the minister.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:06): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Marine Safety (Domestic Commercial Vessel) National Law Amendment Bill 2013

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (13:06): Basically what we have here is a correction of a drafting error. They put the word 'Commonwealth' when they should have put the word 'national regulator'. By reason of that we are technically not able to send money is that were owed to the national regulator to the national regulator. This is extremely brief, so I will be brief. We are fixing up a drafting error. Let's leave it at that.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:07): I was caught by surprise by that brevity. I am very pleased that Senator Joyce is supporting the legislation and I thank him for his brevity and contribution. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Bernardi) (13:07): No amendments to the bill have been circulated. Before I call the minister to move the third reading, does any senator wish to have a committee stage on the bill to ask further questions or clarify further issues? If not, I call the minister.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:08): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Courts and Tribunals Legislation Amendment (Administration) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.
The purpose of this bill is to change the administrative structures of the National Native Title Tribunal, the Federal Court, the Family Court and the Federal Magistrates Court. The specific structural changes proposed are: firstly, the transfer of the National Native Title Tribunal's appropriations, staff and some of its administrative functions to the Federal Court; the amendment to the Native Title Act to reflect the fact that the National Native Title Tribunal is no longer a statutory agency for the purposes of the FMA Act, having been subsumed into the Federal Court; and, thirdly, the formalisation of the merger of the administrative functions of the Family Court and the Federal Magistrates Court. The government anticipates that the structural changes will achieve $4.75 million in savings each year from 2012-13, for total savings of $90 million over the forward estimates.

The bill implements the recommendations of the Strategic review of small and medium agencies within the Attorney-General's Portfolio, the Skehill review, which was publicly released in June 2012 and informally released by me some time before.

The changes affecting the National Native Title Tribunal were inevitable as a result of the passage of the Native Title Amendment Bill 2009, which gave effect to the primary adjudicative role of the Federal Court and sought to integrate the tribunal's alternative dispute resolution role with the court's processes.

As to the amendments affecting the Family Court and the Federal Magistrates Court, which will shortly be renamed the Federal Circuit Court of Australia following the adoption by the government of a policy the opposition took to the 2010 election, the administrative merger occurred de facto in 2008 and 2009 at a time when the government planned to abolish the Federal Magistrates Court. That plan, I am pleased to say, has since been abandoned. The government's policy concerning the Federal Magistrates Court has been a fiasco, misconceived from its inception and characterised by false starts and half measures which culminated with the humiliating backdown by the former Attorney-General, Ms Roxon, early last year and the wholesale adoption of the coalition's policy which had theretofore been vigorously opposed by the government.

Indicative of these false starts and half measures, the CEO of the Family Court, Richard Foster, has been the acting CEO of the Federal Magistrates Court since November 2008—perhaps the longest acting appointment in the history of the Commonwealth of Australia. Mr Foster was examined about the potential for conflict in the concurrent performance of these two functions over several rounds of Senate estimates. He maintained that the arrangement had been working satisfactorily. However, both courts are now operating in deficit and have been the recipients of urgent supplementary funding this year so that essential operations such as FMC circuit sittings were able to continue. In these circumstances, Mr Foster has inevitably been forced to juggle the competing interests of the two courts and it is apparent that the question of when to rob Peter to pay Paul arises not infrequently.

The government's solution, if it can be called that, is to impose massive increases in court fees, of which only 30 per cent of the proceeds are to be applied to the courts with the remainder pocketed towards the achievement of the surplus that never was. As I said at the time, the increase in court fees, of which more than 70 per cent goes
into consolidated revenue rather than being returned to the courts, is in reality yet another new and stealthily imposed tax by the Gillard government—new or increased tax No. 28.

I am sorry to inform the Senate that this litany of indecision and incompetence does not end there. In fact, it continues into the heart of this bill. At Senate estimates earlier this month, the Legal and Constitutional Affairs Legislation Committee heard that this bill is yet another half measure. On 18 October last year—and bear in mind that this bill was introduced into the House of Representatives on 31 October and today is the last day of February—the Chief Justice of the Family Court and the Chief Federal Magistrate, Mr Pascoe, wrote to the Attorney-General's Department a letter in the following terms. These are the heads of two of the four Commonwealth courts: the heads of jurisdiction of the Family Court and the Federal Magistrates Court. This is what they jointly said:

After consultation with the Attorney-General's Department, the courts settled and agreed upon a model which provided for a separate agency to be responsible for their combined administration. The model had the virtue that it provided for a transparent and independent agency with one CEO. This model allowed for the existing situation to continue—that is, where the CEO of the agency is also the CEO for both courts. It also provided for other arrangements at a future time, whereby the courts could have separate CEOs—that is, principal registrars—who were responsible for judicial administration as distinct from the work of the agency. This would align all federal courts other than the High Court.

The present draft—that is, the draft of this bill—does not reflect that agreement, and the Chief Justice of the Family Court and the Chief Federal Magistrate have pointed this out. Whilst understanding the need to have legislation in place for the 2013-14 year, the Chief Justice of the Family Court and the Chief Federal Magistrate remain hopeful that further legislation can be introduced as soon as practicable that reflects the agreement reached between the courts.

The opposition supports the passage of this bill because it is necessary to regularise the longstanding, anomalous position of Mr Foster as the CEO of one court, the Family Court, and the acting CEO of the other federal court concerned, the Federal Magistrates Court, but it is an incomplete solution. It is urgent that this legislation be carried, but our support for this bill should not be understood to represent satisfaction with, or confidence, in the manner in which the government has conducted the administrative integration of these two courts. On the contrary, the two heads of jurisdiction—both courts, of course, established under Chapter III of the Constitution and exercising the judicial power of the Commonwealth—took the trouble in October of last year to write to the government to say that this legislation does not reflect the agreement reached on these matters. That is an appalling situation, and, as their honours said in the letter from which I have quoted, 'further legislation will be needed and needed urgently to reflect the agreement reached between the heads of jurisdiction'.

What was the government's response to this letter from the heads of the two jurisdictions concerned? It will astonish you, Mr Acting Deputy President. It certainly astonished me when I asked this question at Senate estimates a fortnight ago that the letter was not even acknowledged. It was not even acknowledged. Now, that is worse than bad process; it is worse than mere discourtesy. When the two heads of jurisdiction of one organ of government, the Commonwealth judiciary, write to the responsible minister of the other organ of government, the executive government, and
say that the bill proposed to be introduced into the third arm of government, the parliament, does not reflect the agreement reached and is not satisfactory to them, that is a profoundly disturbing event. When a matter of that gravity is not even acknowledged, let alone addressed, by the government, then that takes incompetence beyond the bounds of the ordinary level of incompetence, if I may put it that way, that we have seen from this government. I suspect Ms Roxon at the time was too busy with her social engineering to bother.

In any event, I am relieved to say that the department is now at least speaking to their honours about their courts’ concerns, but it must be asked how this legislation came to be approved by the cabinet and introduced into the parliament with the government’s full knowledge that it did not reflect in full the agreement reached between the courts as to their shared administration and communicated to the government. The department’s justification for proceeding in the face of the advice of the two heads of jurisdiction is that Mr Foster’s position needs to be regularised and, as I said a moment ago, the opposition accepts that. Mr Foster’s position has needed to be regularised since 2008—it is now five years since the government started tinkering with these two federal courts. I should say that these two courts are the courts in which the lion’s share of Commonwealth cases are dealt with within the federal judiciary. The High Court deals with a relatively small number of very important cases each year and the Federal Court deals with a much larger volume of trial and appellant work, but the vast majority of cases invoking the federal judiciary are cases in the Family Court’s jurisdiction and in the Federal Magistrates Court’s jurisdiction.

To leave this matter unsatisfactorily attended to for five years—in effect, throughout the entire life of the Rudd and Gillard governments—and still not satisfactorily addressed in this bill has resulted in nothing but turmoil in those jurisdictions for the life of this government. It is only now that it sees fit, after years of pressure from the opposition—and, if I may say so, from me on behalf of the opposition in Senate estimates—to regularise Mr Foster’s position, but it fails to reflect the agreement reached between the courts. There will have to be the dedication of more resources towards drafting and further amending legislation and location on the legislative program for that legislation before the expiry of the 44th Parliament. As honourable Senators know, the Senate only has five more sitting weeks before the announced date of the election on 14 September and the House of Representatives has only seven more sitting weeks. Given this government’s truly heroic record of indecision and bungling, it may well be that the responsibility for cleaning up this mess—a mess that has its genesis early in the life of the Rudd government in the 43rd Parliament—will not be completed until the 45th Parliament. Our courts and the people who need to take their disputes and their matrimonial affairs to those court to be regularised certainly deserve to have been treated a lot better than that.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:22): I thank Senator Brandis for his contribution. I would also like to thank the Senate Legal and Constitutional Affairs Legislation Committee for its work in considering this bill and for its report in which it recommended that the bill be passed. This bill is an important step in allowing our justice system to function efficiently and effectively and to ensure that our courts can provide the best service possible.
The review conducted last year by Mr Stephen Skehill into small and medium agencies in the Attorney-General's portfolio, including courts and tribunals, recommended various ways these agencies can function most efficiently. This bill implements specific recommendations from that review. The Family Court, the Federal Magistrates Court—soon to be the Federal Circuit Court—the Federal Court and the National Native Title Tribunal, the NNTT, all play a vital role in Australia's judicial system. This bill will streamline administrative processes while ensuring that each body retains its distinctive identity and will ensure that the focus of these organisations is on people who need to access justice through the courts' and the tribunals' services.

Schedule 1 of the bill finalises reforms which commenced on 1 July 2012 when the NNTT was consolidated with the Federal Court as a single agency for the purposes of the Financial Management and Accountability Act 1997. At this time the NNTT’s budget appropriation and corporate services, as well as responsibility and resourcing for native title claims mediation and claim related ILUA negotiation assistance, were transferred to the Federal Court. The amendments in this bill finalise these changes by folding the NNTT into the Federal Court for the purposes of the Public Service Act 1999 and by making consequential amendments to the governance, financial and annual reporting framework of the consolidated entity.

The new arrangements are expected to generate $19 million in savings over the next four years by reducing unnecessary duplication and improving administration between the Federal Court and the NNTT. More importantly, however, the arrangements will also better align and allocate functions between the agencies, contributing to the more timely resolution of native title claims. The reforms build on the government’s 2009 reforms, which gave the Federal Court a central role in managing native title claims mediation. Since those reforms the rate of consent determinations has increased almost fourfold.

The move to shared administration between the Family Court and the Federal Magistrates Court was a joint initiative of these courts in November 2008. Since this time the two courts' administration wing has operated very successfully. The success of the shared administration arrangements was recognised and supported by Mr Skehill in his report.

As recognised by the Senate committee, this bill is critical to ensure certainty for these important institutions and it is important that the reforms to formalise arrangements commence swiftly. The Chief Justice of the Family Court and the Chief Federal Magistrate have both noted the importance of providing certainty about their administration arrangements as swiftly as possible. The bill ensures that the courts retain their separate and distinct identities. The head of jurisdiction of each court will still be responsible for managing their own court and the courts will continue to operate as independent chapter 3 courts. The government is very aware that, during consultation on this bill, the Chief Justice and the Chief Federal Magistrate suggested further amendments to their overall courts' structures. This included proposals which may affect the operation of the judicial affairs of the courts, such as creation of a principal registrar position in the Federal Magistrates Court in legislation.

Following public disclosure of the chief’s suggestions, there has been some unjustified criticism that the bill fails to deal with these proposals and that the government has not properly engaged in consultation with the
affected courts. As the Chief Justice made clear in media following, she is happy to pursue further amendments at some future point and her main priority is to have these measures in place for the start of the next financial year.

This bill is not some once-in-a-generation opportunity to wide-ranging sorts of reforms to the running of the federal courts. Court reform is an iterative process and the government will consider these proposals in a measured way. There is no need to rush in amendments without fully considering whether they will contribute to court efficiency and independence. To that end, I wish to clarify any misconception the committee senators may have that this would lead to amendments to this specific bill. We are more than willing to consider such amendments for future legislation.

The government’s court reform track record speaks for itself. In addition to the present bill, last year the government introduced bills relating to, firstly, the establishment of a new Military Court of Australia; secondly, changing the name of the Federal Magistrates Court to the Federal Circuit Court of Australia and the title of magistrates to judges; and, thirdly, introducing a new judicial complaints framework. In the difficult financial climate prevailing across much of the world, this government has been one of the very few within Australia and around the world to be able to inject significant additional funding into our courts, $38 million over four years, to ensure that essential court services are not lost to the community. This government is acutely aware of the importance of the courts, their constitutional independence as a separate arm of government and their institutional role in facilitating access to justice to the community in all its forms.

So let me make plain again what this bill is doing. Given the success of the shared administration arrangements over the last four years, it is appropriate that the government formalise it in legislation. The bill does not seek to fundamentally change the way the courts operate but simply allows them to continue these arrangements with greater legal certainty. That the bill achieves this by amending the Family Law Act 1975 in no way affects the relationship and status of the Federal Magistrates Court and the Family Court. The two courts will remain as two separate and independent statutory bodies, fully recognised by court users as separate courts. The merged administration will be clearly identifiable in implementing regulations to the Financial Management and Accountability Regulations 1997.

Those proposed amendments will make it plain that the agency for the merged administration will be known as the Federal Circuit Court and the Family Court of Australia, truly a shared administration.

This legislation has been developed in close consultation with the courts and the NNTT. The government thanks the heads of jurisdiction and the president of the NNTT for their contributions to this bill. The government looks forward to continuing to work closely with them to further improve the operations and, importantly, the experience of users when they interact with the courts and the tribunal. I therefore commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT
(Senator Ludlam) (13:30): No amendments to the bill have been circulated. Before I call the minister to move the third reading, does any senator wish to have a committee stage
on the bill to ask further questions or clarify further issues? If not, I call the minister.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (13:30): I move:

That this bill be now read a third time.

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (13:30): I know it is a little unusual, on a non-controversial item of business, to have a third reading debate. But I did want to take the opportunity to make two observations which follow on from Senator Farrell's second reading speech. First of all, it is true, Senator Farrell—and I, representing the conservative side of politics, would embrace your view—that these things should not be rushed. But heavens above, Senator Farrell! This started within months, if not weeks, of the election of your government at the beginning of 2008. We are now weeks away from the end of the parliament after that. So you have certainly not been rushing this.

The more substantive point I want to make is about the three things to which Senator Farrell pointed as his government's record of achievement in relation to the federal judiciary. First of all, the introduction of the Military Court of Australia was an initiative forced upon the government by a decision of the High Court which struck down the pre-existing military court. It was legislation developed in collaboration with the opposition and in a bipartisan fashion. The second legislative achievement he points to—that is, the reconstitution of the Federal Magistrates Court as the Federal Circuit Court of Australia—was the opposition's plan which we took to the 2010 election and which the government vigorously opposed throughout the life of the last parliament, only to do a complete U-turn about a year ago. The third proposal he pointed to—that is, the judicial complaints procedure—was a bill introduced into the Senate by me.

Question agreed to.

Bill read a third time.

Federal Circuit Court of Australia (Consequential Amendments) Bill 2013

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (13:33): This bill makes amendments consequent to the passage of legislation last year to reconstitute the Federal Magistrates Court as the Federal Circuit Court of Australia. The bill updates relevant references in legislation, consistent with the new name of the court and the change in title of federal magistrates to 'judge' or 'chief judge' as the case may be; makes bulk amendments to substitute 'Federal Circuit Court' or 'Federal Circuit Court of Australia' for 'Federal Magistrates Court' wherever it appears in the acts listed in schedule 2; and makes contingent amendments to a number of bills which are currently before parliament that make reference to the Federal Magistrates Court or to federal magistrates. Commencement of these contingent amendments will be subject to passage and commencement of those bills.

This is a bill which the coalition is happy to endorse because, as I pointed out in the debate on the previous bill, it puts into effect the coalition's policy announced at the 2010 election. On 13 August 2010, in the course of a debate with the former Attorney-General, Mr Robert McClelland, I announced:

One of the issues that has dogged this portfolio over the life of the Rudd-Gillard Government is the fate of the Federal Magistrates Court. The
Federal Magistrates Court was truly one of the success stories of the Howard Government. It was established in 1999 as a measure to enhance access to justice in the federal jurisdiction. Although it has jurisdiction over most matters arising under federal law, most of its work is in the family law jurisdiction. The Labor government made a grave error of judgment when it sought to dismantle the Federal Magistrates Court. To deal with smaller cases quickly, it is vital that there be a lower tier Commonwealth trial court. A Coalition government will restore a second tier Commonwealth trial court to deal with smaller family law, trade practices, industrial, bankruptcy, tax and administrative law matters. It will be called the Federal Circuit Court.

That was the coalition's election commitment in 2010, happily delivered by the Gillard government in this bill.

The Federal Magistrates Court, to trace the history of the matter, was established by the Howard government in 1999 to provide for timely, efficient and less formal adjudication of disputes in the federal jurisdiction. Since its establishment, it has been very successful. In 2011-12, it finalised over 92,000 matters, which included family law, industrial, migration, admiralty, bankruptcy, administrative law and consumer protection matters. The court now deals with 85 per cent of all family law matters, up from 60 per cent of all family law matters in 2004. Eighty-three per cent of all applications filed are completed within 6 months and 95 per cent are completed within 12 months, which is a testament to the efficiency of the court and the hard work of its members under the leadership of the Chief Federal Magistrate, Mr John Pascoe, and all the other federal magistrates.

Despite this impressive track record for swift, efficient and cost-effective delivery of justice, the Rudd and Gillard governments sought in 2008 to abolish the court. One of the first acts of the government within the Attorney-General's portfolio was to commission the Semple review of the federal courts, which recommended that the FMC be abolished and reconstituted as a separate lower division of the Family Court, with those federal magistrates who did not try Family Court work to be engaged as special masters of the Federal Court.

That plan, disclosure of which the Gillard government resisted throughout 2008, was finally publicly released in December of that year. The government accepted the recommendations in February 2009. However, the proposals received almost no support from any arm of the federal judiciary and none at all from the federal magistrates themselves, who rightly feared that the culture of innovation and efficiency that the court had built up to the benefit of all litigants since its establishment would be lost in the more procedurally focused Family Court.

The alternative proposal—the one which this bill represents and which the coalition announced in 2010—was widely reported to have the endorsement of the federal judiciary, as I can say, Mr Acting Deputy President Ludlam, from my own discussions with many officers of the federal judiciary at the time. Last year, the then Attorney-General, Ms Roxon, conceded defeat and instead proposed that the court be maintained under a new name to reflect its expanded workload and jurisdiction. As I said a moment ago, in doing so, she accepted the policy announced by the coalition at the 2010 election, including the very nomenclature which the coalition had proposed.

The name of the court, which the coalition proposed and which the government by this bill adopts, is appropriate for two reasons. Firstly, the Federal Magistrates Court is already a circuit court in the true sense of the
word. It has 13 principal locations and registries and 35 circuit locations around Australia. Circuit sittings are regularly conducted in such locations as Broken Hill, Dubbo, Coffs Harbour, Alice Springs, Bundaberg, Ipswich, Maroochydore, Mount Gambier, Burnie, Ballarat, Mildura and Shepparton. In 2011-12 the court allocated approximately 145 judge-weeks to its circuit program. This is an extremely valuable service, allowing parties to have their matters heard and determined without the need to travel to major centres. I am at pains to stress that, of the people who go to the Federal Magistrates Court, 85 per cent of their cases involve the more routine or mundane family law matters. They might be routine or mundane in a legal sense, but they are no less fraught and distressing for the people concerned. These are the everyday people of Australia who, through the end of a matrimonial relationship, need to have resort to a low-cost, swift, efficient arm of the federal judiciary, which this government proposed to take away from them. Secondly, having regard to the breadth, complexity and monetary limit of its jurisdiction, it now seems somewhat misleading to describe this court as a 'magistrates court'. At its establishment that seemed an appropriate descriptor involving comparison with the quick and less formal state and territory magistrates courts. However, the success of the model and the consequent expansion of its jurisdiction require the proper recognition of the work and the status of its 61 judicial officers.

Mr Acting Deputy President, as I noted in my remarks on the Courts and Tribunals Legislation Amendment (Administration) Bill a few minutes ago, the government's record on court administration is lamentable. It has been a study in fiasco and confusion. In 2011-12, the Federal Magistrates Court reported an operating deficit of $3.5 million. The court has reported ongoing pressure on its operating budget despite what it describes as 'Significant initiatives to reduce costs and generate efficiencies.' It has been unable to manage its work with the funds the government has provided without occasional sporadic emergency injections. In September last year, the Australian newspaper quoted the court's CEO, Mr Richard Foster, as saying:

Over the past several years, the courts have been operating at a loss. Despite implementing many cost-cutting initiatives, the point has been reached where in order to balance the budget in 2012-13, it would no longer be possible to continue the provision of many existing services, such as maintenance of regional registries, circuits and the use of family reports in parenting cases.

Replacement of judicial officers could not be afforded without further impinging on other services.

In other words, what the government now recognises as one of the principal reasons for the court's existence is that its circuit program was at risk as a result of the attrition of four years of a government seemingly hostile to the court's very existence. This is no way for the executive arm of government to treat the judiciary. It is worse than disrespectful; it is constitutionally inappropriate. Courts cannot be treated as a mere agency. What they do is not a mere program to be funded or defunded depending on the way the political and budgetary winds are blowing. As I said last year:

All the federal courts have been running at a deficit and are projected to do so for the next four years. The chief executives of the Family Court and the Federal Magistrates Court disclosed to the Senate Legal Affairs Estimates Committee— in May of last year— that, in order to comply with Department of Finance stipulations that the courts bring their budgets back into balance, the already stressed
services the courts provide will be cut back even further.

In a move that will only make a bad situation worse, the budget announced increases in court filing fees—the very threshold of access to justice—by a total of $76.9 million over four years. As was revealed in estimates a fortnight ago, more than 70 per cent of that will go to consolidated revenue and not be reinvested in the courts.

The Gillard government's attitude to accessible justice is to charge more and to provide less. Not only does this make a mockery of the government's self-serving record about social inclusion and social justice; it reflects a more disturbing approach that reflects a fundamental disrespect for the separation of powers. The courts are not an agency of the executive government and they should not be treated as such. They are a separate institution of government and they must be sufficiently resourced to perform their constitutional functions and preserve their constitutional integrity.

The coalition is, as the members of those courts know, deeply in support of their work and of their place within the Constitution. The work of the federal magistrates—or, as they shall soon be known, the judges of the Federal Circuit Court of Australia—has shown the value and wisdom of the Howard government's vision to provide for the greatest possible access to justice in the federal jurisdiction, just as this government's abandonment of its foolish intention to abolish that court and, instead, to embrace the coalition's proposal to elevate its status and recognise the importance of its constitutional function demonstrates the confusion with which the court's affairs have been dealt with by this government. It is with pleasure that the coalition supports this adoption of its 2010 election policy.

**Senator CONROY** (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (13:44): I thank honourable senators for their contribution to this debate on the Federal Circuit Court of Australia (Consequential Amendments) Bill 2013. This is an important time for our federal judicial system. This bill reflects more than simply a change in name and title; it demonstrates a joint commitment by the government and the court to ensure that regional residents have access to the same legal and judicial services as other Australians.

The bill operates together with the Federal Circuit Court of Australia Legislation Amendment Act 2012, which passed the parliament late last year, to rename the Federal Magistrates Court as the Federal Circuit Court of Australia and to change the title of federal magistrate to judge. The bill makes consequential amendments across the Commonwealth statute book to reflect the court's new name and the new title for federal magistrates. It also ensures the smooth transition to the new name without disturbing existing arrangements and entitlements. The government plans for this bill to commence concurrently with the Federal Circuit Court of Australia Legislation Amendment Act 2012 so that the changes are implemented consistently and effectively across all relevant legislation.

The new name of the Federal Circuit Court of Australia and the new title of judge clarify the identity of the court and its judicial officers within the Australian judicial system. This name and this title better reflect the court's modern role and highlight the important service that the court provides to rural and regional communities through its program of regular court circuits. By way of illustration, in the 2011-12
financial year the court circuited to 33 rural and regional locations, spending the equivalent of approximately 145 weeks in federal magistrate hours hearing matters in those localities.

The government is backing these symbolic changes with the resources the court needs to do its job in the city and the country. In September, the former Attorney-General announced additional funding of $38 million across the federal courts, with the vast majority going to the front-line work of the Family Court and the Federal Magistrates Court.

At this point I turn to Senator Brandis’s somewhat repetitive criticisms of this government’s reform of and relationship with our federal courts. I think it is fair to say that the current and former attorneys-general pay little heed to Senator Brandis’s commentary from the sidelines. He claims credit for policies that this government has actually achieved. He criticises current funding levels but proposes no other funding model and does not explain from where his additional funding would appear.

It was this government that undertook the consultation with the court and legal community on a name that best reflected its role. It was this government that created a fee package to maintain court services and an administrative structure that puts the judiciary on a stronger footing. This government has brought forward a broad court reform package, including establishing a transparent framework for handling complaints about judicial officers, formalising the merger of the administrations of the Family Court and the Federal Magistrates Court and introducing legislation to establish the new Military Court of Australia to deal with serious service charges against ADF personnel. I note that even this vital piece of legislation, so important for our military personnel and introduced in response to the coalition’s comprehensive failure to create a constitutional military court, has yet to receive the opposition’s grudging agreement. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Ludlam) (13:48): As no amendments to the bill have been circulated, I shall call the minister to move the third reading, unless any senator requires that the bill be considered in the Committee of the Whole. I call the minister.

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (13:48): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Protection of Cultural Objects on Loan Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (13:49): Before I begin, can I thank the Senate for passing the legislation which has just had its third reading. We in the coalition have been trying for a very long time for this.

Turning to the Protection of Cultural Objects on Loan Bill 2012, while the coalition support the measures provided for by the bill, we have very grave misgivings about the manner in which the minister and
this Labor government have continued to lead the arts and cultural community on about their intentions in the broader area of arts and cultural policy in Australia. And we have seen this at work again in Minister Crean's opening remarks to his second reading speech on this bill.

Time and again, Labor arts ministers have continued to perpetuate the myth—or the threat—that they are about to produce, at any moment, something called the National Cultural Policy. Exactly what this policy will be, nobody knows. All the minister will say is that it will 'join the dots'. The minister's officials, before Senate estimates a fortnight ago, had great difficulty in even confirming that there was a draft policy even after the years of work that had apparently been going into the document under two ministers and in two different departments. And still, like the sword of Damocles, Labor's promised National Cultural Policy continues to hang over the heads of everyone in the arts community in Australia from the Australia Council to the major performing arts companies, the national collecting institutions and the community arts and crafts organisations—indeed, all members of the cultural community who rely upon federal or Commonwealth funding for their programs.

Fortunately, the measures contained in this bill, we expect, will provide greater certainty and confidence for institutions both internationally and domestically when it comes to cultural objects borrowed from overseas for temporary exhibition in Australian libraries, museums and galleries. Insofar as it does this, the coalition supports the bill. It is certainly not controversial to suggest that access to a wide range of cultural objects, be they works of art or cultural artefacts, is to be encouraged. The coalition supports measures which will add to the economic and social viability of our cultural institutions, museums, libraries and galleries. We anticipate that the bill will function to further encourage and enable these institutions to source foreign cultural objects by introducing a scheme which offers a measure of legal protection over the items when they are in Australia for temporary exhibition to institutions approved by the minister.

The scheme introduced by this bill augments the existing Protection of Movable Cultural Heritage Act 1986, which gave effect in domestic Australian law to the UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property.

Having said that, I will not detain the Senate any longer. Can I simply indicate that, notwithstanding the deeply lamentable record of the Labor Party when it comes to arts policy and the failure of this government to produce through the life of two parliaments a much vaunted national cultural policy which we still await and which we never expected to see, this small niche measure within the arts portfolio is uncontroversial and has the opposition's support.

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (13:53): In spite of Senator Brandis's comments, I would like to thank all senators for their contributions to the debate on this important piece of legislation. It comes at an exciting time for the arts and culture in Australia. We are deepening our cultural exchange with Asia and the government is finalising the national cultural policy. This bill further develops our cultural wealth by directly supporting international cultural exhibitions in Australia and it does that by establishing a scheme to protect cultural objects on loan
from overseas. The legislation also addresses a significant obstacle in Australia's major cultural institutions that they face in securing loans from overseas. In the absence of legislation it became increasingly difficult for these institutions to secure loans of cultural objects. This bill addresses that obstacle.

The bill deals with objects that are normally in a foreign country but are imported into Australia on loan for temporary public exhibition under arrangements made by institutions approved by the minister. It seeks to achieve the objective by limiting the circumstances in which the ownership, physical possession, custody or control of the objects can be affected by the objects in Australia. The legislation will reassure foreign lenders that Australia is a secure destination for loans of cultural objects and enable our great cultural institutions to successfully compete for world-class exhibitions. It aligns Australia with numerous other countries that have implemented legislation to protect cultural objects on loan from overseas. It will also ensure Australians continue to have access to the art works and cultural objects from the great collections around the world. As Minister Crean noted when he introduced the legislation, many of Australia's leading cultural institutions are planning exciting and ambitious future exhibition programs and this legislation will provide vital support to those activities. I commend this bill to the Senate.

Question agreed to.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Ludlam) (13:55): No amendments to the bill have been circulated. Before I call the minister to move the third reading, does any senator wish to have a committee stage on the bill to ask further questions or clarify further issues? If not, I call the minister.

Senator LUNGY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (13:55): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Sitting suspended from 13:56 to 14:00

QUESTIONS WITHOUT NOTICE

Gillard Government: Western Sydney

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (13:59): My question is to the Leader of the Government in the Senate. I refer to the Prime Minister's plans to visit Western Sydney and her visit to the Rooty Hill RSL on 12 August 2010 in the closing days of the last election campaign. On that election visit, the Prime Minister told the people of Western Sydney and, indeed, Australia that she would bring the budget back into surplus in 2013 and that Australia's net debt would not exceed six per cent of the GDP. It is now around 10 per cent. Given that the Prime Minister has broken both these fundamental election promises about the budget—solemn promises, which in fact underpin her ability to deliver everything else—why should the people of Western Sydney believe anything she tells them when she condescendingly drops in to Western Sydney to see them again in March 2013?

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:01): I thank the senator for his question. The Prime Minister's visit to Western Sydney next week coincides with a recent confirmation of Australia's AAA credit rating. When those
opposite and Senator Abetz talk about 'delivering everything else'; this Prime Minister has been delivering everything else. We are delivering a AAA credit rating.

Opposition senators interjecting—

The PRESIDENT: Order! When there is silence on both sides, we will proceed. The time to debate the issue is after question time, as the honourable senators know.

Senator CONROY: No Liberal government has ever achieved this coveted trifecta from all three global ratings agencies; it is the first time in our nation's history. When Senator Abetz talks about 'delivering everything else', what he wants to ignore is all of the promises and achievements of this government that have been delivered. Our economy has grown by 11 per cent since Labor came to office. We have September-quarter growth at 3.1 per cent, compared to the 10-year average of three per cent. Those opposite describe this as having 'no pulse' and 'flat lining', yet three per cent is higher than the 10-year average. There is low unemployment at 5.4 per cent, which is well below the OECD average of eight per cent.

This government takes an exceptional job creation record to the people of Western Sydney: around 847,000 jobs have been created since Labor came to office. We have inflation at 2.2 per cent—(Time expired)

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (14:05): Mr President, I ask a further supplementary question. Given Western Sydney is one of the fastest growing parts of Australia—as expressed to me by the Liberal candidate for Chifley, Isabelle White—does the minister agree that what the people of Western Sydney really want from this government is a plan, not just a visit when the polls turn sour? If the government is fair dinkum about helping the people of Western Sydney, why won't it abolish the carbon tax, which both increases the cost of living and destroys jobs, stop the boats and commit to build the WestConnex?

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:04): That question demonstrates the hollowness at the heart of those opposite, because what Mr Abbott is proposing for people in Western Sydney is cuts. He wants to scrap and cut the schoolkids bonus. He wants to slash funding to schools and rip up the NBN. People in Western Sydney are already feeling the pressure from the savage cuts inflicted by the O'Farrell Liberal government on schools and hospitals.

There will be more to come if Mr Abbott becomes the Prime Minister of this country, because cutting services is what Liberals do—it is in their DNA. They will cut health, they will cut education, they will take away nurses, they will take away hospital beds and they will take away teachers. That is what those opposite are committed to. The Labor Gillard government are delivering for Western Sydney. We are rolling out—(Time expired)

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (14:03): Mr President, I ask a supplementary question. Given the cynicism with which state and federal Labor governments have treated the people of Western Sydney—breaking promises while taking their votes for granted—why should anyone in Western Sydney continue to reward the corruption, incompetence and deceitfulness that now define the Labor brand?
Minister on Digital Productivity) (14:06): The people of Western Sydney are going to be able to talk directly with the Prime Minister next week. Those opposite are engaged in cheap political stunts. What the Prime Minister will be able to tell the people of Western Sydney about: an inflation rate of 2.2 per cent, well below the 10-year average of 2.8 per cent; a low cash rate, sitting at three per cent, lower than at any time under the last Liberal government; and an interest rate and a cash rate which are at a lower level than they were at any time under those opposite, who claim the mantle of economic rectitude falsely. We have very low debt. Net debt, as a percentage of the GDP, has peaked at one-tenth of the level across major advanced countries. (Time expired)

**Economy**

Senator STEPHENS (New South Wales) (14:07): My question today is to the Minister for Finance and Deregulation, Senator Wong. Has the minister seen any recent international reports on the performance of the Australian economy, and how does this compare with the performance of other major advanced economies?

Senator WONG (South Australia—Deputy Leader of the Government in the Senate and Minister for Finance and Deregulation) (14:07): I thank Senator Stephens for her question. Like other senators on this side, she takes a strong interest in economic management and jobs growth, which puts those on this side, if I may say, Mr President, in a very different position from the carping negativity from those opposite. Earlier this week, Standard and Poor's confirmed Australia's AAA credit rating. The strong economic management of this Labor government has seen Australia awarded the coveted gold-plated AAA rating from all three global ratings agencies for the first time in our nation's history.

Senator Brandis interjecting—

**Senator WONG:** I know the truth hurts, Senator Brandis, but the reality is that we are one of only eight countries across the world holding a AAA—

Opposition senators interjecting—

The PRESIDENT: Senator Wong, you are entitled to be heard in silence. If people wish to continue to talk, all they will do is disrupt question time when people want to hear the answers that are being given.

Senator WONG: We are one of only eight countries across the world holding a AAA rating with a stable outlook—something no Liberal government has ever achieved. In fact, the International Monetary Fund has confirmed that the Howard government presided over a period of wasteful fiscal profligacy. I would invite those opposite to consider the report of the International Monetary Fund. We on this side do understand, notwithstanding our strong fundamentals, that not everyone is doing it easy. We understand that. That is why we have been focused on ensuring the economy is continuing to grow. We are focused on ensuring that we continue to grow jobs and maintain economic strength at a time of global volatility. Our responsible budget decisions have given the Reserve Bank room to move—and lower rates, of course, mean that modern families with a $300,000 mortgage are paying around $5,000 a year less in repayments than they were when the Liberals left office. This shows the government's continued sound economic management. (Time expired)
Senator STEPHENS (New South Wales) (14:10): Mr President, I ask a supplementary question. I thank the minister for her answer. Can she outline to the Senate any recent developments to support the kind of prudential economic management recognised by the Standard and Poor's report and, in particular, is the government considering any steps to assist in ensuring post-election transparency in the cost of election promises?

Senator WONG (South Australia—Deputy Leader of the Government in the Senate and Minister for Finance and Deregulation) (14:10): We do believe that transparency around policy costings is important, and that is why last week the Deputy Prime Minister announced the government's intention to enhance the Parliamentary Budget Office's capacity to ensure budget transparency from all sides of politics with additional resourcing of the Parliamentary Budget Office to support this role. This will enhance the office's capacity for costings to be prepared in the lead-up to the election and remove the excuse which we have previously heard from those opposite for policies to be released as thought balloons rather than to be properly costed. We will also introduce legislation that would require the PBO to prepare a post-election audit of all parties' commitments. This is an accountability safeguard, a transparency safeguard, which we know the Australian people need because of the form of those opposite who hid an $11 billion black hole through the last election only to be found out. (Time expired)

Senator STEPHENS (New South Wales) (14:11): Mr President, I ask a further supplementary question. Can the minister explain any other steps that the government is taking to promote transparency around costings before the election?
as they juggle their increasing bills and the AAA credit rating, have any faith that this government understands the challenges they face when it treats them and an important local institution like Rooty Hill RSL, which gave $1 million to their local community last year, with such contempt?

Honourable senators interjecting—

The PRESIDENT: Senator Conroy, I will give you the call when there is silence. I am quite prepared to wait until there is silence on my right and on my left.

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:14): Labor is delivering for Western Sydney. The NBN is rolling out, we are supporting thousands of local families with the schoolkids bonus and we are delivering record investment in infrastructure. That is what the Gillard Labor government is doing for Western Sydney. And, as some have already commented, we know where Western Sydney is, unlike some members of the opposition who think it is in Western Australia.

Last time the coalition won government, in 1996, the first thing that new government did was slash $2 billion off the roads budget and fail to fund infrastructure. That is the track record of those opposite: slashed $2 billion from infrastructure. I know that Mr Abbott voted against the economic stimulus plan, he voted against the funding of major public infrastructure works such as the Regional Rail Link and he voted against the NBN. A whole range of infrastructure projects in Western Sydney—and those opposite, with Mr Abbott, voted against them. So we know what will happen if Mr Abbott becomes the Prime Minister of this country. We know he will cut investment.

We know he will slash and burn. We know that that is the form.

The Leader of the Opposition shifts the goalposts every time he talks about the WestConnex project. First, he promised funding was unconditional. Now, apparently, it comes with strings attached. The government has committed $25 million to assist the New South Wales government with detailed planning on the project as well as to develop a business case and identify a process—(Time expired)

Senator PAYNE (New South Wales) (14:17): I would just be grateful for ADSL2 in my High Street, Penrith, office! Mr President, I ask a supplementary question. Doesn't the Prime Minister's attempt to justify her decision to base herself in Western Sydney rather than commute from Kirribilli against the traffic—even with green lights all the way—show that she has no idea and no interest in the infrastructure problems facing Western Sydney and that this visit is nothing but a desperate and cynical tactic?

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:17): If you are visiting Western Sydney for an extended period of time, it makes sense to stay there. Let us be sensible about this. The PM spending time in Western Sydney shows the importance of the region to the country.

Opposition senators interjecting—

The PRESIDENT: Senator Conroy, resume your seat. When there is silence, we will proceed.

Senator CONROY: In order to maximise the time the Prime Minister spends there over the next week, the PM has chosen to stay in Western Sydney. It really is as simple as that. All of the hypocrisy and the catcalls from those opposite are simply...
hypocrisy. The PM has spent a lot of time in Sydney over the last year, and anyone who has spent time in Sydney understands the pressures of the commute. So those opposite should just continue to advocate slashing and burning jobs and investment in Western Sydney, because the Liberal Party cuts in New South Wales are just a curtain raiser for the people of Western Sydney to the vicious cuts that the Leader of the Opposition, the member for North Sydney and the member for Goldstein will have to make. (Time expired)

Senator PAYNE (New South Wales) (14:19): Mr President, I ask a further supplementary question. Given that logic, people who live where I do and work in the CBD would check into the Sydney Hilton Monday to Friday each week. If the Prime Minister cannot pull off a stunt that gives the appearance that she cares about Western Sydney residents, and she cannot tell the truth about something as devastating to their lives as the carbon tax, what assurance can residents possibly have that any promises the Prime Minister makes next week are not just more lies?

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:19): What the people of Western Sydney know is that Mr Abbott will slash and burn health jobs, education, nurses and teachers. The people of Western Sydney know because this is what Mr Abbott has said in respect of the state cuts:

… I think it’s important that the state premiers do the job they were elected to do and that was to put their fiscal house in order and I respect the job that they’re doing.

How much respect are the people of Western Sydney going to get when those opposite start slashing and burning to cut a $70 billion black hole? They will be faced with the same arrogance and indifference—

Honourable senators interjecting—

The PRESIDENT: Just resume your seat, Senator Conroy. I will remind senators once again: it is a reflection on yourselves; the interjections are completely disorderly during question time, on both sides. I remind both sides that the questioner is entitled to be heard in silence, as is the minister responding.

Senator CONROY: The $70 billion black hole that those opposite have themselves admitted they have will have to be filled, according to their rhetoric. The people of Western Sydney—(Time expired)

Asylum Seekers

Senator HANSON-YOUNG (South Australia) (14:21): My question is to the Minister for Broadband, Communications and the Digital Economy, representing the Prime Minister. What is the government's attitude towards the comments of the Leader of the Opposition in the Senate in support of Mr Morrison's call for an effective alert list of where refugees and asylum seekers live in Australia? Mr Abetz said this morning:

… I would have thought it'd be a good idea to say that somebody’s moving next door to you that might not be able to have all the language skills that you might normally expect, or that they come from a traumatised background.

Are there any registers like this in Australia or other places in the world?

Senator Bernardi: Mr President, on a point of order: I am sure Senator Hanson-Youn asked the minister for an opinion, and I think that is against the standing orders.

The PRESIDENT: There was some interruption during the question. I will review the question at the end of question time. I will allow the question to stand—
Senator Abetz: And it was a misrepresentation.

The PRESIDENT: That can be corrected at another time, Senator Abetz, if you so wish.

Senator Hanson Young interjecting—

The PRESIDENT: No, no; I have allowed the question, Senator Hanson Young. The minister has the call.

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:22): I thank the senator for her question. The member for McMillan, a decent and honourable man, has exposed his party's negative immigration policy for what it is. It is a dog whistle. It is not a plan; it is a dog whistle. The Liberals are demonising thousands of people for cheap political purposes—cheap political purposes. One person is before the courts, and it would not be appropriate to comment further on that case. All people in Australia are subject to Australian law. The opposition's campaign of misinformation cannot be allowed to continue, and the member for McMillan is making that point.

These are the facts: before anyone is released from detention, they are subject to a security assessment, including identity checks. People on bridging visas are required by law to report to the immigration department regularly and to advise of any change of address. Any person in Australia is required to abide by the law. Failure to do so should result in criminal proceedings, no matter who they are. The opposition are cynically exploiting the incident which is before the courts, to cause fear and unrest in the broader community. And this continues their relentless negativity in opposition, in which they supported offshore processing but voted against it; they supported the increase in the humanitarian intake to 20,000 people and then changed their minds—(Time expired)

Senator Hanson-Young (South Australia) (14:24): Mr President, I ask a supplementary question. Isn't this simply a new, disgusting low in base-level politics from the Liberal Party? In saying that, my question to the minister is: are there any registers similar to that described by Senator Abetz in Australia or elsewhere in the world?

Honourable senators interjecting—

The PRESIDENT: When there is silence, we will proceed—simple.

Honourable senators interjecting—

The PRESIDENT: People wishing to debate the question, you have 35 minutes to wait. The minister.

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:25): It is hard, I know, Senator Hanson-Young, to believe that they could sink to a new low! It really is hard to believe that on this issue, above all else, they could sink lower. But I have to confess I suspect you could be right. I suspect you could be right that they have found a new low. We have seen the opposition today continue its negative, knee-jerk approach to immigration policy. The party which brought us temporary protection visas now wants an immediate freeze on all bridging visas. We know that the former government had no qualms about leaving people, including women and children, behind razor wire for years while their claims were assessed in Australia. The opposition must now explain how they would pay for their new policy of scrapping bridging visas and keeping people in detention. Those opposite—(Time expired)
Senator HANSON-YOUNG (South Australia) (14:26): Mr President, I ask a further supplementary question. Is the minister aware of the interview between Mr Morrison and Ray Hadley yesterday morning, when Mr Morrison announced this new low in refugee policy? What powers does ACMA have in relation to broadcasters aiding and abetting the dirty tactics of the Liberal Party?

Senator Brandis: Mr President, on a point of order: you will recall Senator Bernardi's point of order on the primary question. The second supplementary question certainly asked for the minister's advice on a question of law—what are the ACMA's powers—and an opinion. You should rule it out of order.

The PRESIDENT: I do not treat it as such at this stage. I will—

Senator Abetz interjecting—

The PRESIDENT: Senator Abetz, I hear you say you are interested in the answer. I am allowing the question to stand, and it is the minister who will address the question.

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:28): I can only again point to the member for McMillan and his strong views and criticism of those opposite. I have seen a report, though, Senator Hanson-Young, that possibly you have lodged or are in the process of lodging a complaint with ACMA, so I think it would be inappropriate for me to comment further on that. I have seen a report on that.

The opposition have an obligation to this country, but now they are announcing policy on the run—policy on the run on a radio station—as to how they are going to pay for all the people they are now going to keep in detention. That is the question that those opposite should be answering. Many people on bridging visas have work rights and are paying for themselves, not being supported by the Commonwealth. Before anyone is released from detention, they are subject, as I have said, to a security assessment—and any person in Australia is required to abide by the law. But the $70 billion hole is not big enough. They are now digging a deeper one— (Time expired)

Lyssavirus

Senator IAN MACDONALD (Queensland) (14:29): I ask a question of the Minister representing the Minister for Sustainability, Environment, Water, Population and Communities. The minister will be aware from the motion passed in the Senate yesterday of the death of a young person in Queensland as a result of contracting lyssavirus from flying foxes. At estimates on 12 February 2013, departmental officials advised me that a flying fox count from 14 to 16 February this year. Can the minister advise the Senate of the progress of that count and whether early returns show that the species, particularly the grey-headed flying fox and the spectacled flying fox, are anything but rare and vulnerable?

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:30): I thank the senator for that very detailed question. It was almost about a policy. The Australian government is continuing to streamline regulation for dealing with problematic flying fox counts. The government understands that there are common concerns about hendra virus and lyssavirus and recognises the need to ensure the safety of local communities while protecting our unique natural environment.
Minister Burke is aware that on 22 February 2013 an eight-year-old boy died after being infected with the Australian bat lyssavirus. This is the third case of this virus to be confirmed in Australia and the first since 1998. This disease can be carried by any bat or flying fox in Australia. The most effective way to avoid this virus is to avoid handling bats or flying foxes. Only people trained in the care of bats should handle bats or flying foxes.

As to the specifics of the monitoring program, the first national count under the National Flying Fox Monitoring Program was held from 14 to 16 February 2013. The Australian government is working with CSIRO and state agencies to count animals in every known roosting site of the grey-headed and the spectacled flying fox four times a year. The program will improve data on the population status, the trend and the risks associated with flying foxes. The data will help to manage the potential impact of flying foxes on agriculture and public health, while recognising the important role as pollinators in our native forests. The Department of Sustainability, Environment, Water, Population and Communities funded CSIRO initially to develop the monitoring methodology and has provided an additional $700,000 from the National Environmental Research Program and another—

Senator IAN MACDONALD (Queensland) (14:32): Mr President, I ask a supplementary question. Because of the federal government's classification of the spectacled flying fox as vulnerable, residents trying to protect their families and homes from these flying foxes are threatened with fines of up to $100,000 and jail terms for doing just that. In view of the threatening nature of the infestation of urban areas by flying foxes in places like Yungaburra, Cairns, Charters Towers and Inverell, what is the government doing to enable flying foxes to be moved on to non-urban routes as a matter of urgency? This is a matter of life and death, Minister.

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:32): As I was saying, another $795,000 to implement the program was provided by the Australian, New South Wales and Queensland governments through various virus research programs. There are 76 species of bats and flying foxes in Australia, all principally regulated under state and territory law. The national environment law applies to 11 of these which are considered threatened at the national level. Two mainland flying fox species are listed as threatened under the EPBC Act—the grey-headed flying fox and the spectacled flying fox. Community concerns centre on flying fox camps in urban areas. Action to disperse flying fox camps has the lowest environmental impact in winter, outside the breeding season and when temperatures are lower. Between 1994 and 2009, seven people have contracted the hendra virus following contact with an infected horse and four people have died. (Time expired)

Senator IAN MACDONALD (Queensland) (14:34): Mr President, I ask a further supplementary question. I appreciate the minister's answer but I ask the minister: does not he or the minister he represents understand that this is a matter of life and death? We do not want to wait for counts or other research. This is happening now. What I am asking the minister to do, as the Senate motion did yesterday, is to do something urgently about the Commonwealth classification of this species as vulnerable. It is clearly not vulnerable. Can the minister
give an undertaking to do something now to save lives? (Time expired)

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:34): I utterly reject any imputation that Minister Burke does not take this matter seriously—I absolutely reject it. In June 2012, the Queensland member for Dalrymple, Mr Shane Knuth MP, introduced a private member’s bill to empower landowners to cull or drive away flying foxes. The Queensland Minister for Environment and Heritage Protection, the Hon. Andrew Powell, has said the LNP has clearly outlined the flying fox management policy which aims to balance community safety and wildlife protection and would therefore not be supportive of—

Senator Ian Macdonald: Mr President, I rise on point of order on the grounds of relevance. I am not asking about another government. I am asking this minister about his government. Under the EPBC Act, which his minister administers, the flying fox is listed as vulnerable, which is stopping state governments doing anything. I ask the minister to return to the question about what the Commonwealth is doing, not what other governments are doing.

The PRESIDENT: The minister needs to address the question.

Senator CONROY: On the specific issue that you raised in your further supplementary question, I am happy to take that on notice to see whether there is any further information the minister can provide.

Queensland Floods Recovery

Senator FURNER (Queensland) (14:36): My question is to the Minister for Agriculture, Fisheries and Forestry, Senator Ludwig. Can the minister outline to the Senate how the government is supporting Queensland recovery and rebuilding after the floods this summer, and what additional support is the government delivering for Queenslanders?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:36): I thank Senator Furner for his question. Today in Ipswich the Prime Minister unveiled the Queensland support package to provide additional targeted assistance to those hardest hit by the Australia Day flood. We are standing with Queensland to assist the communities, small businesses, primary producers and their families who have been the most impacted and need that extra little bit of support to get back on their feet.

We have already rolled out significant assistance in categories A, B, C and some D measures, and today we are also announcing extra assistance which builds on our track record of helping Queensland, just as we did through the 2010-11 floods and Cyclone Yasi, where we provided $6 billion worth of assistance. Today’s package supports local businesses and local economies. We are investing in clean-up and recovery programs and industry recovery offices to get our farmers back into production as soon as possible. We are investing in the Rural Financial Counselling Service and Small Business Advisory Services to make sure primary producers and small businesses can access good advice and financial planning to help them on the road to recovery. We are providing concessional loans and grants to help primary producers and businesses to repair damage caused by the flooding. We are also helping communities that have been truly hit for six. We will deliver tailored recovery packages for community wellbeing in Bundaberg and North Burnett, including mental health and social gatherings so
communities can heal. For the environment we are supporting programs like Reef Rescue and natural resource management groups to clear waterways and reduce run-off. We are also backing our local councils and their workers that will be patching up roads and doing the reconstruction work. 

(Time expired)

Senator FURNER (Queensland) (14:38): Mr President, I ask a supplementary question. Can the minister explain to the Senate how the government is supporting Queenslanders' insurance costs as part of mitigating floods?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:38): I thank Senator Furner for his first supplementary question. Today the government announced $100 million over two years to reduce flood risk and bring about real reductions in insurance premiums. The National Insurance Affordability Initiative will invest $50 million a year in targeted flood assistance and other natural disaster mitigation measures as well as establish the National Insurance Affordability Council. These measures are designed to better protect communities and help reduce insurance premiums in flood-affected regions. The learned experience of Australia shows that, by taking action on mitigation, we can significantly reduce insurance premiums. In this investment we are targeting three specific projects in New South Wales and Queensland. We are making a $7 million contribution to building the Roma levee. In addition to that, the second project will be $10 million to upgrade flood defences in Ipswich, and also we will make available— (Time expired)

Senator FURNER (Queensland) (14:39): Mr President, I ask a further supplementary question. Can the minister inform the Senate of the importance of the state and federal governments working together to help those most impacted by natural disasters?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:39): I thank Senator Furner for his second supplementary question. The final element of the government's action today is to provide, for the first time ever, a dedicated fund for the improvement of local government roads as well as their standard. Today we put in place a betterment fund that will support local councils to improve their local roads and assets to a level above the current standard and to make them more flood-proof and more resilient. Our government has put on the table a contribution of $40 million to the fund, which we expect the state government to match. I have some comments by Premier Campbell Newman on this support, which he says comes with strings attached. That is true, because the state government want to get a slice of the money. I said no. They want to give it to main roads. I want to make sure it is for local councils like Bundaberg, the Lockyer Valley and the North Burnett. (Time expired)

Foreign Investment

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (14:40): My question is to the Minister representing the Treasurer, Senator Wong. I refer the minister to a recent study of foreign investment in prime agricultural land jointly conducted by the Politecnico di Milano in Italy and the University of Virginia in the US. That study found that almost 10 per cent of Australia's prime agricultural land is now foreign owned, putting the rate of foreign ownership in Australia at the fifth highest in the world,
behind only the Democratic Republic of the Congo, Indonesia, the Philippines, Sudan and South Sudan. Given these findings, will the government now admit its mistake of increasing the threshold for the Foreign Investment Review Board referral in 2009 from $100 million to more than $200 million? Isn't it time that the threshold was reduced so that at least some private foreign investment in Australian farms is reviewed by the government before it is approved?

Senator WONG (South Australia—Deputy Leader of the Government in the Senate and Minister for Finance and Deregulation) (14:41): I have to say it is interesting that that question has been asked given that the Leader of the Opposition visited China and indicated that the opposition welcomed foreign investments. One wonders whether economic policy is being dictated by the National Party or by the Liberal Party. Maybe Senator Sinodinos or Senator Fifield might want to inform us.

Government senators interjecting—

The PRESIDENT: Senator Nash is entitled to hear the answer, those on my right. Senator Wong, continue.

Senator WONG: Thank you, Mr President. I am happy to make some comments about Australia's foreign investment.

Senator Brandis: You don't know the answer to this question, do you?

Senator WONG: I think it says—

The PRESIDENT: Order! Interjections are disorderly and should be completely ignored.

Senator WONG: It says something about you, Senator. I am happy to make some comments about the framework associated with our foreign investment regime. As the senator should know, all foreign governments and their agencies and state-owned enterprises must notify the FIRB and receive an approval before making a direct investment in Australia, regardless of the value of investment. We also, as you would know, have announced that we will implement a national foreign ownership register for agricultural land following consultations with stakeholders, and the government has made that announcement. I understand that the government has released a discussion paper—

Senator Nash: Mr President, on a point of order on relevance, I specifically asked the minister about the potential lowering of the threshold of FIRB. She is yet to address the question, and I ask you to draw her attention to it.

The PRESIDENT: The minister is addressing the question. The minister has 25 seconds remaining.

Senator WONG: I was informing the senator about the design of the register associated with foreign ownership of agricultural land. I am advised that the government has released a discussion paper on these matters, and the consultation period ended on 1 February—this month. This continues the government's reform process in this. In relation to the study that the senator has referenced—(Time expired)

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate) (14:44): Mr President, I ask a supplementary question. I refer to the tabling of the FIRB's 2011-12 annual report last Friday. That report showed that levels of foreign investment in agriculture since 2007 have averaged $2.5 billion per year compared to an average of just $274 million per year in the 10 years before 2007. Why has the government presided over such a large increase in foreign investment in Australian agriculture without taking any policy action to tighten the monitoring of
foreign investment that occurs in our farming sector?

Senator Wong (South Australia—Deputy Leader of the Government in the Senate and Minister for Finance and Deregulation) (14:45): Mr President, I notice some Liberal senators shaking their heads and I am unsurprised, because investment means jobs. If the National Party's new platform is that we do not want more jobs in regional Australia, why not fess up to it? Why not come down and have a chat to Alexander Downer, who wrote a column recently in the Adelaide Advertiser extolling the virtues of foreign investment? Clearly, what we have here is either the policy of the coalition when it comes to foreign investment is being dictated by Senator Barnaby Joyce and his colleagues or Senator Nash is out of line here and Mr Abbott lied to the Chinese government when he went there and said he supported—

The President: Order! Senator Wong, you need to withdraw that comment.

Senator Wong: I withdraw. Mr President, it is quite an extraordinary proposition that is being put: that is, we do not want investment that creates jobs in Australia. We have a sound and strong framework to process foreign investment—

(Time expired)

Senator Nash (New South Wales—Deputy Leader of The Nationals in the Senate) (14:46): Mr President, I have a further supplementary question. I refer the minister—

Honourable senators interjecting—

The President: Order! Order! Senator Nash is entitled to be heard in silence. Senator Nash is entitled to be heard in silence on my right and on my left.

Senator Nash: I refer the minister to reports in the Australian on 21 December 2012 that the Trade Minister, Dr Craig Emerson:

… has promised China it will iron out problems with excessive "green tape" and environmental approvals to encourage and fast-track greater Chinese investment in Australian agriculture.

Why is the Australian government removing green tape for Chinese investment when it has walked away from an agreement at COAG to remove green tape for Australian farmers?

Senator Wong (South Australia—Deputy Leader of the Government in the Senate and Minister for Finance and Deregulation) (14:47): I will answer those aspects of the question that fall within my portfolio or representing responsibilities. I suspect comments by the Minister for Trade do not fall within that category—

Senator Brandis interjecting—

Senator Wong: But that is why—Senator Brandis, if you could stop interjecting—I am going to respond to those aspects which do fall within the portfolio. The government has a view which is twofold. First, that it is in Australia's national interest to continue to welcome foreign investment that creates jobs in this country. These are jobs for Australians; these are jobs which would not be here were it not for foreign investors. The second proposition is that you want a sound framework to assess that investment, which is why from the first dollar of every investment by a foreign government or a foreign state owned enterprise the national interest applies and there is an assessment process. In addition, as the Senate would know, there are monetary thresholds over which assessments in relation to—

(Time expired)

Building Materials Imports

Senator Madigan (Victoria) (14:48): My question is to the Minister representing the Minister for Industry and Innovation,
Senator Lundy, Minister, is the government aware of serious community, industry and union concerns about the dangers associated with the apparent, widespread and increasing misuse of imported substandard building products, plant and equipment on Australian construction sites—including dodgy imported plywood, imported glass with similar associated risks for both workers and the public and dodgy imported structural steel and plant and equipment like cranes, slings, cables, wire rope, scaffolding, paints and adhesives?

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (14:49): The government is aware of claims of substandard materials being imported into Australia and, like most enforcement issues, it is very difficult—practically impossible, in fact—to inspect every single shipment of materials that are imported into the country. The enforcement of standards, especially those referenced in the National Construction Code, is largely a responsibility of state and territory governments, but it is certainly the case that any issue which has a bearing on the health and safety of workplaces and communities more generally is something that is taken extremely seriously by the government.

Product failure on construction sites may depend on the way products are used on the building sites or whether the right products are being used for the right purpose. It may also depend on the quality of the product, which may or may not contravene Australian standards covering the goods. I certainly appreciate Senator Madigan's concern for maximising Australian content in major construction projects. The government's recently announced plan for Australian jobs will seek to increase the level of Australian participation and therefore the amount of Australian products in construction projects. A new Australian Industry Participation agency will work with local businesses to take advantage of opportunities to work on major projects or tap into global supply chains of international companies. Our reforms to anti-dumping rules mean Australian industry can compete in our domestic market on a level playing field. We are investing $24.4 million to increase the Custom and Border Protection's investigative capability—almost doubling the number of investigators—and so making it easier for small to medium enterprises to access and use the anti-dumping system. It has been well reported that we are also establishing a new Anti-Dumping Commission to investigate dumping complaints for small to medium enterprises.

Senator MADIGAN (Victoria) (14:51): I ask my first supplementary, Mr President. Given that Australia's rights under the World Trade Organization's Agreement on Technical Barriers to Trade allows the technical regulations to field legitimate objectives, which the agreement states, includes the protection of human health and safety and that Australia's rights under the agreement allows for reasonable spot checks within Australian territory, does the government consider the current regime for the enforcement of standards on imported building products adequate?

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (14:52): I am glad the senator has taken the time to familiarise himself with the relevant provisions, particularly in reference to the WTO Agreement on Technical Barriers to Trade and our ability to impose product quality and safety standards and imported and, indeed, domestically produced goods. Reasonable spot checks are allowed to
ensure compliance with the relevant safety and other standards. This is true for domestically produced as well as imported products.

Spot checks are conducted on numerous products in Australia to ensure compliance with standards by both state and federal governments, but I am sure the senator is not suggesting that this enforcement regime be extended to literally every imported and domestically produced good. Such a regime would obviously introduce all of the understandably prohibitive costly processes for both government and the economy as a whole. Nonetheless, the spot check approach allows for a standard to be sustained in this way. In this regard, we do have confidence in the standards, but they require constant attention, as one would expect.

Senator MADIGAN (Victoria) (14:53):
On a second supplementary, in light of the fact that these substandard imported building products appear to be being utilised extensively, even in the construction of new government department buildings—for example, the apparently imported glass window panels in the ASIO building, which kept falling to the ground and are reportedly 30 per cent delaminated even before the public servants have arrived for their first day of work there—can the government provide details of how it intends to improve the current procedures which allow these substandard materials to enter Australia?

Senator LUNDY (Australian Capital Territory—Minister Assisting for Industry and Innovation, Minister for Multicultural Affairs and Minister for Sport) (14:54): I am sure Senator Madigan is not using the citing of just one example as a basis to indicate a fundamental problem. One of the issues we have in front of us is a whole series of measures contained in the job statement, two of which I have mentioned already—the Australian industry participation plans and the authority that we have established. Since July 2012 the AIP requirements have been extended to Commonwealth procurement grants and loans as well as grants worth $20 million or more to state and territory governments. Summaries of these Australian industry participation plans are now published online and include details of how project proponents will acquire and use information on Australian industry capability and how they will communicate these opportunities to local suppliers. (Time expired)

Australia Post

Senator COLBECK (Tasmania) (14:55):
My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. Does the government believe that regional Australia deserves access to the same standard of postal services as metropolitan Australia?

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:55):
The government is committed to all of the existing regulations. So, yes, we do believe that, just like we believe that in telecommunications and broadband everybody should get the same standard at the same price. This is a principle that the Gillard government is very committed to.

But my intuition suggests that we may perhaps get a question about the situation in Launceston, which has been canvassed. What those opposite are well aware of is that I have met with and spoken with Australia Post in recent times to clarify what was evolving in Tasmania. My understanding is that the guarantee on all outward bound has been maintained and that there are ongoing
discussions to see how Australia Post can continue to maintain its guarantee on the inward bound.

I do not want to pre-empt your questions, Senator Colbeck, but we have already met with and discussed with the management and board of Australia Post; we have clarified where there was a fair bit of misinformation. I think it was important to clarify what actually happened in Launceston around Express Post. There is no suggestion whatsoever that the next business day guarantee would not be available for outbound Express Post items from Northern Tasmania to metropolitan centres on the mainland.

Senator COLBECK (Tasmania) (14:57): Mr President, I ask a supplementary question. I thank the minister for his answer. His anticipation is pretty close to the mark, but it is not just about Tasmania and northern Tasmania; it is a national issue, he should understand. Does the government take any responsibility for the dislocation suffered by a business that has invested millions in infrastructure based on Australia Post’s next day service promise nationally—a business that is providing a vital agricultural and analytical service for the agricultural sector all over regional Australia that has had their business model trashed by this decision—or for the hundreds of farm businesses that stand to lose access to this vital analytical service?

Senator CONROY (Victoria—Leader of the Government in the Senate, Minister for Broadband, Communications and the Digital Economy and Minister Assisting the Prime Minister on Digital Productivity) (14:59): I understand the frustration. A whole week went by—at least a week—during which it was very hard to get the facts about this set of circumstances. That is why last week I sought a meeting at the first available opportunity with Australia Post. I think it is fair to say that there was a great deal of confusion because of some information—which was inaccurate—being passed to some individuals and then being
circulated publicly. So I do understand and share the frustration of the business you are referring to. As I said, we are in ongoing discussions with Australia Post about ensuring that all of that service can be guaranteed. There are practical issues relating to airline delivery schedules involved and it is not something you can fix overnight. There have been changes in schedules which have had knock-on effects. We are working with Australia Post to ensure that the outbound service can also be guaranteed. *Time expired*

**Senator Conroy:** Mr President, I ask that further questions be placed on notice.

**MOTIONS**

**Asylum Seekers**

**Senator Hanson-Young** (South Australia) (15:01): I seek leave to move a motion relating to the vilification of refugees and asylum seekers.

Leave not granted.

**Suspension of Standing Orders**

**Senator Hanson-Young** (South Australia) (15:01): Pursuant to contingent notice and at the request of Senator Milne, I move:

That so much of the standing orders be suspended as would prevent Senator Milne moving a motion to provide for the consideration of a matter, namely a motion to give precedence to a motion relating to the vilification of refugees and asylum seekers.

The last 24 hours have been an absolute low point for the opposition—scaremongering, dog whistling and the vilification of refugees and asylum seekers. Linking allegations of a serious sexual assault on a young woman to the Liberals' nasty, dog whistling politics of the day is simply revolting. Trying to suggest that all refugees and asylum seekers are criminals and that they should be put on a community alert list is nothing short of vilification. Fearmongering and whipping up hatred—that is what we have had from the opposition over the last 24 hours.

It is vitally important that, as members of this place, we stand up when we see this type of horrid, revolting dog whistling behaviour. It is absolutely paramount that, when there are people who are fanning hatred, fanning the flames of vilification, fearmongering and spreading nasty rumours rather than fact—which is what the opposition have continued to do over the last 24 hours—we call them on it. We have a responsibility as the lawmakers of this country to uphold the law. What the opposition's immigration spokesperson suggested yesterday was that, just because somebody is a refugee or asylum seeker, they have to abide by different laws than everybody else.

Thankfully there are some well-meaning and sensible people within the opposition who understand the rule of law. I congratulate Russell Broadbent and Mal Washer for standing up against this type of fearmongering and hatred being spread by the opposition—not just today but on a daily basis. How disgusting—to exploit an alleged serious assault on a young woman for their own political advantage. That is precisely what we saw the opposition doing yesterday and today. It is scraping the bottom of the barrel.

**Senator Ian Macdonald:** On a point of order, Mr Deputy President: I thought this was a motion to establish urgency—to convince the Senate that there was a need to dispense with the Senate's normal program in order to deal with this. So far I have heard Senator Hanson-Young debate the substantive issue but have not heard one word about why we should be doing it today rather than at the appropriate time.
The DEPUTY PRESIDENT: There is no point of order. These sorts of debates are generally allowed to range widely.

Senator HANSON-YOUNG: Thankfully, people like Russell Broadbent and Mal Washer are willing to speak up against this type of hatred—unlike Senator Abetz who, when he arrived this morning, suggested that, because asylum seekers might not have proper language skills or had perhaps been traumatised by their experiences in their home countries, they are so much of a risk to the community that they should be on a community alert list. Senator Abetz this morning said:

… I would have thought it’d be a good idea to say that somebody's moving next door to you that might not be able to have all the language skills that you might normally expect, or that they come from a traumatised background.

What is next? How low are the coalition prepared to go in their vilification of innocent people? Trying to tar all refugees and asylum seekers because it suits the opposition's politics of the day is simply revolting.

One of the reasons it is important that this parliament make a very clear statement that we will reject the vilification of refugees and asylum seekers is that the Leader of the Opposition, Tony Abbott, would not himself do this today. He has, yes, refused to rein Mr Morrison in. Despite the fact that Senator Abetz was right there, willing to gee him up, spread the hate and stoke the fire, Mr Abbott has not yet decided to speak out clearly against this type of hatred. It is time he did.

It is important we vote on this today because it is things like this which contribute to the type of community, the type of society, we are. If we have elected representatives whipping up fear—fearmongering, spreading hate and asking people to do it with them—then shame on them. This parliament needs to make a very clear statement that we will not accept the vilification of refugees and asylum seekers. (Time expired)

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (15:07): If the Australian Greens were genuine about this they would not be coming into this place so grossly and wilfully misrepresenting that which has been said, trying to take to this issue with an egg beater to whip it up into something it is not. The suggestion about a register was not mentioned by me; it was in fact mentioned as a result of a question to me by journalists about paedophiles being put on a register. I addressed that and I then said, 'And if I might say, I wouldn't put the two—namely, paedophiles and asylum seekers—in the same category, necessarily.' That is what I said.

In relation to notifying the community about immigrants, can I quickly—I do not do this often—share my own life story. I am an immigrant to this country. I could not speak one word of English when I arrived. Nor could Senator Arthur Sinodinos, for that matter. We were dropped into school so we could learn English and could undertake grade 1. Do you know why it is helpful for social harmony to tell somebody that they might be having people living next door who cannot speak the language? It is helpful for social harmony so that when somebody shouts across the fence 'G'day, mate,' and they do not answer, it is not because they are snobs but because they do not understand. Those of us who have personally lived the immigrant experience and know about it understand these things and believe that it is helpful to tell the community that they might have somebody next-door who cannot speak English. That is what the local Good Neighbour Council did way back in the 1960s when we arrived in a Hydro house in Tasmania. People then understood that we might not know what some of the salutations were.
It is about social harmony; it is about people understanding the issues. Those of us who have actually lived the experience know this. Those who seek to take up this issue for cheap political point scoring—at least we were spared the tears from Senator Hanson-Young this time—should not be telling people such as me, who have personally lived this sort of experience, that what we are saying is designed to vilify immigrants to this country. It is good to let people—the local police and health services—know that there might be somebody in the community who will need their assistance. I have raised this issue at Senate estimates in the past. It is all about social cohesion, letting people know so that they can understand—

Senator Ludlam: We'd want to know if you moved next door!

Senator ABETZ: I am not sure what Senator Ludlam interjected, but yet again when they are confronted with a genuine, real immigrant life story that does not suit them, they have to vilify it. Yet it is us who are allegedly vilifying. I simply say to Senator Hanson-Young that she now has a reputation in this country for deliberately whipping up these issues to gain attention and to get together that 10 per cent of the vote that she will need to retain her Senate seat. She is doing it on the back of deliberate social division. It is socially destructive; it is not helpful at all. Migrants appreciate it when people know they are from a migrant background and might not have all the language skills they need. People of good will in the neighbourhood—and organisations like the Good Neighbour Council—will be willing to assist and work with them. When members of the community say 'G'day mate' over the fence and get no response they will not be saying, 'Those migrants are snobs, aren't they; they don't even say g'day' because they will know those immigrants do not understand. People will be able to properly communicate and assist them.

Honourable senators interjecting—

Senator ABETZ: It is amazing—I am being hectored and lectured; people who have not lived the experience are telling me what I should have experienced. That says it all about the Australian Greens—they know it better than those of us who have actually lived the experience. (Time expired)

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (15:12): The government does not believe precedence should be given to this motion on the vilification of refugees and asylum seekers. As much as we are concerned about the vilification of refugees and asylum seekers, within about half an hour of us establishing today the agreed program of business Senator Hanson-Young sought leave to move this motion, having given no prior notice in the chamber. We were subsequently apprised that the Greens may attempt, if leave was not granted, to suspend standing orders. If Senator Hanson-Young wants to debate this issue, there are other opportunities today. In fact, general business is a component of this afternoon's program.

The substantive motion requests the Senate to reject the vilification of refugees and asylum seekers. There was no indication of the context or the urgency of the matter. Senator Hanson-Young has subsequently raised some issues, as she did in question time as well. None of these issues are matters of sufficient urgency to disrupt the agreed program, particularly given the other opportunities in the program for these issues to be canvassed.

Senator MILNE (Tasmania—Leader of the Australian Greens) (15:14): I stand up to
support this motion. It is urgent that the parliament condemn absolutely the idea that you would vilify asylum seekers and refugees, that you would try to marginalise them, that you would give a signal to the Australian people that it is legitimate to speak in the manner that the member for Cook, Mr Morrison, has done. That is why it is urgent. We need to stop this immediately before the shock jocks around the country get what they want—that is, to be able to amplify hatred on the airwaves. That is what this is about, that is why it is urgent, and that is why we need a statement from all political parties in this country condemning that behaviour.

For Senator Abetz to stand in here and pretend that what is going on is the equivalent of the Good Neighbour Council is an affront to decency in this country. I can say, having come from Tasmania, that people have been kind to refugees in Tasmania for a very long time, including to Senator Abetz's own family. For him to turn around now and suggest, as Mr Morrison has done, that it is important that the government look at ensuring that police in particular are advised of people being released into the community in their jurisdiction so that police are at least aware—that is a watch list. That is nothing to do with anything like what the Good Neighbour Council did or with so many other charities and so many other good people in the community who have worked very hard and continue to work very hard for the wellbeing of asylum seekers and refugees. So let us just dismiss that immediately and examine how disingenuous Senator Abetz was in the remarks he made.

I want to come back to the matter at hand. Of course, with the member for Cook, Mr Morrison, this is not the first time this has happened. Everyone will recall February 2011, when asylum seekers were being flown to Sydney for the funerals of relatives following that terrible boat accident on Christmas Island. What he said at the time was:

The Government had the option of having these services on Christmas Island. If relatives of those who were involved wanted to go to Christmas Island, like any other Australian who wanted to attend a funeral service in another part of the country, they would have made their own arrangements to be there.

And when it comes to the question of do I think this is a reasonable cost then my honest answer is, "No I don't think it is reasonable".

He is on the record. He did not think it was reasonable that children—children!—were facilitated in going to the funerals of their relatives who died in that terrible boating tragedy.

Furthermore, let us remember that it was Mr Morrison who—at a Liberal Party meeting in December at which shadow ministers were asked to bring three ideas for issues on which the coalition should concentrate its political attack during this parliamentary term—said that they should focus on Muslim immigration, Muslims in Australia and the inability of Muslim migrants to integrate.

This person has form on trying to capitalise on the misfortune of other people and trying to legitimise the vilification of those people, and it is a disgrace. As was said this morning by one of his own colleagues, everybody should be equal under the law in Australia. Everyone should be equal under the law. You do not put certain people on police watch lists—as Mr Morrison says because he wants to beat up fear and vilification and exploit that for the coalition going into the election. We had a 2001 election fought on that basis, and I do not want to see it happen again.

That is why it is urgent that we get up today, every one of us from across all
political parties, and say: vilification of asylum seekers and refugees is unacceptable. We do not want treatment of people to be determined by the prejudice and the mean-spiritedness of people who want to stand up and give the foghorn, the echo chamber, out there to the shock jocks, which will make certain people in the community think it is legitimate to go and threaten the safety of those people in the community.

Let me tell you: there are 8,700 asylum seekers, or thereabouts, living in the community. Are you saying that it is okay to vilify all of them because you choose to do so to make a political point? It is cheap politics. (Time expired)

Senator FIFIELD (Victoria—Manager of Opposition Business in the Senate) (15:19): As Senator Abetz indicated, the opposition will not be supporting a suspension of standing orders, but not because we seek to deny the opportunity for Senator Hanson-Young to have her motion put to a vote. We obviously support the right of all senators to have their motions put to a vote, but there are forms and there are processes in this place. Senator Hanson-Young gave notice this afternoon of her motion. The practice in this place is that motions are not debated on the same day that notice is given. Given that latitude has been given to Senator Hanson-Young in relation to those elements, I will also touch on some elements that might be more appropriately considered as debate, Mr Deputy President.

The prime concern of the opposition in relation to these matters is the welfare of people who come by boat to this nation seeking asylum, seeking the opportunity to make application for asylum. I think it is important that we go back to why we find ourselves in this situation. That is because the Labor Party and the Australian Greens together sought to systematically dismantle the arrangements that the Howard government had in place. Yes, we know that the arrangements that were put in place by the Howard government were the subject of great debate. Not everyone liked the measures that were put in place by the Howard government. But what is unarguable is that they were effective. The boats did stop. There were only a handful of people who were in detention at the time that the Howard government left office.

Our prime objective is to stop people being put in harm’s way in the first place. We do not want people to be taken advantage of by unscrupulous people smugglers. We want people to not be in harm’s way. We have seen a dramatic increase—month by month, year by year—since 2007 in the numbers of people who are put in harm’s way. That is why we find ourselves in this situation where there are something of the order of 8,000 or 9,000 or 10,000 people on bridging visas who have been placed in the community.

What the opposition is seeking to do is to have a freeze placed on people who have arrived by boat and are on bridging visas being placed in the community, until a review can be completed. The review would look at the circumstances in which people are placed in the community, where people are placed in the community and who should most appropriately be notified of those community placements. The rationale for
notification of authorities is not to have individuals on some sort of a watch list. It is so that people like the police have a greater awareness of the various elements in the community that they are responsible for policing. There is another element and that is concern for the welfare of people who have been placed in the community, because people who arrive by boat and who have made application for asylum are often vulnerable and can be taken advantage of. What the opposition is proposing is intended for their welfare. That is the starting point and the end point for the opposition. We do not want people to be put in harm's way getting to this country and we may want to make sure that the community and people seeking asylum are safe. (Time expired)

Senator CASH (Western Australia) (15:24): I too rise to speak to this procedural motion and to indicate, as Senator Abetz and Senator Fifield did, that the opposition will not be supporting Senator Hanson-Young's motion. As the Manager of Government Business in the Senate stated, the motion merely calls on the Senate to reject the vilification of asylum seekers and refugees. The motion does not explain why it is urgent and why it has to be debated following question time today. As the Manager of Government Business correctly pointed out, there are ample opportunities for Senator Hanson-Young—if she chooses to follow due process as the rest of us on both sides of this chamber have to do—to have her motion debated. However, Senator Hanson-Young—clearly because the Greens vote is dwindling—has decided to pull a stunt in the Senate this afternoon. I am quite sure that, if she is given the opportunity to speak again, she will only highlight that.

The motion that Senator Hanson-Young wants to move calls on this Senate to stop the vilification of refugees and asylum seekers—

Senator Hanson-Young: To reject it.

Senator CASH: Or to reject the vilification. The last time I checked, the Australian government takes the vilification of anybody in this country exceptionally seriously. We have a number of laws in place that specifically prohibit this type of behaviour. Further, the head of the United Nations acknowledges that Australia has the most generous humanitarian settlement services program in the world. I, for one, am exceptionally proud of that fact. It was the former Howard government that took steps to increase the number of people who come to Australia under this program. It was the former Howard government that added additional funds to this program. To say that in any way the opposition condones the vilification of asylum seekers and refugees is clearly not borne out by the facts. It may be borne out by the histrionics of the Greens but, when you take a step back and look at the facts, it is clearly not the case.

Merely because the shadow minister for immigration raises a concern with what is an exceptionally serious incident does not mean that he and the opposition are racist. It means that, following a certain incident, we have grave concerns for the people of western Sydney who I know consistently raise these issues with members of the coalition. The Greens want to try to shut down the debate on the issue that Australia has with asylum seekers. The Greens do not like Australia having strong border protection laws. That is anathema to the Greens.

Whenever the shadow minister for immigration raises a serious concern with government policy or response to an incident in the community, it does not matter how practical his comments are. He is almost immediately vilified by the Greens. The Greens are the party who would say to the Australian people, 'We believe in freedom of
speech but we find the comments of the shadow minister for immigration offensive.’ That is absolutely hypocritical, to say the least. All that the shadow minister for immigration has done is highlight what is now an issue with the government's policy and the fact that it needs to be reviewed.

Senator DI NATALE (Victoria) (15:29): Just when you think this debate cannot get any lower and the opposition cannot plumb new depths, they manage to surprise you. They do it with some of the most reprehensible and appalling dog whistle politics that we have seen on this debate so far. We had Senator Abetz this morning saying that we need to be careful about people moving into our neighbourhoods who do not speak English.

My grandmother came to this country and was here for 50 years. She came as somebody who was a migrant from Italy. She was illiterate. She spent 50 years in this country and she did not speak any English. She managed to produce a family of lawyers, teachers, factory workers and doctors. She made a huge contribution to this country. What Senator Abetz said this morning was not just a slight on people seeking protection in this country under the law as they are entitled to do; it was a slight on all of those people who come to this country under difficult circumstances and facing enormous challenges—people like my family. I thought that this debate could not get any lower and yet it has.

The question now for Mr Abbott is: where does he sit on all of this? What is his view about how we should be treating people who come to this country seeking our protection? Should they be treated equally under the law, as we have a long-established principle in this country of doing, or are we going to continue with the dog whistle? What concerns me is where we have got to in this debate. How much lower can we go than we got to today? (Time expired)

The DEPUTY PRESIDENT: The question is that motion moved by Senator Hanson-Young to suspend standing orders be agreed to.

The Senate divided. [15:36]

(The Deputy President—Senator Parry)

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

AYES

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

NOES

Abetz, E  
Bilyk, CL  
Bishop, TM  
Boyce, SK  
Brandis, GH  
Cash, MC  
Colbeck, R  
Collins, JMA  
Crossin, P  
Edwards, S  
Eggleston, A  
Farrell, D  
Feeney, D  
Fierravanti-Wells, C  
Fifield, MP  
Furner, ML  
Gallacher, AM  
Grover, H (teller)  
Lundy, KA  
Marshall, GM  
McEwen, A  
McKenzie, B  
McLucas, J  
Moore, CM  
Nash, F  
Parry, S  
Polley, H  
Pratt, LC  
Ruston, A  
Ryan, SM  
Singh, LM  
Smith, D  
Stephens, U  
Sterle, G  
Thistlethwaite, M  
Urquhart, AE

Question negatived.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS

Gillard Government: Western Sydney

Senator FIERRAVANTI-WELLS (New South Wales) (15:38): I move:
That the Senate take note of the answers given by the Minister for Broadband, Communications and the Digital Economy (Senator Conroy) to questions without notice asked by the Leader of the Opposition in the Senate (Senator Abetz) and Senator Payne today relating to western Sydney and the Prime Minister.

Even before the PM's campaign—which she states is not really a campaign because she is governing—has gotten off the ground, one of her most senior ministers has completely pulled the carpet out from under her. Today's papers show the effect of what Minister Butler said. One only has to look at headline from today's Daily Telegraph, 'The Rooty Hill show, five nights only' to see how the good people of Western Sydney have been made fun of. For them to be mocked in this way is absolutely outrageous.

Let us look at the other headlines from today: 'PM's Rooty Hill plan raises a laugh', 'Carry on in Rooty Hill', 'Carrying on governing goes west', 'PM plans to carry on lodging in Rooty Hill' and 'Nightmare for PM'. In fact, as the Herald Sun correctly points out, Ms Gillard is likely to have more luck playing the pokies at the Rooty Hill RSL than she is with pressing the flesh in terms of her broken promises.

I would have loved to have been a fly on the wall when the Prime Minister rang Minister Butler yesterday. One could only imagine the conversation. But, of course, her comments would have had to have been tempered because Minister Butler holds some very important votes, which is keeping her there, in place. Perhaps there are announcements being planned in Western Sydney—perhaps involving Minister Butler. It is interesting to note in the Australian Ageing Agenda a couple of days ago the talk about the government making a big announcement on the workforce compact; it is to be a very, very soon. If they are planning on doing it in Western Sydney with Minister Butler, Minister Shorten and the Prime Minister, perhaps they will think twice about the optics of all of that. I do not think that Minister Butler is quite welcome in Western Sydney after his latest escape.

Even Minister Butler's own colleague Ed Husic, the member for Chifley, publicly repudiated Minister Butler when he said:

I was shocked and outraged, I can't have snooty-nosed free settler types making funny comments about Rooty Hill.

The local member! And then, as the mayor of Liverpool advised the Prime Minister—and it is there in the Australian Financial Review today—that 'Commute if you mean it.' If the Prime Minister really wants to go out to Western Sydney, perhaps she might like to commute there because she would see what the people of Sydney face daily with the traffic congestion in that city. Perhaps if she went along Parramatta Road she would see all the empty shops that are there because of her carbon tax, because of high electricity prices and because of a whole lot of other things. In the end, the Prime Minister would really know this.

Of course, this is a dysfunctional government—a very dysfunctional government. The last time she went out to the Rooty Hill RSL she made a whole series of promises. She told us about the budget surplus. She told us about cutting company tax. She told us about a whole range of other things. I would really like to see whether she will go back to the Rooty Hill RSL and tell the people of Western Sydney that she lied to them then. How could anybody that she meets out in Western Sydney next week ever believe a word that this woman ever says again.

If she does go out and talk about what her government has done—and so we are hearing the ministers now saying, 'Oh, yes, but she is going to have dialogue with the people of Western Sydney'—she might tell
them why Chris Bowen, as the relevant minister, could not stop the boats—a very important point out in Western Sydney, or why Jason Clare could not stop the guns, or why David Bradbury wants to increase super tax. That is the record of the ALP in Western Sydney. (Time expired)

The DEPUTY PRESIDENT: Just before I call Senator Thistlethwaite, I remind senators to use the correct titles in addressing members of the other house.

Senator THISTLETHWAITE (New South Wales) (15:43): The opposition is making much of the comments of the member for Port Adelaide, Mark Butler. There is no doubt that it is not acceptable for any member of parliament to make fun of any person’s community or of where they live. I think the minister for Port Adelaide made a mistake and, given his time again, he probably would not make the same comments. But we all make mistakes in life.

The Prime Minister is going to Western Sydney to talk directly to families, to businesses and to communities about what this Labor government is doing in that area and what its plans for the future are.

It is an important region of this country. It is the fourth-largest economic zone in Australia. One in two residents of Sydney live in Greater Western Sydney. By Greater Western Sydney, I mean the WSROC, Campbelltown, Camden, Wollondilly and Hills districts.

This government understands how important Western Sydney is for the economic and social development of this country. That is reflected in this government's commitment to economic development in Western Sydney. It is reflected in the investment that this government has devoted to infrastructure in Western Sydney, which stands in stark contrast to the investment in infrastructure in that area that was made by the Howard government. Over the 12 years of the Howard government, $350 million was invested in infrastructure in Western Sydney—$350 million in the M7 road. That was the total amount that was invested by the Howard government in infrastructure in Western Sydney. In the five years of this Labor government, we have invested 10 times that amount, $3.2 billion, in Western Sydney. That is our commitment to economic growth in that important region.

The figures stack up: $800 million invested in the development of the Moorebank Intermodral, a very important freight investment that will take traffic and big trucks off Sydney roads; $980 million for the construction of the Southern Sydney Freight Line, which has been completed; $93 million to widen the F5 at Campbelltown, which has also been completed; $300 million to upgrade the Great Western Highway, which is underway; and $8.5 million to begin planning for the installation of an electronic freeway management system along the full length of the M4 motorway. That is what has been invested by this government in Western Sydney.

This government, the federal Labor Party, has delivered an initial instalment of $45 million to advance the WestConnex project. We have put aside $150 million in the budget for the progress of the M2 to F3 project. We have dedicated $2.1 billion—and the money is still sitting there on the table—to the Parramatta to Epping rail link, which will be a big connector for Parramatta and will cement its position as the second CBD of Sydney.

That is our commitment to infrastructure investment in Western Sydney, but we are also committed to delivering better services for this area. That is reflected, importantly, in health and education: at Nepean Hospital,
\$96 million for a new block; at Blacktown Hospital, \$31.7 million for 10 rehabilitation beds and 20 beds in a specialist neuropsychiatry subacute unit; \$17.6 million to construct the Blacktown Hospital clinical school; \$11.5 million to Blacktown Hospital for additional emergency department beds; \$15 million to establish a GP superclinic in Liverpool; \$1.7 million to south-western Sydney for New Directions mother and baby services and a Strong Fathers Strong Families Program in Liverpool.

In education we have made a lot of investments. One of the areas that I look after is the Macarthur region. We have invested \$125 million in new schools in that region through Building the Education Revolution. That money has gone to fund 35 new classrooms, seven libraries, 23 multipurpose halls and five science and language centres—educational services for Western Sydney. That is thinking about the future. We have also built four new trade training centres in the Macarthur area alone. That is our commitment to Western Sydney.

(\textit{Time expired})

\textbf{Senator NASH} (New South Wales—Deputy Leader of The Nationals in the Senate) (15:48): It is a sad day when the Labor Party get excited because their leader, the Prime Minister, announces she is going to spend a couple of days in Western Sydney. You would think they might get excited if the Prime Minister went out and made some really good policy announcements of things that were going to take Australia forward, but no, the Labor Party get excited because the Prime Minister is going to stay in Western Sydney. It is absolutely extraordinary.

It was raised earlier today, during question time, that perhaps the Prime Minister should commute from the city, from Kirribilli House, out to Rooty Hill. My good colleague Senator Fierravanti-Wells followed up and said exactly the same thing, that the Prime Minister should commute from Kirribilli out to Rooty Hill. But apparently it is a little bit too far to go through the traffic for the Prime Minister and she has got to stay out there. It is extraordinary. I drive further than that for bread and milk.

The focus on the Prime Minister's trip to Rooty Hill is nothing short of breathtaking. She is only doing her job. It is what she should be doing. She should be going to Western Sydney. She should be going to talk to people out there. I suspect that they will tell the Prime Minister exactly what they think about what her government is doing. I also suspect that not all of it is going to be positive. That may well turn out to be the biggest understatement we have heard in this place for quite some time, but we shall have to wait and see. People across this country are so fed up with the Labor government and their complete inability to run the country properly, and I suspect the good people of Rooty Hill and Western Sydney are thinking exactly the same thing.

My advice for the Prime Minister is: once she has been to Western Sydney, once she has been to Rooty Hill, keep going. Go over the Great Dividing Range, go over the sandstone curtain, and go to regional Australia. I can tell you, Mr Deputy President, I would be jumping through hoops if there were as much fuss and as much focus from the Prime Minister about going to regional Australia as there is about her going to Rooty Hill. This is a Prime Minister who continues to completely ignore regional Australia.

If the Prime Minister went over the sandstone curtain, she would get to Bathurst and she could talk to some students who would tell her that this Labor government is doing absolutely nothing to give regional
students equity of access to education, that she is doing absolutely nothing to change the current unfair rules for independent youth allowance, which mean that our young people who are accessing independent youth allowance, as pretty much the only means of financial assistance when they have absolutely no choice but to leave home, come up against a parental income test cap.

So guess what? If their parents are police officers or schoolteachers, because of what they earn that student is precluded from getting independent youth allowance, and that is absolutely wrong. I suspect the Prime Minister would be told that loud and clear if she went beyond Rooty Hill and further west, further than those 40-odd kilometres west, out into regional Australia. She would get to Orange, where she could talk to medical students, and to CSU about their excellent proposal for a medical school—because it is about time this Labor government started listening to the fact that health in regional Australia needs to be addressed. But this government and this Prime Minister simply are not doing that.

The Prime Minister could then kick up a little bit, still going west, and go to Forbes and talk to dairy farmers. She could explain to them why she said that dairy farmers would not only survive but thrive under the carbon tax. I tell you, Mr Deputy President, there is nothing that will convince those dairy farmers that this Prime Minister has any understanding at all of the dairy industry, because to say that is completely stupid. The imposts going on the dairy industry are enormous.

The Prime Minister could keep going west, to WA. She could tell the beef producers over there that the live export ban that decimated their lives, that was put in by the Prime Minister, was what she called a 'short-term disruption' in her address to the Press Club. The Prime Minister shattered these people's lives with an export ban that was absolutely not necessary, and she calls it a 'short-term disruption'!

If the Prime Minister keeps going west through regional Australia, she will eventually end up in Perth, where the government has stolen $480 million from the regional development fund to put a road around Perth airport. I do not know about you, Mr Deputy President, but that looks pretty much like a city road to me! It is about time the Prime Minister got out into the regions: go to Rooty Hill and keep going west. (Time expired)

**Senator STEPHENS** (New South Wales) (15:54): I too rise to take note of answers to questions asked of Senator Conroy today and, in particular, those relating to Western Sydney, because I actually agree with Senator Nash: I cannot believe the fuss and palaver that has gone on over the fact that the Prime Minister is visiting Western Sydney with her cabinet colleagues. They are visiting a very large community, over one million people, who deserve the opportunity to meet with their representatives and who deserve the opportunity to raise with ministers and their local members, the concerns that they have. When you think about the extraordinary challenges the communities of Western Sydney will confront over the next few years, you can understand why those conversations are going to be so important.

A recent report actually forecast that half of Sydney's population will be living in Greater Western Sydney by 2036. An example of the impact that that population expansion in the west will have is that it will require about 87,000 new homes to be built in that time. So there are key challenges, but, if 87,000 homes are being constructed in Western Sydney, there are many, many opportunities as well—opportunities for
employment; opportunities for planning infrastructure so that social infrastructure in particular does not get left behind and opportunities for drawing on the very diverse multicultural workforce and industry base that will be out in Western Sydney. These are the opportunities, the challenges and the issues that the Prime Minister and the cabinet are going to be dealing with in the next few years.

Senator Nash also said that the Prime Minister will not necessarily like what she hears. I have to say that is probably true. She probably will not be very pleased to hear about the 15,000 jobs being cut from the New South Wales Public Service and the fact that some of those jobs are in significant areas. In policing, for example, the regional commands in rural New South Wales are being quarantined, which means that the real impacts are going to be on policing in Western Sydney. So the conversations that are going on in Western Sydney about gun control, street violence or domestic violence are going to be severely affected by the New South Wales government cuts.

The Prime Minister is probably not going to be very happy to hear how people in Western Sydney are so concerned about the dog-whistling policies that we have heard over the last few days about the way in which we treat people seeking refugee and humanitarian status. She is probably not going to be too happy to hear the Leader of the Opposition's ideas about TPVs and freezing bridging visas, or racial profiling, because in Western Sydney we have a very diverse multicultural community that is fantastic. It is an economic and cultural powerhouse of New South Wales and it is the fastest growing regional economy in Australia. So when 43 per cent of the population of Sydney is living in Western Sydney, the Prime Minister deserves to be there.

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (15:59): I would like to add some comments about the answers to questions by Senator Conroy, representing the Prime Minister. It amazes me how, when Prime Minister Gillard announced the election will be on 14 September that she said this will not be a long election campaign, that it will be about governing the country, carrying on with the role of government. If you were to say to anyone that this week in Western Sydney is not campaigning, I think people would laugh at you. I certainly would not say it. I put on Facebook last night, 'This is not a week of campaigning in Western Sydney—yeah, right!' Comments of varying degrees came back saying that this is a political campaign, that it will be about governing the country, carrying on with the role of government. If you were to say to anyone that this week in Western Sydney is not campaigning, I think people would laugh at you. I certainly would not say it. I put on Facebook last night, 'This is not a week of campaigning in Western Sydney—yeah, right!' Comments of varying degrees came back saying that this is a political campaign, that this is what next week is about. There is nothing surer. I found it amazing when Senator Conroy said, 'It pays to stay in Western Sydney.' I can just imagine the
Prime Minister out in Western Sydney. She could have Senator Cameron as a chauffeur driving her around. I do not know how they would get on together given Senator Cameron's staunch support for former Prime Minister Kevin Rudd. This is simply a political stunt and the people of Western Sydney will not be fooled. And today we heard:

The federal government also announced an investigation into raising NSW's Warragamba Dam. The cost of raising the wall is estimated to be $500 million, and federal funding would be contingent on state government backing for the project.

I have no problem with raising the dam wall. I think that is a good idea because we are using six per cent of our water resource in this country, compared to a world average of nine per cent. It was amazing when the coalition discussion paper on building dams went out a couple of weeks ago, when Minister for Trade and Competitiveness, Dr Craig Emerson, said that this is 'policy in chaos'. The Minister for Sustainability, Environment, Water, Population and Communities, Tony Burke, said that the coalition's draft dam policy is 'incoherent' and 'completely wild'. They are very much against building dams. Minister Bill Shorten added, 'It is cheaper for governments and taxpayers to spend money on mitigation for floods as opposed to clean-up costs subsequently.' So we have Minister Shorten supporting increasing the height of Warragamba dam, while ministers Tony Burke, Dr Craig Emerson and Greens Senator Sarah Hanson-Young say—and what a crazy quote this is—'The only part of the coalition dam plan that was environmental was the word "mental".'

How are we supposed to survive in this county without water? I have travelled much of this big land and thankfully have lived all of my life in rural Australia. Without water, we have nothing. But we now have the irony of all this with the government saying, 'We're going to increase Warragamba dam wall, increase the storage.' I think that is a great thing because we saw a waste of money in desalination plants around the nation, most of them mothballed, as Andrew Bolt said in his column today, when scaring-mongering Tim Flannery said, 'The dams will never fill.' Go out of Inverell, where I live, to Copeton Dam. It was great to see it overflowing less than two years ago. We know what happened in Brisbane with the floods. Warragamba is releasing water now because of the very heavy and constant rain we have seen for the last couple of years. That is what happens at the end of a drought—it rains. Rain is what breaks a drought, nothing else. But Tim Flannery is scaring-mongering and saying that the dams will never fill again. I support the increase in the storage capacity of Warragamba Dam because Sydney is a fast-growing area. Those running businesses out in Western Sydney will not be fooled. They know that the cost of doing business has escalated enormously—whether it be carbon tax, the renewable energy target or whatever. They are becoming uncompetitive with the high Australian dollar. They are facing cheap imports. The people who work in those businesses know that, if they cannot make a profit for the business, their jobs are threatened. This visit to Western Sydney by the Prime Minister is simply a political stunt and I do not believe for one second that the people in Western Sydney will be bluffed or fooled. They know what this government has done. Along with many others, including me, they are looking forward to 14 September 2013, election day.

Question agreed to.
COMMITTEES
Legal and Constitutional Affairs Legislation Committee

Government Response to Report

Senator KIM CARR (Victoria—Minister for Human Services) (16:04): I present the government’s response to the report of the Legal and Constitutional Affairs Legislation Committee on its inquiry into the Migration Amendment (Removal of Mandatory Minimum Penalties) Bill 2012, and seek leave to have the document incorporated in Hansard.

Leave granted.

The document read as follows—

Government Response to the Senate Legal and Constitutional Affairs Legislation Committee Report:

Migration Amendment (Removal of Mandatory Minimum Penalties) Bill 2012
November 2012

INTRODUCTION

On 9 February 2012, the Senate referred the Migration Amendment (Removal of Mandatory Minimum Penalties) Bill 2012 to the Legal and Constitutional Affairs Committee for inquiry and report by 22 March 2012. On 28 February 2012, the Senate agreed to extend the reporting date to 4 April 2012.

BACKGROUND

The bill seeks to amend the Migration Act 1958 to remove the mandatory sentences relating to aggravated people smuggling offences.

Under Australian federal criminal law, mandatory minimum penalties apply to a very limited number of serious, aggravated people smuggling offences in the Migration Act 1958. These penalties were first enacted in 2001, to deter repeat offenders and ensure courts consistently apply penalties commensurate with the seriousness of the crime.

The Migration Act contains four aggravated people smuggling offences which carry mandatory minimum penalties:

- Section 234A: Aggravated offences of providing false documents and false or misleading information etc relating to at least five non-citizens.
- Section 233B: An aggravated people smuggling offence involving exploitation or danger of death or serious harm.
- Section 233C: An aggravated offence involving smuggling five or more persons.

Sections 234A and 233C carry mandatory minimum penalties of five years imprisonment, with a non-parole period of three years. Offences under section 233B—and repeat offences under any of the provisions—carry a mandatory minimum penalty of eight years imprisonment, with a non-parole period of five years.

Minors are only prosecuted with people smuggling offences in exceptional circumstances on the basis of their significant involvement in a people smuggling venture, their involvement in multiple ventures or where a serious incident occurs on a venture. However, where the court determines on the balance of probabilities that the accused was a minor when the offence was committed, the mandatory minimum penalties under the Migration Act do not apply (section 236B(2)).

Until recently, the most commonly prosecuted people smuggling offence was the aggravated offence of people smuggling involving five or more persons (section 233C), which attracts a mandatory minimum penalty. However, on 27 August 2012, the Attorney-General gave a direction to the Commonwealth Director of Public Prosecutions (CDPP) not to prosecute first time offender, lower culpability crew under section 233C, but to consider prosecution with a lesser offence that does not attract a mandatory minimum penalty. This is consistent with the recommendation of the Expert Panel on Asylum Seekers that changes to Australian law in relation to Indonesian crew be pursued with options including discretion being restored to Australian courts in relation to sentencing.

Recommendation 1

2.68 The committee recommends that the Australian Government review the operation of the mandatory minimum penalties applied to
aggravated people smuggling offences under section 236B of the Migration Act 1958, with particular reference to:

- Alternative approaches to mandatory minimum sentencing provisions, including where judicial officers are given discretion to impose lesser sentences where they are satisfied that the circumstances would make it unjust to impose the prescribed sentence for an offence;
- Options for differentiating between the organisers of people smuggling operations and boat crew of these operations in sentencing; and
- Specific concerns raised during this inquiry regarding Australia's human rights obligations under international law.

The Government supports this recommendation and has taken steps to implement it.

On 27 August 2012, the Attorney-General gave a direction to the CDPP not to prosecute first time offender, lower culpability crew under section 233C of the Migration Act, which involves mandatory minimum penalties and to consider prosecution under a lesser offence that does not attract a mandatory minimum penalty.

The direction applies from 27 August 2012, to prosecutions then on foot and to new prosecutions.

The direction does not apply to organisers of people smuggling ventures; to crew who repeatedly come to Australia on such ventures; or to crew involved in ventures where a death occurs.

The CDPP has now re-assessed the 101 people smuggling crew matters that were before the courts, excluding appeals to which the direction does not apply, on 27 August 2012. Of these, the CDPP discontinued 34 matters and 2 matters resulted in directed acquittals. A further 60 matters were recommenced under a lesser people smuggling charge that does not attract a mandatory minimum penalty (s233A or s233(1)(a)), while 5 cases continued under s233C.

The Australian Government is also considering further the effectiveness of the current structure of offences in the Migration Act in light of the recommendations made by the Expert Panel on Asylum Seekers in its report released on 13 August 2012.

**Recommendation 2**

2.69 The committee recommends that the Australian Government facilitate and support further deterrence and awareness raising activities in relation to people smuggling offences, with a focus on relevant communities in Indonesia.

The Government supports this recommendation and has taken steps to implement it.

In addition to strong law enforcement cooperation with regional partners, the Government is delivering public information campaigns throughout the region to ensure potential irregular immigrants are aware of the perils of a boat journey to Australia. Customs and Border Protection is responsible for the offshore communications effort.

Campaigns are underway in key source and transit countries such as Afghanistan, Pakistan and Indonesia. These campaigns seek to raise awareness of the dangers and costs of seeking to migrate irregularly, as well as promote regular pathways to resettlement.

Australia and Indonesia are committed to working together to raise awareness in vulnerable communities of the dangers of people smuggling and to deter people from becoming involved in people smuggling ventures.

On 2 July 2012, the Prime Minister and the Indonesian President, Susilo Bambang Yudhoyono agreed that Australia and Indonesia will conduct a joint public information campaign in Indonesia to prevent potential crew from being used by international people smuggling networks by helping them to understand the consequences, both in Australian and Indonesian law.

This campaign has commenced with two information sessions held in Bali and Kupang from 17-19 September 2012 for local Indonesian stakeholders and representatives.

This agreement follows an Australian Government public information campaign delivered by the International Organization for Migration in Indonesia in 2009-2010 to raise awareness among Indonesian communities of the dangers of people smuggling and the
consequences of involvement in this activity. This campaign specifically targeted potential crew members, fishermen, boat owners, boat builders, and coastal industry workers.

The Australian Customs and Border Protection Service has also tasked its contracted communications providers to raise awareness of the new policy arising from the Expert Panel on Asylum Seekers’ report.

**Recommendation 3**

2.70 The committee recommends that the Senate should not pass the bill.

**AUDITOR-GENERAL’S REPORTS**

No. 26 of 2012-13


**COMMITTEES**

Procedure Committee

Senator PARRY (Tasmania—Deputy President of the Senate and Chairman of Committees) (16:05): I present the first report of 2013 of the Procedure Committee, on the routine of business and electronic petitions.

Ordered that the report be printed.

Senator PARRY: by leave—I move:

That the Senate take note of the report.

It is with great pleasure that I speak briefly to the report. The Procedure Committee has undertaken consultations with all the parties and the parties independently have consulted internally. After a series of meetings and discussions, the Procedure Committee has a number of recommendations. The Procedure Committee is looking at the routine of the business of the Senate still. The committee will continue to keep these matters under review but we have made two recommendations, which will become the subject of debate and motions next sitting week. I understand the minister shortly will be moving a motion to give that effect.

There are two issues in the report which I want to raise. I would encourage all senators to read the report in its entirety because there are some very good attachments, and I thank the Clerk and the Clerk’s office for the fine work they have done in presenting this report.

The first of the two items which senators would like to take note of is the adjournment debate on Tuesdays, which is currently open-ended and which we intend to retain as open-ended. A recommendation is that the standing orders be adjusted or a temporary order be placed to enable the adjournment debate to have three categories of duration in speeches. It would give senators the option of speaking for five minutes, 10 minutes or 20 minutes. Currently the provision exists for senators to speak with leave for 20 minutes at the end of the adjournment debate on Tuesdays. We will now make this so it is not a provision that you need to ask leave to do; you would be able to speak without leave in any of the three categories, and the whips' offices obviously will arrange the order of the list in the order of five-minute speeches, 10-minute speeches and 20-minute speeches. This is done in order to facilitate possibly more speeches and more availability of time without moving into the late hours of the evening, so it would be interesting to see how that progresses and whether senators take up the option of speaking for five minutes and speaking earlier in the evening.

The other matter that we are suggesting that the Senate adopt is in the area of non-controversial legislation on a Thursday when it exists, as it did today. When it commences...
and goes through the normal process for non-controversial legislation, we would encourage senators to abide by the spirit of the non-controversial legislation, which means legislation that is debated briefly with the idea that it is legislation that all parties agree to. That has been a temporary order for some time. We are suggesting that that now become a permanent standing order, and there is an amendment suggested in the report.

The other matter is electronic petitions. We have clarified some issues in relation to electronic petitions and suggested a way of accepting electronic signatures as time moves forward when the Department of Parliamentary Services and the Senate work out a formula to adopt these. In essence, electronic signatures would form the signature that would normally be attached to a petition. This is something on which there is a detailed paper attached to the committee report, and I would encourage senators to read that.

There is one other matter, in relation to matters of public interest. The Procedure Committee is recommending—and again it is for the Senate to determine—that the time allocated, instead of being at 12.45, commence at 1 pm, but that the speech limit be reduced from 15 minutes to 10 minutes. This has a win-win effect: first of all it is a win for senators, as we would get an additional speaker in that timeslot of one hour and, second, the government would gain an extra 15 minutes of government business.

So they are the recommendations in the report. As I indicated, the minister will be moving a motion to give that some effect in the next sitting week, when the report will be adopted, I hope. I encourage the Senate to adopt the report. 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.

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

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

COMMITTEES
Corporations and Financial Services Committee
Membership

The ACTING DEPUTY PRESIDENT (Senator Moore) (16:11): The President has received a letter from a party leader seeking a variation to the membership of a committee.

Senator KIM CARR (Victoria—Minister for Human Services) (16:11): by leave—I move:

That Senator Siewert be discharged from the Parliamentary Joint Committee on Corporations and Financial Services.

Question agreed to.

BILLS
Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012
Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator MILNE (Tasmania—Leader of the Australian Greens) (16:12): I rise this
afternoon to comment on the Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012. This is a very important piece of legislation introduced by the Greens, and it goes to the heart of the question of what sort of nation we want in this century. It goes to the heart of that question because, if you want to make and put in place the kinds of plans and the consequent infrastructure that the country needs, you have to raise the money to be able to do that. The Greens have said for a long time that we need to massively move towards a low-carbon or zero-carbon economy. We would like to see in Australia high-speed rail linking our cities. If you go to Europe or see what is happening in China—Japan did it years ago—it makes eminent sense for this country to move to high-speed rail. If you want to put in place the kind of infrastructure that will anticipate the extreme weather events that global warming is bringing us then you have to have the dollars to be able to do it. Equally, the Greens have secured Denticare, a new capacity to assist people to meet the needs of their dental health, but again it requires funding. My colleague Senator Siewert has been running a strong campaign around the country to get people out of poverty and to make sure that we can allow Newstart to be increased by $50 a week, but the question becomes: where is the money going to come from? The Prime Minister today has announced infrastructure funding to anticipate extreme weather events—with the Warragamba Dam, for example—but $50 million goes nowhere near the kind of infrastructure that is needed. Even $100 million, as she has suggested for the whole nation, goes nowhere near the kinds of changes that need to be made.

Then—the fact is that, in an Asian century, we need to be competitive—we need to lift our education standards. That means a massive investment in education, the arts, innovation and entrepreneurial skills. For that to happen you need to implement the Gonski review, and that requires billions of dollars and should not be back-ended to 2020. Then you have the National Disability Insurance Scheme. I do not think anyone disputes the fact that we need a national disability insurance scheme in this country, and the Greens are the first to agree. But all of these promises are essentially hollow unless there is the money to roll them out. You cannot just put a tiny deposit down in the lead-up to an election and say that somehow you have delivered on these things. You need to raise the money.

That is why Australians should be getting a fair return for the mineral resources which are owned by the people. These mineral resources are not owned by the mining companies; they are owned by the people. And they are, in many cases, non-renewable resources—in fact, in all cases they are non-renewable resources when it comes to ores: you dig them up and ship them away once and that is it. So we need to make sure we are getting a decent return on those.

One of the most grave crimes against future development in the nation occurred in 2006 when the Prime Minister, Mr Howard, and the then Treasurer, Mr Costello, gave back the huge benefits of the boom at that time by giving tax cuts all around. There were headlines like 'Manna from heaven,' and rivers of gold pouring out all over the nation. That money should have been kept and invested in proofing the country against climate impacts, and, recognising that we are facing peak oil, in building massive public transport infrastructure around the country. There were huge opportunities then to invest the money, but instead it was just thrown out into the community in massive grants to everyone to make everybody feel good, and now we are left with a need for infrastructure—in terms of brains capital and
human capital, as well as physical infrastructure—for the country. So the Greens are saying that we should get a fair return from our mineral resources and that the problems with the current minerals resource rent tax need to be fixed.

This bill would amend that tax to correct one of its most egregious flaws, and that is the rebating of any future increases in state royalties, which allows the MRRT revenue to be further eroded by state governments. This flaw gives a blank cheque to state governments. They can lift royalties, knowing that they will effectively be paid by the Commonwealth government rather than by the large mining companies. That is appalling. This bill amends section 60.25 of the Minerals Resource Rent Tax Act 2012 to provide that any increase in royalties after 1 July 2011 should be disregarded when calculating royalty credits for the MRRT. It is a first step towards ensuring that the mining sector makes a fair contribution to the society whose assets it consumes in generating its wealth. It is essentially the amendment that the Greens sought to make to the bill in March 2012.

This design flaw has not been criticised just by those on the left. It goes against what the original designer of the mining tax, Dr Ken Henry, advised. It has been criticised by the OECD, by conservative economists such as Henry Ergas, and by Nick Greiner and other members of the GST Distribution Review. It is only in the bill because of the weakness of the Treasurer, the Prime Minister and the Minister for Resources and Energy, when they sat down with the big mining companies and tried to appease them so that they would call off their advertising campaign. Effectively, the miners wrote their own tax, knowing full well they would never pay it.

The wording used in the heads of agreement between the new Gillard government and the big three mining companies said: 'All state and territory royalties will be creditable.' Then, after the 2010 election, the Policy Transition Group, chaired by former BHP chair Don Argus and resources minister Martin Ferguson, was established to sort out the technical details of the MRRT. It recommended that all current and future state and territory royalties on coal and iron ore should be credited, which the government accepted.

Restricting the crediting of royalties to the rates in place at 1 July 2011 would raise an additional $2.2 billion over the forward estimates. The government has made a mess of the treatment of royalties in the MRRT, and the Australian people are paying. No group is paying more significantly than single parents, who have had their support payments taken away while the mining industry collectively has only paid $126 million. In fact you have Marius Kloppers walking away with $75 million—as a handshake, as his retirement benefit, as his walking-out-the-door ticket—and single parents left without that support payment, and those on Newstart with none of the extra money that they need. Yet BHP is essentially only paying $77 million in the tax—$2 million more than Marius Kloppers walked away with.

The other significant flaw in the MRRT is the ridiculously generous depreciation provisions. The legislation allows companies a choice for determining their asset base for the purposes of depreciation. One of the choices is a market-value approach. This is an extraordinary departure from standard accounting practice and allows companies to claim deductions for costs they have never incurred. Why on earth would the Treasurer, the minister, Martin Ferguson, and the Prime Minister agree to allow the companies to
claim deductions for costs that they have never incurred? Market value is not a measure of costs paid out but of the amount the market is prepared to pay for an asset. This benefits the big miners, who have well-established mines now worth a lot more than their initial investment.

I have circulated an amendment to stop this rort and remove this choice so that only the book-value approach can be used. The amendment commences on 1 July 2013, so it affects payment not for this year but for those years into the future. I note that the book-value approach is generous in its own right as it includes an uplift rate. We should not be giving the billion-dollar multinational mining corporations more than that. If passed, the amendment would raise an additional $2.2 billion over the forward estimates.

Dr Parkinson, the current Treasury Secretary, identified at estimates five factors that determine the revenue raised by the MRRT: commodity prices and volume, the exchange rate, state royalties, the starting cost base against which the mining companies can claim depreciation, and the difference between prices at the mine and at the docks.

In estimating the depreciation costs Dr Parkinson said Treasury had relied on initial estimates from the mining companies which they may well have changed since. In effect he admitted Treasury had developed their assumptions based on conversations with the mining companies before the tax came in, but the mining companies had had the opportunity, once the tax became law, to rethink what their starting base would be. Why on earth would you have given the mining companies the ability to determine how much they would pay and adjust the formulas according to what they wanted?

Former Treasury Secretary Ken Henry, in an appearance before the Senate Select Committee on Fuel and Energy in July 2010, admitted that no Treasury officials were directly involved in the negotiations between the government and BHP, Rio Tinto and Xstrata. I find it extraordinary that the Prime Minister, the Treasurer and Minister Ferguson thought that they could manage this negotiation without the expertise of Treasury. That is an extraordinary thing. What it will do is put out there into the heartland of people who perhaps thought that if there was one thing that Labor could do it was actually manage the economy—in terms of accounting practices at least—that, when push came to shove, the Prime Minister, the Treasurer and Minister Ferguson excused the experts and brought in the people who were looking after their own interests absolutely, 100 per cent—Rio, Xstrata and BHP—and allowed them to determine the terms. You can only assume from that that the deal was that the mining industry agreed to a tax that they knew they would never have to pay and that the government would appear to have a win, to have negotiated an outcome, knowing that in fact the outcome would not deliver anything. That is the only conclusion you can reach.

Again, it goes to the heart of the competence of the negotiators in that negotiation. That is why I have been asking: where is the Minister for Resources and Energy, Mr Martin Ferguson? He has not been seen for months. Whilst the Prime Minister and the Treasurer have been out there trying to defend their role in this, the minister whose job it is to look after resources and energy seems to have gone AWOL. If you go to his website, he has not got a single transcript on there from after September last year. I have to ask: where does that go to in terms of transparency, or is the minister hoping that no-one will notice,
that the people of Batman will not notice, that he is nowhere to be found in terms of his accountability, and culpability, in relation to this particular disaster?

The Parliamentary Budget Office has costed a revised mining tax with the following reforms: a 40 per cent rate of tax, royalties credited at rates in place at 1 July 2011 and the depreciation starting base restricted to the book value. If you take those three things together, those three improvements, that would raise an additional $26 billion over the forward estimates. I began my speech by saying it is a hollow promise to say you will deliver the Gonski education reforms or the national disability insurance. There is no hope at all for people out there on Newstart if you are not prepared to take on the mining industry to raise the money to be able to fund these critical pieces of social infrastructure which benefit the entire community. We need to be putting money into physical infrastructure—for example, high-speed rail and public transport systems. There is no use standing up in Western Sydney talking about more freeways; what Western Sydney needs is light rail. As the Parramatta City Council and the Greens have been saying, we need to be able to invest in the infrastructure of the future. We need to get people off freeways and into much more efficient public transport systems. Everywhere you look in the world, the competitive cities are the ones that have got rid of congestion, got people onto public transport and made cities more liveable with more green spaces, more pedestrian access, more public transport, more cycleways and fewer freeways. And that is what is necessary in Western Sydney.

But where are we going to get the money to drive this kind of infrastructure if we do not make the mining industry pay their way? The Greens have argued for a long time that we need a sovereign wealth fund and that it should be set up so that you genuinely use the benefits of the boom to accumulate not only the balance of the fund but the interest on the fund in order to invest in the kinds of social and physical infrastructure I am talking about. We need a first-class education system; we need to invest in research and development; we need public transport; we need high-speed rail; we need to get ourselves rapidly moving off the old coal fired generators and into the new energy providers, 100 per cent renewable energy, as quickly as possible. We need these things and that is why you have to raise the money to pay for them.

The Parliamentary Budget Office costed that royalty change in this bill on their own. They determined that it would mean raising an additional $2.2 billion over the forward estimates from 2012-13 to 2015-16. The PBO costings showed that making the depreciation amendment on its own would have resulted in the MRRT raising an additional $2.2 billion over the forward estimates over that same four-year period. So I would encourage the Senate to support this bill. We have the bill in the Senate and we have now successfully moved for a Senate inquiry into the flaws in this bill. We also need to provide for the opportunity to fix it, to improve it, so that we secure the funding. The Greens have no interest in allowing the mining industry to walk away when 80 per cent of the profit from these big miners go to overseas shareholders. These profits leave the country. We want to make sure that those big mining companies actually pay a fair return on the resources that belong to the people in this country.

Surely it is not too much to ask a parliament to secure those resources.

The only reason we have not secured them is political. When you think about how this happened, you will see it happened as a
consequence of Prime Minister Rudd losing the prime ministership over the fact that the mining industry bullied the government of the day by running a massive advertising campaign—a $20 million advertising campaign—that has saved them billions of dollars. They are laughing all the way to the bank. After succeeding in bringing down one Prime Minister, they succeeded in diddling the nation through inept negotiations between the next Prime Minister, the Treasurer and the minister. That is what happened. It was the politics of the day that did the Australian people out of a fair return which would have enabled us to spend on the things the nation needs.

That is where the coalition are disingenuous in this, because the coalition do not want a mining tax at all. They do not want the big miners to pay a fair return to the Australian people for our resources; they are more than happy to have the profits leave the country. The question to the coalition is: where are they going to get the money from to be able to invest in improving Newstart, to be able to invest in high-speed rail, to be able to invest in education, to be able to invest in Gonski reforms and to be able to invest in national disability? That is not to mention the five per cent emission reduction that they say they are committed to, which they do not have the dollars to actually do; nor do they have the dollars to upscale to the level of emission reduction necessary as a to face up to the science of climate change. So we have a coalition who do not want the miners to pay at all and a government who have been inept in negotiating with the miners to the point where they have embraced the interests of the miners at the cost of the people.

The Greens are standing here saying: 'We care about the people of Australia. We care about the environment.' We clearly have a vision for the future: to transition to a low-carbon economy, and to have a society in which people are well educated and well cared for, where we have a decent health system and Denticare rolled out and we do not have people absolutely constrained in situations of poverty and homelessness because we say we do not have the money to deal with it. We have the money to deal with it if we have the political courage to take on the big miners. The Greens are prepared to stand up to the big miners. I would urge the rest of the Senate to support the bill. (Time expired)

Senator MARK BISHOP (Western Australia) (16:32): Before I address the content of the Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012 before the Senate, I want to rebut some of the points that Senator Milne just addressed in her contribution to the discussion. She made the point at the outset that budget commitments need to be funded. I must say on behalf of the government that we are in staggering and startling agreement on that point. That is why we participated in negotiations and agreed to the creation of the Parliamentary Budget Office and funded that; that is why we assisted Treasury and Finance to become parties to the protocol, so that the office can carry out its central function on costing issues associated with undertakings made by any and all political parties. With that little bit of rhetorical flourish, let us just say that the government also shares that view.

Senator Milne then went on to develop a point. Because she is an intelligent woman, I presume the point she addressed is one of rhetorical flourish—that somehow or other all of the minerals and, by implication, all of the oil and gas in and around mainland Australia are owned by all of us, by that amorphous mass called 'the people'. I presume she put that as a rhetorical proposition as we are on broadcast. As everyone in this chamber knows, and they
learnt this in their first lesson in Constitutional Law I: minerals under the ground are vested in the Crown in right of the state. That has been the case for I do not know how many centuries and it has certainly been the case in this country since European colonisation in the latter part of the 18th century. But, 240 years since that time, as we consider the utility of the proposition I just outlined in rebuttal to Senator Milne, there is considerable sense in minerals under the ground being vested in the Crown in right of the state: it enables the state, at Commonwealth level, territory level or state level, to essentially regulate and control the use of land, whether that is done in an agricultural sense, a mining sense, an extractive sense or whatever. By 'regulate' I mean allowing access, allowing development and having proper regard for environmental considerations, on both the agricultural side and the mining side.

Consider the only sensible opposition to the Crown not having rights with respect to minerals under the ground. By definition, it would go to some other body. Most logically, that other body would be the individual landholder or leaseholder. We know how that system works, because it works in the United States. One only has to look at the huge degree of development with respect to the coal seam gas industry and the shale oil gas industry in the southern states of the United States, where mining companies pay the owner of the land a fee for access to minerals and the like under the soil, and the development goes ahead willy-nilly. There are a range of benefits from that system to individual landholders and to industry from the cheap gas that emerges from that process. That is probably a debate for another day. On balance, the system we have in this country, of the Crown having control of access to land and land use, is probably a better system. There is a terrible sense of déjà vu about this debate. We have been having it every year—we had it in 2009, 2010, 2011 and all of last year—and now, as Senator Milne just said, there is further reference to the application of a minerals resource rent tax.

The bill before the chair attempts to amend the MRRT to achieve two purposes, and Senator Milne succinctly outlined them: firstly, that any increase in state royalties after 1 July 2011 be disregarded when calculating the royalty credits for the MRRT; and, secondly, to disallow provisions of the MRRT so that miners can no longer use the market value method to determine their starting base. So the bill before the chair attempts to remove, to negate, to disallow, the two most critical features of the MRRT Act that is currently proclaimed law in this country. If passed, this bill would totally neuter, make useless, the purpose and intent of the existing MRRT.

When one thinks about that ambition it cannot be described as small. It is no mean purpose that is sought to be achieved in this debate late on Thursday afternoon. But before we can properly discuss the bill before the chair a little bit of a history lesson in the development of the MRRT over the last three or four years would be useful. What does that little bit of history show us? It shows the following. First, the current MRRT Act was one of 11 bills discussed and passed in this chamber on 19 March 2012—almost 12 months ago. That package of bills—there were 10 or 11 bills—addressed a range of matters at that time: an overview of the position of the positive impact of the mining industry; how the MRRT was intended to operate; the revenue forecasts associated with the MRRT; a range of ways in which Australians might share from the benefits of the MRRT; and other tax conveniently avoided up this end but paid in
large numbers by firms in the mining industry.

But there were a range of other matters before the chair that day. One went to increasing superannuation from nine per cent to 12 per cent. Some of us might have liked to have gone from nine per cent to 15 per cent in one fell hit, bringing it forward in bites of one per cent a year every year for six years until it reached 15 per cent. There was removal of superannuation age limits. There were benefits in low-income superannuation contributions. There was simplification of asset depreciation arrangements. There was the introduction of accelerated initial deductions for the purchase of motor vehicles by small business. And there were a range of other benefits to sectional interests in our community.

So the MRRT Bill, now the MRRT Act, was not the only matter that was up for discussion back in March 2012; it was one bill as part of a total package of 11 or 12 that were discussed at the same time. Those measures affected the mining industry, the offshore petroleum industry, small business, superannuation beneficiaries and those who enjoy depreciation arrangements for capital investment. When the MRRT package of bills was put up for a vote, the Greens and the current government combined 38 to 32 to support that package, including the MRRT, without amendment. The only parties to oppose it were the opposition over there.

Right from day one Labor government and the Greens brought forward a package of bills. Both parties voted for it, there were no amendments, it went to a division and it was carried 38 to 32. What does that mean? It is very simple: the Greens in the bill currently before the chair seek to negate what less than 12 months ago they stood and voted for, stood and supported, stood and endorsed.

**Senator Williams:** Guillotined as well.

**Senator MARK BISHOP:** Guillotined as well. Maybe we did guillotine it. That is what happens when you have the numbers. Thirty-nine is more than 37. Welcome to the real world. I do not know if it was guillotined. If it wasn't, it should have been. The point was this: we did not have 39 votes in our own right; we wandered down to the end of the chamber. They said, 'Yeah, that's a good package of propositions in there,' about the capital investment, the superannuation improvements, the bringing forward of write-offs for small business for motor vehicle purchases, the improvements in the petroleum rent resource tax and the imposition of the MRRT. They said, 'Gee, we don't like bits and pieces here.' We responded, 'Hey, we also don't like bits and pieces.' As I said at the outset, some of us would have liked to increase superannuation not to 12 per cent over eight or nine years but to 15 per cent over five or six years. But in the negotiation process the eventual outcome was that what was put in this chamber, and the Greens and the government had full knowledge of its content and supported that package.

So it is a bit rich now, barely 12 months after the ink is dry, and after a little bit of adverse evidence from the Secretary of the Treasury a couple of weeks ago in estimates outlining what everyone in the world knew about the design of the MRRT, to use that as an excuse to come back in here and essentially renege on an agreement fully entered into, fully supported, on the basis of—what?—full information. It doesn't get any better than that. The blind, deaf, dumb and ignorant might have a reason to go back on their word. But when you have participated in all the negotiations, sat through all the committees, sat through the debate here, agreed to a particular outcome and voted for the outcome, you do not get to come back 11 months later and say, 'Hey, we
don't like that; we want to do something else.'

The inquiry into the bill before the chair, conducted by the Economics Legislation Committee and tabled earlier this month, addresses that point exactly in paragraph 1.12. It says:

Following negotiations with the mining industry and the deliberations of the Policy Transition Group (PTG), which was established to advise on the implementation and technical design elements of the MRRT, the government agreed to the PTG’s recommendation that there be full crediting of all current and future State and Territory royalties under the MRRT so as to provide certainty about the overall tax impost on the coal and iron ore mining industries.

That statement was released under the authority of Mr Swan and Mr Ferguson on 24 March 2011. Everyone knew what was going on. The government had accepted the recommendations of the Policy Transition Group and had put out a press release in writing to that effect, and everyone in the government and everyone in the Greens knew that.

The time sequence in this discussion is clear, and for the last four years the Greens have been fully aware, fully consulted and, to a very, very significant extent, involved in a lot of discussions. In December 2010 there was the report of the Policy Transition Group. In March 2011 there was government acceptance of that recommendation that I just read out. In March 2012 there was an inquiry into the then MRRT Bill, and on 19 March, barely a fortnight after the recommendations of that bill inquiry came down, the Greens voted for the two measures that were at the heart of the then bill, now act, and are at the heart of the bill they bring before the chair today to renege on. You cannot do business like that.

Turning now to the bill before the chair, chapter 2 of the Senate Economics Committee report is instructive, and it deserves to be put more fully on the public record. It outlines the process of inquiry into this bill. It is only a very brief report. It is only in two chapters, no more than 10 pages. The inquiry was conducted from November 2012 until February 2013: November, December, January, February. It went for almost four months, knocking off a month for January, of course. There was one significant extension of time granted by the committee at the request of the Greens, presumably to get more submissions into the inquiry so we could have a fuller discussion at the appropriate time.

In that four-month period, do you know how many submissions that committee inquiry into the bill before the chair received? It received only six submissions. There were four months of examination and four months of writing to interested parties. The database in the economics committee of interested players in this debate, as you can imagine, goes to hundreds and hundreds of individuals, groups and associations, and only six put in a written comment. Of those six, a full five opposed the passage of the bill before the chair. So after a four-month inquiry, an extension granted at the request of the Greens, six submissions were received. Of those, five opposed the bill, and only one supported the bill before the chair. The committee, in its wisdom—it must be said—decided not to hold a public inquiry on the basis of only six submitters, five of which opposed the bill. We did the report on the papers, and it is before us today.

But what can one conclude from a bill inquiry on a subject which is apparently of great public notoriety when hundreds and hundreds of individuals, groups, associations, companies, governments and the like are invited to put in a submission that essentially goes to a reworking of the MRRT Act? What conclusion can we draw?
The conclusion we can draw is that there is just about no interest in this country in revisiting the design features of the MRRT. You would have thought they would have been lined up in their thousands, seeking to come in and say how onerous it is, how heavy it is, how inefficient it is, how bad it is, how whatever it is. You would have thought that the churches would be organised, along with some of the community groups and some of the NGOs. But, no, there was a wailing silence between November and February, because nobody—I beg your pardon, I mislead the chair—rather, one person in Australia took the trouble to write a submission supporting the bill before the chair. Nobody else cared. Nobody else wrote. Talk about Orphan Annie!

I have never been in a bill inquiry, in all the time I have been here—and I have been in inquiries on a whole range of matters—where there were only six submissions, with five opposed to the content of the bill and only one supporting it. Think back over the years. How many contentious pieces of legislation did we handle in opposition and have been part of government policy for the last five years? How many inquiries have people in this chamber participated in, written reports on and given speeches about? I, for the life of me, cannot recall one where there was only one submission in favour of the bill.

Perhaps I have drawn the wrong conclusion on that; perhaps there is a great deal of interest out there in this proposition. We are going to find out because, in addition to all of those matters that I outlined in 2010, 2011, 2012 and 2013—legislation inquiries, the Policy Transition Group, the pre-existing bill under Mr Rudd, the reform bill under Ms Gillard and the numerous inquiries—less than an hour ago, the Senate Economics References Committee accepted another reference to inquire into the MRRT. It seems to me that the norm is now that you get about 17 bites at the cherry. We dress up the conclusion, in terms of the argument about wanting to have money to spend on Gonski, or disability—(Time expired)

Senator FIFIELD (Victoria—Manager of Opposition Business in the Senate) (16:52): If Senator Milne's speech at the National Press Club was in effect the decree nisi for the political union between the Greens and the Australian Labor Party then the decision to debate the Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012 at this time represents the decree absolute. Senator Bishop in effect gave expression to that here today. But the thing that confounds me greatly is why this political marriage between the Greens and the Australian Labor Party happened in the first place. I am certain it is something that confounds Senator Bishop as well—as one of the clearer-thinking members of this chamber. He is turning red, as I know he often does when I speak.

What also confuses me is that, when the Prime Minister assumed that office, one of the three policy areas that she said she would fix was the situation around the mining tax. The Prime Minister went to the election. Subsequent to the election, with the support of the Australian Greens, she formed government. Subsequent to that the Prime Minister had that now famous civil union ceremony with former Senator Brown where all the participants and witnesses were sporting sprigs of wattle in a festive spirit. At the time that the Australian Greens entered that union with the Labor Party, the Prime Minister's intentions were known in relation to the future of the minerals resource rent tax. At the time that the legislation went through the parliament, the union between the government and the Greens was formalised and the Greens had access to full and comprehensive briefings from their
alliance partners on this legislation. So the Greens came into this chamber to support the MRRT legislation with their eyes wide open. It was with complete knowledge that they entered this arrangement—certainly more knowledge than the opposition had as to the background of the negotiations behind this legislation. The Australian Greens are in effect co-authors of the MRRT legislation. I think Senator Bishop was quite right to express his surprise that a little more than a year after the legislation passed this place the Greens are now walking away from their own creation. I wanted to give a little background as to the confusion that I have as I stand here today.

Our proposition has always been that the minerals resource rent tax is a bad tax. It has always been that it came out of it an improper process, it came out of a bad process and it came out of the process that the Greens fully, completely supported. Labor's mining tax, we have long contended, is so inefficient, so distorting and so bad for investment in a very important industry for Australia, so bad for our economy and so bad for the budget that it should be scrapped and not further expanded. The bill before us would make a bad tax even worse.

The coalition, not surprisingly, emphatically rejects this bill—for different reasons to the government, obviously. But we do call upon the Senate to oppose this legislation in anticipation of a bill after the next election—should the Australian public bestow the privilege of government on the coalition. After the election we would scrap the MRRT altogether.

The basic premise that this Greens bill is based on is fundamentally flawed. The bill seeks to disregard any increases in royalties after 1 July 2011 when calculating royalty credits for the MRRT. This is of course inconsistent with the commitment the Prime Minister and the Treasurer made in the mining tax deal that they negotiated personally, exclusively and in secret with the three biggest miners, when they promised that all state royalties would be creditable against the mining tax. Despite attempts by the government to revisit the definition of 'all' in relation to state royalties, even Ms Gillard and Mr Swan had to recognise that 'all' meant all and that 'all' included any future increases in state royalties.

It is, of course, not particularly competent that Ms Gillard and Mr Swan signed up to such a commitment without engaging the states and territories first and without seeking their formal agreement in relation to the royalty arrangements. This is not the fault of the states, it is not the fault of the territories and it is not the fault of the miners. Royalty arrangements are a matter for the states. There is nothing the Prime Minister and the Treasurer can do to stop the states from increasing their royalties as they see fit. In fact, their mining tax deal provided a direct incentive to state and territory governments to increase their royalties. The idea advanced by sections of the Labor Party and the Greens that state royalty crediting arrangements and market based depreciation arrangements are actually loopholes in the MRRT is completely wrong. To present these as loopholes is more than wrong; it is dishonest.

These are not loopholes; they are deliberate design features of the MRRT. They are the government's design features and the Australian Greens supported them in this place.

There is much that is wrong with the mining tax deal that the Prime Minister and the Treasurer negotiated, exclusively and in secret, with the three biggest miners. It is important to consider how this all started. Why is it that the royalties are credited under
Labor's mining tax in the first place? Even though Labor's mining tax was never anything other than an attempt at a grab for more cash to support the reckless spending of this government, it was sold as important long-term reform designed to make the system simpler, fairer and more efficient. Instead, it made resource taxation arrangements more complex, less fair, more distorting and less efficient. The Henry tax review recommended that a national profit based resource rent tax would replace state and territory royalties. The argument was that royalties were inefficient because they were imposed on production irrespective of profits, whereas a profits based tax would only apply if there were profits.

The problem was that, for a number of states, royalties represented a significant part of their own source of revenue. Yet the Treasurer, whose deficits, I should add, are more than fiscal, never even talked to the states about the implications of the mining tax for them. Instead of replacing royalties, Ms Gillard and Mr Swan came up with complicated crediting arrangements. As soon as they promised to credit all state and territory royalties, they provided an incentive to states and territories to increase their royalties, as any increase in royalties would be creditable against the MRRT. In fact, the MRRT deal removed any incentive for states to keep royalty rates low or provide discounts to attract investment to their states, as part of competitive federalism, because any benefit from discounted royalty rates would go to Canberra through increased MRRT revenue and not actually help attract investment to particular states.

So the entirely rational and predictable result was that five out of six states, including the Labor states of Tasmania and South Australia, have increased royalties on iron ore or coal since the mining tax deal was signed by Ms Gillard and Mr Swan. Every increase in royalties since the deal was signed did, of course, blow a hole in Labor's mining tax revenue estimates, as any increase in royalties courtesy of the deal reduced MRRT revenue.

Labor's mining tax is more complex, distorting, inefficient, costly to administer and costly to comply with than the previous resource taxation arrangements based on state royalties and company tax. The MRRT is a failed tax which came out of a bad and now widely discredited process. The MRRT should be scrapped; it should not be expanded. It is a distorting, inefficient tax grab which inappropriately targets an important industry. As I have said already, it is bad for investment and bad for the economy.

Two previous Senate inquiries into the mining tax have clearly exposed the many deep flaws of Labor's mining tax. Those inquiries predicted the mess that would ultimately result and the fiscal train wreck that it would be. Ironically, as we debate the bill, the Greens have established an inquiry to look at the flaws in the tax which they helped to pass and which they are now trying to make even more economically destructive. The Greens' supposed fix to the MRRT is a grab for more tax by punishing states for the flaws in the Gillard-Swan mining tax design. I repeat: the MRRT is a bad tax because it is bad for investment, bad for the economy and bad for the budget.

It is a complex and distorting tax—I cannot say that often enough. It is designed in a way that favours the bigger miners, who were given the opportunity to sit around the table, at the expense of the smaller miners, who we would want to be the success stories of tomorrow. It has failed to raise any meaningful revenue, when the government have already spent all of the money they thought it would raise and more. When the
MRRT deal was announced on 2 July 2010 by the Prime Minister and the Treasurer, they said it would raise $4 billion in year one and $22.5 billion over the first four years. In the 2012-13 budget, that shrank to $3 billion in year 1 and $13.4 billion over the first four years. In the most recent Mid-Year Economic and Fiscal Outlook, it then shrank to $2 billion in year 1 and $9.1 billion over the first four years. Those were net revenue estimates—that is, they took the company tax effect into account. Given the MRRT is a tax deduction for company tax purposes, 30 per cent of whatever gross revenue came from the MRRT would have been collected anyway.

We now know that the MRRT raised only $126 million in gross revenue in the first two of three instalments for 2012-13. Once we take the company tax effect into account, that becomes a $88 million net revenue figure, which is comparable to the budget estimates. Once we take the $53 million in ATO administration costs for the MRRT into account, that becomes $35 million. Once we take the $38.5 million the government allocated to the RSPT advertising campaign into account, the taxpayer is actually $3.5 million short from the MRRT.

The premise of the MRRT was false from the start. The proposition that the mining industry does not pay its fair share of tax is false. This financial year, iron ore and coal miners will pay more than $8 billion in state royalties alone. They will pay more than $20 billion in royalties and company taxes.

The previous system worked: the more profitable a company, the more tax they would pay; the more valuable the non-renewable resource, the more royalties they would pay under the ad valorem royalty system. Labor's profit based resource rent tax concept is flawed, because the practical consequence of it is that, without profit, miners could extract the valuable non-renewable resources from the ground for nothing—and that is wrong.

Ms Gillard and Mr Swan's handling of the mining tax negotiations was incompetent. They never knew what the cost of the market-value based appreciation arrangements were when they signed the deal, and they still do not know what the cost is. If you are going to have a mining tax— which we do not think you should—then to be internally consistent you would have that feature of the mining tax deal. But a competent government would have had it properly costed before spending the revenue the MRRT would raise. Incredibly, when it came to costing the impact of some of the key features of their mining tax deal on mining tax revenue estimates, they forced Treasury to fly without vision. As the Treasury secretary, Dr Parkinson, made clear in Senate estimates, they were unable to consider the cost impacts of changes in market-value based appreciation and net-back arrangements because they could not see them. These and other matters do deserve scrutiny and report from a further Senate mining tax inquiry because the government have consistently hidden the truth behind the numbers.

The Prime Minister and the Treasurer have persisted with their dishonest talking points, blaming commodity price volatility, exchange rates and state royalty increases as the reasons why revenue from the MRRT came in more than 90 per cent below forecast. Those assertions were comprehensively discredited by Dr Parkinson at Senate estimates. Dr Parkinson made clear that Treasury were able to take commodity price volatility, changes in volumes and in exchange rates, and increases in royalties, into account when revising their MRRT revenue estimates. That is why estimated MRRT revenue went from $4
billion in 2012-13, when the MRRT deal was announced, to $3 billion in the last budget and to $2 billion in the last MYEFO—they could not take the change in cost of the value-market based depreciation arrangements and net-back arrangements into account. Yet, despite that very clear, compelling and independent evidence, the Treasurer continues to peddle his spin on what is to blame for lower-than-predicted mining tax revenue collections.

The other lie is that the people cannot possibly complain about the damage the mining tax has done to the important mining industry because, after all, they did not have to pay much tax. That is false. The mining tax was very much disruptive at a challenging time for an important industry, an industry that helped keep Australia going post-GFC. The tax is complex and costly to administer. Smaller miners alone had to spend more than $20 million in administering increased red-tape requirements under the MRRT while the ATO spent more than $50 million administering the tax.

The bad tax, the tax that was improperly negotiated, has had a detrimental effect on our sovereign risk profile as an investment destination. And, of course, the tax has hardly raised any revenue, when all the money the government thought it would raise—and more—has been spent. That is why we are now dealing with this bill. And for so long as this ineffective MRRT is on our statute books there will be other bills to try to expand the MRRT in one way or another, I am sure.

The MRRT is, as I have said, a bad tax because of the way it was negotiated. The MRRT is a bad tax, as I have said, because of the way that it was designed. The MRRT is a bad tax because it is a red-tape nightmare. And the mining tax is a bad tax because it is a dagger at the heart of Australia's mining prosperity. It introduces a new tax on an important industry on top of existing royalty and income tax arrangements, and that makes our tax system more complex and less fair. It reduces our international competitiveness as an attractive investment destination. It gives an unfair competitive advantage to three big multinational, multi-commodity and multi-project companies, who were given the exclusive opportunity by the government to negotiate the design of this new tax, with all their competitors and other stakeholders locked out.

We need to make sure that our mining industry continues to prosper, that high-paid mining jobs are preserved. The government's poorly designed MRRT will not be fixed by trying to penalise the states to benefit the Commonwealth. The mining industry pays the states for extracting the resource and pays the Commonwealth through company tax. The Greens bill reveals them, and by association the government, for what they really are: desperate for cash from an industry that they have always hated.

Senator LUDLAM (Western Australia) (17:12): It was worth sitting through that speech just to get to that last bit, Senator Fifield—because that really exposed you. You started with confusion, which I will try and assist you with—through you, Madam Acting Deputy President—and you concluded with ignorance, which I am afraid I cannot help you with much at all.

We will start with the confusion, however, because it is a fair question: since Labor senators have looked to us, as Senator Bishop did, and coalition senators did as well, and you passed this tax—so then, in indication to the crossbenchers, how can you now come back and want to review it? I will help with that confusion. Our options in this
place, as the crossbenchers, when a bill is brought forward by either of the major parties, are twofold—and we need to choose. This place does not always tolerate ambiguity: when it comes to a vote you need to pick one side of the chamber or the other to sit on. Our options in the instance of the MRRT were twofold: the ALP, the government, on the one hand—a major party that for a brief period of time chose an evidence based approach—set a task before the Treasury secretary and then adopted it, more or less as proposed, after a long process of review and design, such that the extraordinary profits being raked off by the resources sector could be, without any kind of structural damage either to the economy at large or to those individual companies, once the profits got to a certain level, redirected and redeployed through a super-profits tax. This would not be the first jurisdiction in the world, you would be aware, where this has been tried.

Following that initiative by former Prime Minister Kevin Rudd, there was a $22 million public relations onslaught, which I think unbalanced the government and caught them somewhat by surprise. Because of some of the rhetoric we heard a moment ago from Senator Fifield, you would be aware that the Greens are used to the kind of invective being directed at us by people like Senator Fifield, who effectively just read in a bunch of press statements from the Minerals Council of Australia, and not particularly original work. You do appear to have stolen Mitch Hooke's homework there, Senator Fifield, because there was not an original word spoken.

Senator Fifield: I thought I was quite gentle about you.

Senator Mason: More gentle than I would have been, Senator Ludlam.

Senator LUDLAM: You will get your chance, Senator Mason. You will get your opportunity. In all honesty I do not think the government was actually prepared for the brutal and dishonest campaign by the mining industry. They passed the hat around and collected $22 million and did you over, and it was an ugly thing to watch. I can recall the television ads that ran. It evidently destabilised the ALP to the degree that it cost Kevin Rudd the prime ministership of the country. We have not seen that kind of thing in modern political history before.

Senator Williams: He had lost his way.

Senator LUDLAM: A good government that had lost its way, to paraphrase you there, Senator Williams.

Senator Williams: The Prime Minister—

Senator LUDLAM: That is correct. It was in the aftermath of a really vicious and personal advertising campaign that effectively repeated most of the themes we just heard from Senator Fifield, from whom he pinches his homework. That is what we faced on one side. That was part of our choices. That internal destabilisation then cost a Prime Minister his job. What happened then is that it appears the Prime Minister and the Treasurer, delegating to Resources and Energy Minister Martin Ferguson—the inside man—who handed a pen to the mining sector with which to write their own tax law. And what do you know? What came out of that process was something that was highly permissive and effectively geared towards a form of legalised—

Senator Fifield interjecting—

Senator LUDLAM: I promise I will get to that Senator Fifield. I promise I will allay your confusion. I can see you struggling with it. I will get there. Here is where I can help to resolve Senator Fifield's confusion. Our other choice is to sit on the other side of the
chamber when a bill such as that is put to the vote—notwithstanding the amendments we did move, which I will get to in a moment—where there is the Abbott opposition, a political party that does not have the courage to take on the mining industry at all.

Senator Fifield: So it is our fault.

Senator Ludlam: We have a choice between a flawed tax, which we can try to amend through the process available to us, or no tax at all. Senator Fifield, I must have allayed your confusion, because you are on your way.

Senator Fifield: It is all so clear.

Senator Ludlam: It is all so clear now. Total capitulation. A policy that has rolled over on its back and is waving its legs in the air that somehow, Mr Tony Abbott, the Leader of the Opposition, has the political gift to turn into a show of strength. Complete and utter capitulation to the mining industry has somehow been able to be portrayed as tough and fearless leadership and as sticking up for ordinary people. There is real political genius at work there. It is fundamentally dishonest and nasty, but it is very clever.

So these are the choices we face on the crossbenches: a flawed tax or none at all. I can remember this very well because I participated in the debate. The amendments that the Greens moved both at the second reading and at the committee stage were shot down—what do you know?—by the combined numbers of the government and the opposition. That then leaves us with a stark choice at the end of the debate: vote for a tax we know is flawed or vote for no tax at all. So when Senator Fifield reminds us that the tax picked up no more than $126 million in gross revenue in the first two quarters of its operation, that is $126 million better than nothing, because that is the opposition's counterproposal.

The amendments we put at the time were voted down by the major parties on the basis that the Labor Party figured that was the best they were going to get, and the opposition will vote against anything that appears to try to redeploy some of these extraordinary profits back into the public good. We can try again, for example, with the bill we have brought to the chamber tonight, or we can try again through future inquiries, such as the one that Senator Milne, with the concurrence of Senator Cormann, has just initiated. Senator Cormann's motives are very clear. He has not tried to hide them. He wants to destroy the tax. He wants to pull it completely to pieces. At least that is transparent. Our motives are that we will use the mechanisms available to us in this chamber, as is one of our primary roles, to improve the legislation and to bring amendments forward to fix it. That is the purpose of this inquiry and I am very glad it is occurring.

So there are opportunities to fix the mistakes that are made. I will remind senators that the mistakes have been out in the open for all to see. It was a pretty blunt instrument that Minister Ferguson enabled for the mining industry and effectively handed to the big three. We had people with very detailed inside knowledge of the mining industry, people like AMEC, who represent the juniors and the mid-tiers in Western Australia, telling us, 'We are going to get done over in this process. You have given this to the big three to handle in their own interests, and here is what is going to happen.' They spelt it out in detail that even Treasury officials were unable to validate. They said, 'We are going to need to wait to see the figures, for example, on the way that the depreciation provisions are written into the bill.' Treasury would not touch it at the time. They said, 'We are going to need to see industry's numbers.' On the afternoon of the
inquiry that Senator Bob Brown and I attended, AMEC spelt out for us exactly what was going to happen.

Professor Henry Ergas is not somebody I tend to quote at great length in this chamber. But he does appear from time to time and offers the benefit of his views on these sorts of matters. He is opposed to the super-profits tax and opposed to the MRRT. Nonetheless he is well aware of how these things would be gained. He spelt it out for the committee and it was quite an enlightening session. He has quite detailed knowledge of the way our tax law works and the way that the targets of taxation can try to wriggle around and sleaze their way out of paying the tax. At the session—it must have been the Senate Economics Legislation Committee, on 21 February 2012—he said:

When you impose a significant tax you are always going to provide incentive for people to minimise the tax that they pay.

It is not necessarily illegal; it is just what happens.

One of the ways in which they are going to do that is to try to shift income out of the taxed pool into the untaxed pool. To that extent, yes, this tax does invite that.

I put to him a question about whether the complexity of the tax and the fact that the miners got to write it open it up to being abused. He essentially agreed in principle. I asked him then, 'What are the vulnerabilities?' As a professor of economics, he was reasonably well placed to answer the question. If he was going to game it and try to write his way out of having to pay any tax under this thing—if he was working for the companies who got to draft the bill—how would he do that? How would he shift income, as he put it, out of the tax pool and into the untaxed pool? Here is what he told us:

In all fairness I have not devoted all that much time to that. But I think the issues that will arise, even under the tax as it is currently proposed, will include timing issues, revenue recognition issues and particularly cost allocation issues; what the allowed rate of return on the downstream assets should be; how that allowed rate of return should be allocated; what the relevant asset base downstream is; and at what pace those downstream assets should be depreciated. All of those issues will doubtless arise in respect of this tax.

There you go, colleagues. I am very happy to agree on this occasion with Professor Henry Ergas, who forecast exactly what it was that the miners were going to do with the tax law that they were allowed to draft by resources and energy minister Martin Ferguson, on behalf of an Australian government, desperate and bruised as it was at that time by the assault of the mining industry on television and in the newspapers through both paid and unpaid coverage of their advocacy. It looked as though new Prime Minister Gillard just wanted the pain threshold turned down—just wanted the temperature turned down—and the assault to stop. And they gave the mining companies the pen.

It is not our role to be apologists for those who did the deal or for those on the other side of the chamber who oppose any deal being done at all. It is our job to recognise the mistakes that have been made and to correct them in the public interest. As Senator Milne said a short time ago, we should not come in here saying that we need to rip money off single parents, we need to delay the introduction of a disability insurance scheme, we cannot afford the rollout of large-scale renewable energy in Australia, we cannot afford the provision of decent public transport, we cannot afford to look after the environment or we need to set aside any of the many priorities that assail us across this country. We have the means to raise the revenue; we know that we do.
The beauty of a profits tax on an industry that does provide a substantial revenue base—and it certainly does in my home state of Western Australia—is that the tax does not kick in until you are doing extraordinarily well. That is the purpose of it. It is not a royalty receipt based on the tonnage that comes out of the ground. It only cuts in when you are doing very well. All the hysterical frothy hyperbole from those on other side of the chamber about how it is designed to assassinate the goose that lays the golden egg are basically them simply reading in statements from the big end of town, which is doing everything it can within the law—which they get to write—to avoid paying tax. It is a game that is probably as old as the concept of tax. It is not good enough for us to stand in here and pretend that there is nothing that we can do about it. As legislators, it is our job to do something about it. We in the Australian Greens take that job very seriously indeed.

Senator THISTLETHWAITE (New South Wales) (17:25): I speak in opposition to the Minerals Resource Rent Tax Amendment (Protecting Revenue) Bill 2012. One thing that we can never be certain of is the future. All good governments and businesses prepare budgets about proposed allocations of funding based on revenue sources. But neither the business community nor governments throughout the world can ever be certain of the outcomes in relation to those budgets. When we came to government in 2007, the international economy was flying high. There was an asset boom and particularly a housing boom, not only in Australia but throughout the world. The Australian economy had undergone about 20 consecutive years of growth.

But then the global financial crisis hit, and it hit hard. It affected governments and businesses throughout the world. As a result of the global financial crisis and in particular the effects on businesses and their revenue streams, businesses changed their budget positions. They changed the way that they were investing their funds to deal with those changed circumstances. Governments were no different. Good governments change budget allocations based on revenues received. In the wake of the global financial crisis, this Labor government proved itself to be quite adept at meeting the challenges of falling revenues—revenues that have fallen to the tune of $160 billion since the global financial crisis—finding the money to allocate to programs and, importantly, to continue to grow our economy.

It is in this context that I believe that this bill before the Senate this evening is short-sighted and politically motivated. It is scant on detail and modelled effects and facts. It fails to recognise that the current provisions of the Minerals Resource Rent Tax were developed as a result of a comprehensive review of our taxation system undertaken by Mr Ken Henry. It also fails to recognise that the details of this tax have been extensively negotiated after consultation with participants in the mining industry and the wider Australian public. It is a profits-based tax. There will be years in which profit levels in the mining industry will not be the same as in previous years. By its nature, the revenue generated by this tax will fall and rise depending on the profitability of those companies that are subject to its provisions.

The tax has only been in existence for six months—not even one fiscal year. It is way too premature to be sounding the death knell of this particular tax. We need to take a long-term view of the way that this particular tax should work. There are issues associated with it, and the government is aware of them. But we are, as good governments should, consulting with industry participants to work through those issues. In particular, we want to work through those issues using a
cooperative federalism model through the COAG process.

The Henry tax review looked at the issue of resource taxes. It determined that Australia needed a form of resource rent tax and found that such a tax would provide a more consistent treatment of resource projects and promote more efficient investment and production outcomes. Such a tax would also ensure that the Australian community received an appropriate return for its non-renewable resources. Australia has an abundant wealth of non-renewable resources, which are expected to continue to command high prices, driven by demand, particularly in China and India. Non-renewable resources such as petroleum and minerals are a significant asset of the Australian community. Australia has the world's largest economically demonstrated resource reserves of brown coal, lead, mineral sands, nickel, silver, uranium and zinc and the second-largest reserves of bauxite, copper, gold and iron ore.

The charging arrangements prior to the introduction of the minerals resource rent tax distorted investment and production decisions, thereby lowering the community's return from these resources. Further, the pre-MRRT taxation arrangements failed to collect a sufficient return for the community, because those royalties were unresponsive to changes in profits, particularly given that they were based on an output calculation method. For example, the taxes as they existed prior to the introduction of the minerals resource rent tax, and the royalties, claimed a declining share of the return to resources over recent years, despite the increased profitability of the resources sector. In the years 2001 to 2002, about $50 billion was collected. That had fallen, pre-MRRT, down to below $20 billion. That reflects the decreasing nature of the return that Australians were getting from the profits that were increasing in that particular industry.

So, in the wake of the Henry tax review, the government consulted with the industry. And, importantly, we got an outcome; we reached an agreement to levy a tax that was much more efficient than the royalties system and met the needs and requirements of the future, in particular, when it came to raising sufficient returns from non-renewable resources.

There has been much commentary on the royalties refund and the fact that the states have increased their royalties in the wake of the introduction of the minerals resource rent tax. I want to concentrate on that fact for a moment. Those opposite have been claiming for some years now that the introduction of this tax would kill the goose that laid the golden egg, that the introduction of the minerals resource rent tax would put the brakes on the mining sector, would be a job destroyer. Yet, at the same time, Liberal and National Party governments in the various states were jacking up their royalties on these minerals in a much greater capacity and to a much greater degree than the minerals resource rent tax. So, on one hand you have the opposition criticising the minerals resource rent tax—a much more efficient tax—and on the other you have state governments pushing up their royalties. That is the weakness in the opposition's argument when it comes to this issue.

Despite that fact, the issue of royalties refunds and the approach of the states is an issue. The government is aware of this, and we are dealing with it, as all good governments should. Through the Policy Transition Group, the GST distribution process and the review, we have been working with the states to try to iron out these problems. In December last year the Treasurer and the state Treasurers agreed to
refer this issue to the Heads of Treasuries process to work on a negotiated outcome. That is the way we should be approaching this. That is the way we should be approaching difficulties between state and federal governments when it comes to raising revenue in this country. Cooperative federalism is the way we should be dealing with the sufficiency of our revenue base to fund the services and infrastructure that our country dearly needs, and those discussions are underway.

The Greens are well aware that this process is being undertaken, yet they have introduced this bill in ignorance of that process—and way too prematurely; we still need to work out the outcomes of this process. They have also sought to amend the starting base for the purposes of calculation for some of the coverage that companies get with the minerals resource rent tax. Under the MRRT, miners get a one-off allowance to recognise the value of their existing assets as at 2 May 2010. Rio Tinto and BHP reported that the value of this allowance is around $1.7 billion in their financial statements in August, several months ago. It is important to note that this allowance is written off over the life of a mine and its assets; it is not on an annual basis. So, this reflects a one-off tax shield against minerals resource rent tax liabilities for up to the next 25 years.

The petroleum resource rent tax, for which a similar structure exists, has been in operation for 25 years and has raised about $28 billion. So it is way too premature to be sounding the death knell of this particular tax. It is much more effective and sensible to look at this as a long-term reform. It is really a reform aimed at delivering a fair return on non-renewable resources to our children and our grandchildren. And it will do that, because we have a strong pipeline of investment in the mining and minerals sector in this country.

I have spoken on many occasions to mining representatives in New South Wales, to those companies that are mining in the Hunter Valley and down around Wollongong, and their views of the long-term prospects of the industry are quite interesting and instructive. They have certainly been considered by the government in the development of this particular tax.

What they say is that there will be peaks and troughs, but the long-term prospect for this industry is growth based on the development of China and India. There will be peaks and troughs but the long-term outcome will be growth. And that is reflected in the companies' investment figures. It is reflected in the figures produced by the Australian Bureau of Statistics regarding mining investment in this country and into the future: $109 billion invested in mining in 2012-13—three times more than was invested prior to the minerals resource rent tax being announced by the government. It was $35 billion, in 2009-10.

Those opposite, again out of touch with reality, have been proclaiming the death knell of the resources sector in this country because of the introduction of this tax but the mining companies are laughing at them and saying, 'You're on your own with that argument—you're way out there with that—because we're going to invest three times the amount that we have invested in the past, prior to the introduction of this particular tax.' So the miners themselves and the people who put their money where their mouths are—the companies and the mums and dads who are investing in this industry—know the value of these assets. They know the value of what we are digging up, and which we can only dig up once. That is why the approach of the opposition, and indeed the Greens, on
this is out of touch. Good policy analysis and a good approach is to adopt a long-term view of this particular tax and its benefits for the country.

The minerals resource rent tax is raising revenue. It is raising revenue to fund the programs that the government said it would fund. There is no doubt that collections raised through the tax have been impacted by the fall in commodity prices. The price of iron ore per tonne prior to the introduction of the tax was up around $160 a tonne. Over the last 12 months we have seen a dramatic decrease in the value of the spot price. It got down to around $80 a tonne at some point late last year. Thankfully, it has risen again. As I said earlier, this is a profits based tax, and miners' profits will rise and fall depending, importantly, upon the price that they can secure in the market for that particular commodity. But in that respect it is a much more efficient tax than a royalties based system. A royalties based, output calculated tax, is applied regardless of whether the commodity price is good, regardless of the level of investment; it is purely based on the output. When the price turns down and profits are reduced, miners will still pay the royalties—a much more inefficient system. So it is much more efficient to have a profits based tax in this industry. It is similar to the situation that we have had with the petroleum resource rent tax. As I said earlier, that particular tax has raised $28 billion since its inception.

Based on all of this I think the Greens and those opposite really need to have a Bex and good lie down, and calm down. This is a long-term economic prospect for our nation. We need to adopt a long-term view. As I said earlier, it is about the next generation and future generations of Australians getting an adequate return from these non-renewable resources.

The price of iron ore and coal will fluctuate. It will go up and down and the profits associated with this tax will go up and down, but over the long term—as the miners have said to me on several occasions—the forecast is for growth. As there is growth there will be returns from this particular tax for the taxpayers of Australia and the returns will fund programs that we envisaged they would fund when we developed this tax. The returns from this tax are reflected in the fact that there has been a massive downturn in government revenues—$160 billion since the global financial crisis—but this government has a strong record of finding the necessary savings to ensure that we can continue to provide adequate services and infrastructure, and, importantly, to grow our economy despite difficult circumstances.

Although the MRRT—the minerals resource rent tax—is naturally going to be volatile, it will, over the longer term, fund programs. One of those programs that is particularly important and which will be funded through minerals resource rent tax revenues is the boost in compulsory superannuation levels from nine per cent to 12 per cent over the next 10 years. We will be looking at that in the budget context but, as I said earlier, we have a strong record of delivering necessary savings and finding those savings in the budget to fund our programs. We will do that yet again. For the next year, that will be revealed in the May budget by the Treasurer.

The specifics of the bill we are debating today were referred to the Senate Standing Committee on Economics. The committee undertook an inquiry and submissions were sought for a period of four months. I understand that there were not many submissions received by the committee, so the committee determined that they would extend the deadline for the receipt of submissions. They received six submissions
from companies and the community. Five of those submissions opposed the provisions of this bill. That was reported by the committee.

So, as I said earlier, the Greens need to calm down. The opposition needs to calm down and we need to take a long-term view of this project.

Senator Williams: We're calm; we'll get rid of it.

Senator THISTLETHWAITE: The opposition needs to be conscious of the fact that the states see, Senator Williams, that these miners have been making super profits on non-renewable resources that belong to the people of Australia, and that is why they have pushed up their royalties. They know that the community is not getting a fair return on these resources, and they have pushed up their royalties. It has caused some difficulties with this tax, but we will work those out. The crux of the argument, and the philosophy, is still the same. The Australian public were not getting an adequate return from these non-renewable resources, and that is why the government introduced the minerals resource rent tax. Over the longer term it will deliver for the people of Australia, and that is why we should oppose this bill.

Senator WILLIAMS (New South Wales—Nationals Whip in the Senate) (17:45): It was interesting listening to Senator Ludlam speaking. He said, 'Looking after the environment: that is what the Greens are about'. I noticed the wording of the formal motion about national parks today, where the feds would take over the national parks and not allow grazing. Just let the fuel levels rise and let the bushfires come along and have the savage, hot fires—like we had a few weeks ago at Coonabarabran, where 50,000 hectares of mainly national park and 33 homes were burnt. I am thinking: this minerals resource rent tax is about the environment.

If we look at the so-called greenest government the New South Wales parliament has ever seen—in one former Premier, now senator, Bob Carr—the Greens ruled that government. We saw them locking up country and leaving it, with virtually no hazard reduction burning and no grazing allowed. It is amazing that they do not allow grazing. They do not want hard-hooved animals in the national parks. It is about environment management, which relates to the very bill we are talking about. It is all right to have brumbies, wild pigs, feral goats or deer, but don't put any cattle or sheep in there to graze the country or get the fuel levels down so we can control the environment! Enough of that, as far as Senator Ludlam's farcical comment that the Greens are concerned about the environment. They actually destroy the environment. Their policies have been wrecking the environment, killing the animals and killing the trees, and savage hot fires have destroyed the seed on the ground for regeneration. I just had to comment on that while we are looking at this bill of the Greens.

Why was the MRRT first introduced? It was because this government got into such a financial mess—we will see the figures again tomorrow—with $263 billion of gross government debt. That is just the federal government. I am sure my colleague Senator Mason will remember the luxury car tax. It put the clamps on General Motors-Holden. No-one should be able to afford to buy those Statesmans! You have worked hard, you have put some money away and you have dreamed of your luxury car, but you had better pay more tax. There was the alcopops tax. That was going to save all the young ones from binge drinking. Instead of buying a can of Bundaberg red and cola they would buy a bottle of Bundy rum and a bottle of coke.
What is the effect of that? Then we had the LPG tax—the clean Australian fuel that we produce here. Ninety-five per cent of taxis run on it. What a good way to lose an election: upset the taxi drivers who talk to so many people every day and every night of the week! Then we had the flood tax, the carbon tax that we were never going to have, and then we got to the minerals tax. The brutal, savage, political guillotining of former Prime Minister Kevin Rudd—the axing of a prime minister who was elected by the people—will go down in our political history.

We know about the presidential-style elections we have these days. Prime Minister Gillard said the government had lost its way. It was Mr Rudd who proposed the super profits tax. The word ‘profit’ is a naught word in the eyes of this government and their left-wing partners in politics, the Greens. This word ‘profit’ is a dirty word—to have a business run at a profit and to have a business grow. Every big business started off as a small business, and they worked hard and they worked smart.

*Senator Polley interjecting—*

**Senator WILLIAMS:** We will get to that later on, Senator Polley. I will wait for Senator Heffernan to back me up. So, apparently, this word ‘profit’ is terrible. The then Prime Minister, Mr Kevin Rudd, said, ‘We’ll get into these profits; we’ll get some of this money off them.’ Of course, that all turned to tears. One of the jobs of the now Prime Minister, Ms Julia Gillard, was to clean up the superprofits tax—and ‘We will give you the minerals resource rent tax.’

Senator Mason, I wish you had been on that select committee that I had the privilege to be on with our colleague, Senator Cormann, when they brought out the document signed by the Prime Minister and the Treasurer saying that all state royalties would be credited. We got into a bit of an argument with Senator Cameron—which is not unusual—and I asked one of the witnesses, ‘Will you please take on notice and give the committee a definition of “all”?’

**Senator Furner:** You wouldn’t increase the royalties to Queensland.

**Senator WILLIAMS:** I take your interjection, Senator Furner. So all the royalties would be credited. Who do the minerals belong to? Who is responsible for them in the ground? The Crown. That is correct, isn’t it, Senator Ludwig?

**An honourable senator:** The Aboriginals.

**Senator WILLIAMS:** ‘The Aboriginals’, Senator Ludlam says. So they own all the resources? Here is another tack thrown in. The way Campbell Newman has increased his royalties is on a pro rata basis. Once the price of a commodity gets over, say, $100 a tonne, then the royalty increases. But, if the price goes down, the royalty is reduced, to give business a fair go. I have no problem with the states raising the royalties. They have control of the minerals in the ground—the same as coal seam gas and oil, after the then Premier of New South Wales, Neville Wran, took control off the farmers in New South Wales in 1981. The same thing happened in 1971 in South Australia and back in 1915 in Queensland. Senator Ludlam, that is when the states took control of those resources off the farmers.

I have no problem with the states raising royalties. I think it is only fair that we get a fair share. The states can then use that money on their schools and their hospitals. All this federal government had to say in the COAG meeting was: ‘You state blokes, you state guys, you state ladies, you state ministers, raise your royalties and we will give you less money from Canberra,’ and do a balancing around the states—of course some states

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**CHAMBER**
have much more mining than others—and just let the states raise their royalties. It is their commodity; it is their resource. They are finite and we want to get our share to benefit all the people who live in our states. And the feds would just simply pay less money to the states. Money saved is money made. But, no, they wanted to go and get control of it, and the states of course became recalcitrant and said, 'We'll raise our royalties'—as they have every right to do.

That is what this is about. It gets back to the point about the budget surplus. How many times did we hear about the 'not negotiable', 'ironclad' budget surplus that we were going to see in the financial year we are in now? Was it two or three hundred times? It will be interesting when we get to Mr Swan's budget come May to hear what his predictions are for this financial year. But, Senator Mason, we know one thing for sure: there will be no surplus. We need this Labor Party government to go to the dictionary and actually see what the word 'surplus' means, because they do not know what a surplus is. During the 13 years of the Hawke-Keating government the Labor government delivered four surpluses, and we have had five years of this government. So 13 and five is 18. After 18 years in government there have been four years of surplus. It has been many, many years—we are probably talking about decades—since we have seen a surplus from a Labor government. So they have probably forgotten what it means. We know they will not deliver one of them.

As far as this tax goes, we argued that it was no good and we argued that it was rushed—have a look at the recommendations that Senator Cormann's select committee handed down—and we stand here in hindsight and say, 'We told you so.' But it came into this chamber, and the Greens—who are very big supporters of guillotining debate in this place and teaming up with the Labor senators to get the numbers—pulled the guillotine down and said: 'Stop debate. Don't have any more discussions; let's just pass it.'

But now it is all wrong. It has all turned to tears, so we will guillotine the debate on this tax, rip it through the Senate and get it into place. Then it all turns to tears when it does not work. But there is one thing worse: the money that has not been raised has been spent. That is the problem. Labor said, 'Yes, we'll give company reductions to small business.' That would be good, but we never saw them. 'We'll put into superannuation to build up the super funds.' No, stripping the money from these big companies, which are owned in some respects by the super funds, is taking money away from every working Australian. That is where they have their money invested to get a return for their super funds.

Senator Mason: Shambles.

Senator WILLIAMS: Shambles is a very good description. The whole thing has turned to tears and like many other things—just look at the government—this whole minerals resource rent tax was not about a fair share for all Australians of the finite resources in the ground. It was about the federal government's budget that was in a state of disarray. Remember when Labor was elected to government the ceiling of the debt was $75 billion. You raised it to $200 billion. Then you raised it to $250 billion. Then last May, in a year in which we were meant to have a budget surplus, you raised it to $300 billion. Why did you need to raise the ceiling debt, the credit card limit for the Australian people, when you are going to have a budget surplus? Because you knew there was not going to be any surplus—and history will prove that correct.

During the Christmas break when we were away from the cameras, Treasurer Swan
said, ‘It's unlikely it'll look like a surplus now.’ Blind Freddy could have told you that there would be no surplus. Get the equation right: the Australian Labor Party in government equals debt—borrowing, debt, waste. It has happened all my life. I can take you back to the states and I am sure my colleague Senator Ronaldson would remember that the Cain-Kirner government in Victoria set that state back by $60 billion of debt, and Premier Kennett was left to clean up the mess. He was asked why he sold the electricity company. He got $19 billion for the sale and every cent went to pay off debt that the Labor Party had built up. Perhaps we should look at Queensland's finances now.

Senator Mason: With $80 billion in debt, a shambles.

Senator WILLIAMS: Running on a par with Ireland, 4½ million people. The sad thing about this is that Queensland was debt-free for decades. I remember when former Prime Minister Bob Hawke called the tax summit when he won in 1983 and one Sir Joh Bjelke-Petersen said: 'Why don't you be like Queensland and not run deficits?' They laughed at him—a debt-free state and now it is on the point of bankruptcy. But that is what happens when you have no idea about running business so you simply borrow, spend and waste.

Senator Furner interjecting—

Senator WILLIAMS: It is late in the week and I will not take your interjection, Senator Furner—only for the reason I did not hear it properly.

The most laughable aspect of all this is what Prime Minister Julia Gillard said. This is a big point and it is what the minerals resource rent tax is all about. The Greens have a bill saying we need a bigger cop, but let me quote the Prime Minister for anyone listening:

You can't run this country if you can't manage its budget.

It is a pretty good statement; the words are good. Let us have a look at the reality of what is happening. I reckon at about $10 billion the penny will drop when we get the actuals in September. When we get the actual debt for this financial year in September, because this minerals resource rent tax has only returned $126 million, two things are going to happen. On 14 September we are going to have an election—you beauty, a lot of people say. Two weeks after that we are going to find out the actuals of this year's financials.

I wonder why they plan the election day two weeks before the Treasurer will give the real budget figures of this financial year? A cynic would say it is because there is going to be another big hole; not a big black hole, but a big red hole, a hole of red ink of more borrowings. If all goes well—

The ACTING DEPUTY PRESIDENT (Senator Crossin): Order! The time allotted for this debate has expired.

DOCUMENTS

Australian War Memorial

Senator RONALDSON (Victoria): I rise to take note of the Australian War Memorial annual report for 2011-12. I am sure that all honourable senators who are listening tonight will be aware that since 1947 there have been 48 peacekeepers who have died during non-warlike service who nonetheless were looking after this country and serving this country. At the moment, those 48 men are not on the roll of honour at the War Memorial.

All sides of politics respect the independence of the War Memorial. It has been such a successful organisation because of being above politics. But the Council of the War Memorial is in the process of
reconsidering a previous decision in relation to these peacekeepers—young men who died in the uniform of the military of this country.

I am sure honourable senators are aware that there are two books at the War Memorial—and I must acknowledge that I got them wrong in a press release that I put out recently; and I apologise for that—there is the Commemorative Roll and the Remembrance Book, and it is the Remembrance Book that has in it those young men who died in the service of this country since 1947.

I have spoken to a number of families of these young men and one of the most poignant comments that was made to me was a father talking about his son: 'His service and memory are put away in a cupboard and virtually forgotten. This really hurts.' No family should be left to feel that the ultimate sacrifice of their son or daughter, brother or sister is forgotten. What he is referring to in relation to the memory being 'put in a cupboard' is that the Remembrance Book is effectively locked away.

This has been a very difficult issue for the ex-service community and there is a variety of views about whether the roll of honour should have peacekeepers on it.

On the back of that conversation with the father of that young man who died serving this country, I wrote to Rear Admiral Ken Doolan, the Chairman of the Australian War Memorial, and Dr Brendan Nelson, the new Director of the AWM, a man who of course was a defence minister, indicating to them I was not in any way wanting to impose our—as in the coalition's—will on the council and was acknowledging that ultimately they have the responsibility for these sorts of decisions. I did however, on behalf of the coalition—and this is in the letter to Rear Admiral Doolan and Dr Nelson—indicate that indeed at this forthcoming council meeting if the decision were made to reverse this decision and put these young men on the roll of honour it would have the full support of the coalition. I believe that with the Centenary of Anzac coming, as we all know, in 2014, there is a great opportunity—indeed, a unique opportunity—for the council to ensure that the roll of honour remains relevant and central to the story, understanding and commemoration of Australians at war. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Department of Regional Australia, Regional Development and Local Government

Debate resumed on the motion:

That the Senate take note of the document.

Senator RONALDSON (Victoria) (18:08): I rise to speak on document No. 8, in relation to regional Australia. As honourable senators know, I am indeed a regional Australian and am proudly a Ballarat boy. The issues for all regional Australians go to the funding of services for roads, schools and hospitals and any policy that impacts on the ability of a government to provide those services is obviously a policy that should be carefully looked at. I do in that regard refer to the cost of Labor's failed border protection policies, given their ability or inability, being the sum of nearly $7,000 million. It is effectively a cost blow-out of the failed policies of both former Prime Minister Rudd and indeed Prime Minister Gillard. That is $7,000 million that could have gone into regional Australia. That is $7,000 million that could have gone into roads, schools and hospitals.

Indeed, the great concern in the great regional city of Bendigo at the moment is that the Labor Party candidate in Bendigo, Lisa Chesters, is actually advocating a return to onshore processing. I can see the look of
absolute horror on my colleagues' faces when I tell them that she wants to return to onshore processing. Ms Chesters has said quite proudly that she is going to come and speak to every one of you on the other side in caucus and demand that you have onshore processing again. She is going to ride into Canberra and demand that you have onshore processing, so you are on notice that that is indeed what Ms Chesters is going to do.

The impact of that, as everyone in this chamber knows, will be absolutely diabolical. It will be an open-door policy for illegal boat arrivals into this country. It will open the doors up, and the only outcome of opening the doors up is further cost blow-outs. The only outcome of further cost blow-outs is reduced funding for regional schools, roads and hospitals. Ms Chesters, quite frankly, has to have a reality check, and if she does not know what her own party's policy in relation to this is then she should find out very quickly. When we passed some amendments to the act last year, her own leader, or potential leader, Ms Gillard, said:

Today the House has put in place arrangements for offshore processing. Today the House has done what the Australian people have wanted us to do for a long time.

That is Ms Chesters's own leader, the Prime Minister of this country. But no: Ms Chesters is going to march into Canberra if she gets elected and demand of caucus that you unwind what the Prime Minister acknowledges is what the Australian people have wanted us to do for a long time, and that is to have offshore processing.

This is irresponsible of the Labor candidate for Bendigo. It is grossly irresponsible for her to be suggesting that we return to onshore processing. It is grossly irresponsible for her to potentially open our borders even wider than they are at the moment—and I am sure honourable senators will be aware of what the recent figures are in relation to illegal boat arrivals: 31,000 people have arrived on 546 boats since the Labor party came to office, and $6.6 billion of taxes have been wasted on these boat arrivals. Ms Chesters needs to immediately withdraw her demand for onshore processing.

The ACTING DEPUTY PRESIDENT (Senator Crossin): Senator Ronaldson, your time for this document has expired.

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

Leave granted; debate adjourned.

Australian National Preventive Health Agency

Debate resumed on the motion:
That the Senate take note of the document.

Senator RONALDSON (Victoria) (18:12): I rise tonight in relation to document No. 9, this report of the Australian National Preventive Health Agency. I want to talk about a health matter tonight, and the health matter I want to talk about is the action of the Gillard government in relation to hospital funding not just in Victoria but around the country. Last weekend we saw a contemptuous attempt by this government to pull the wool over voters' eyes through a series of advertisements in Victorian newspapers claiming that Labor was 'injecting $107 million into Victorian hospitals'. The ad then went on to say, 'This will reverse cuts made by the Victorian government.' That is a blatant, outright lie, and the truth is that it is not extra money that the Gillard government suddenly found; it is $107 million that was snatched out of the budget last November and that they are reinstating. So this notion that they are injecting $107 million is a blatant lie, and the statement that it will reverse cuts made by the Victorian government is also a blatant lie.
It was clearly shown by the Victorian state government and other states that the federal government's data methodology was flawed and that the impact of that on Victoria's and other states' hospital services was quite dramatic. To say that they will put an extra $107 million into the hospitals as if it were new money is simply not correct.

I want to mention some comments by my Victorian state counterpart, the member for Western Victoria, Simon Ramsay, who last week called for a Senate inquiry in relation to the blatant misuse of taxpayers' funds by the Gillard government for these misleading full- and half-page advertisements. As Mr Ramsay said, 'There has been a total fabrication of the truth.' I have colleagues from Tasmania, South Australia and New South Wales who I know are equally aggrieved about these hospital funding cuts. It is only Victoria that has been so-called rescued by the Gillard government to protect some marginal seats; that is the only reason this has been done. But it is being done on the back of a blatant lie that it was new money when it was not. It was money that had been ripped out of the Victorian hospital system by this government, and they were forced and shamed into returning it.

If you look further, from 1 July 2013 a further $368 million will continue to be cut from Victoria's hospitals over three years. The impact of this in those fantastic regional cities of Geelong, Ballarat and Bendigo is quite dramatic. In the seat of Corangamite, the Liberal candidate, Sarah Henderson, is working very hard for her community to fight these sorts of cuts. Back in December Ms Henderson said:

These cuts are absolutely heartless because they've been made by Labor in the hope that it will achieve a phony surplus.

The impact on Barwon Health and Colac Area Health have been quite dramatic. In Bendigo, the Liberal candidate there, Greg Bickley, was spot on when he said last year:

These cuts were, as I said early in the year, disgraceful and callous.

The Liberal candidate for Ballarat, John Fitzgibbon, quite accurately said:

This is a major embarrassment for the Parliamentary Secretary for Health and for the Health Minister.

The Parliamentary Secretary for Health and Ageing is, of course, Catherine King. Catherine King saw what these cuts were doing to Ballarat electorate hospitals and she did nothing about it. She refused to go in and fight for her constituents, and for that she stands utterly condemned. (Time expired)

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers and Parliamentary Secretary to the Prime Minister) (18:17): This is a good opportunity to talk about preventative health and what is happening in my home town of Cairns. Last Monday, a week ago, the Chair of the Cairns and Hinterland Hospital and Health Board, Mr Bob Norman, who is known as a very strong supporter of the Liberal Party, stood up and announced that 234 jobs were going to be lost from our hospital. That is on top of a quarter of the jobs on Thursday Island and on top of jobs going from Mosman hospital, from the Mareeba Hospital and from the Innisfail Hospital. In doing that, he took out of his book the classic blame-game language and blamed the federal government for these 234 jobs that are being lost by saying that $6½ million had been taken from the Cairns and Hinterland Hospital budget. He made no mention in that speech of the $3 billion that the state government have taken out of their contribution to the Queensland health budget—no mention at all. It was up to community discussion to try and pick out the facts, as they have now come to be revealed,
in Mr Norman's funny figuring. If anyone does any sort of work and understands how much on average a hospital worker costs, you will come to a figure of just over $100,000. If you multiply 234 jobs by about $100,000—just to make it easy—it comes to a much larger figure than $6.5 million. So Mr Norman was caught out on that matter initially.

I turn to the way that some of these people were told that they were not of benefit to the health services in North Queensland. Mr Gavin King, who happens to be the state member for Cairns, went out into the media saying these jobs were not frontline jobs, these jobs were not delivering babies and these jobs were not doing important work that happens in our hospitals. So you can imagine that 234 people went home that night thinking, 'What I've been doing, what I've been giving to the people of Queensland, what I've been trying to do for'—in one case—'14 years as a doctor in mental health—all those things I've been doing have been for nothing.' It was offensive not only because of the fact that they lost their jobs but also because they were told that what they were doing has been useless.

Let us now turn to where these jobs have been lost. On Tuesday of last week I had my normal mammogram. Leaving the Cairns breast clinic I said in passing to the woman who gave me the mammogram: 'You guys are all right, aren't you? You'll be okay?' She did not burst into tears but it looked close: they were told that morning that four of their number were going to lose their jobs, but they were not told who. It took days for them to know who was losing their job. That is appalling management, and I sheet that home to Mr Norman, who was appointed by the LNP government and is known to us all in North Queensland as an LNP supporter.

We have lost almost all of our sexual health services in North Queensland. We have lost basically all of our mental health team, particularly those who work in Cape York. We had been making good inroads into the issues of mental health, and what do we find but that all of the doctors and nurses who have been doing work in Cape York around mental health have lost their jobs. I have said that this is a short-sighted measure: it is an extraordinarily short-sighted measure. This will mean that despite the preventive health work that has been done in breast screening, in HIV and AIDS, in sexual health and in mental health—just to mention four areas—we will now end up with more people in our hospital system taking up beds with breast cancer, with HIV and with mental health conditions because the preventive health work has not been done. This is dangerous for the health of the far north, and I sheet this home directly to Mr King and Mr Newman regarding the short-sighted decisions that have been made in our town.

Senator IAN MACDONALD (Queensland) (18:22): I rise to take note of the Australian National Preventive Health Agency report—when I finish I want to come back to try to reserve for future debate some of those documents that have already passed by, but at the moment I talk to this report, document No. 9. Fortuitously, I was here to hear the previous speaker, Senator McLucas, at last making a comment on health in Cairns. I do not remember Senator McLucas saying anything when some Pacific Island prince spent millions of dollars of health funds under the Labor government—

Senator McLucas: He's a criminal!

Senator IAN MACDONALD: You are saying he is a criminal now. Where was your comment when Labor was in charge and destroyed the health system of Queensland with waste and mismanagement? Did we
hear a peep from Senator McLucas then? Not a word. It is good to see her now taking at least a little interest in what is happening in Cairns.

It is rather disturbing to me that a senator would come in here and, under the privilege of coward's castle—

Senator Ludwig: And you've never used it!

Senator IAN MACDONALD: I say some things about politicians who can come back and respond. Senator McLucas talked about a very distinguished North Queenslander, Mr Bob Norman, who is a well-known philanthropist and educationalist and a significant businessman of the Sir Robert Norman stock. Young Bob, as I call him, has made a significant contribution to Cairns and Far North Queensland—far more of a contribution than Senator McLucas has done or ever will do.

For Senator McLucas to use the privilege of this chamber to attack a man who has considerably benefited society, the business community and the social community of Cairns over such a long period—

Government senators interjecting—

Senator IAN MACDONALD: We have the quota girls up the back. Has someone written those interjections for you, senators?

The ACTING DEPUTY PRESIDENT (Senator Crossin): Senator Macdonald, you need to refer to the two senators in this chamber appropriately. I ask you to withdraw that comment whereby you reflected on those two senators just then.

Senator IAN MACDONALD: I withdraw the comment 'quota girls' and I will say to the two senators—

The ACTING DEPUTY PRESIDENT: You need to refer to them by their correct title please, Senator Macdonald.

Senator IAN MACDONALD: I withdraw the comment 'quota girls' and I refer to the two senators from Tasmania—is that the correct description?—

The ACTING DEPUTY PRESIDENT: Yes, they are senators from Tasmania.

Senator IAN MACDONALD: I say to the two senators from Tasmania: has someone written those interjections for you? Because the only time we hear from you is when you have Mr McTernan writing a speech that you get up here and read to this chamber. Madam Acting Deputy President, excuse my anger at this, but I am incensed that Senator McLucas, supported by these two—

Senator Polley: Madam Acting Deputy President, I rise on a point of order. I think that Senator Macdonald is reflecting on the character of senators in this place—which is against the standing orders—by trying to assert that speeches have been written by people from other offices. I think it is totally inappropriate and he should withdraw the inference.

The ACTING DEPUTY PRESIDENT: Before I call Senator Ronaldson to respond to that point of order, I remind people that we are taking note of documents and we are taking note of the annual report of the Australian National Preventive Health Agency.

Senator Ronaldson: Madam Acting Deputy President, on a point of order: clearly Senator Macdonald was not so reflecting. With the greatest of respect, I think that my friend Senator Polley is just being a little precious about this. The comment was withdrawn before, so there is no point of order.

The ACTING DEPUTY PRESIDENT: We are taking note of documents. Senator Macdonald, are you continuing?
Senator IAN MACDONALD: I am very keen to talk on the preventive health care document and I reflect on what a great job Lawrence Springborg is doing in Queensland with preventive health, but he is doing it in very difficult circumstances. The previous Labor government ran Queensland into debt of some $95 billion. It is almost up to the extent that the former Labor government ran up the Australian economy.

For Senator McLucas to then blame significant Far North Queenslander Mr Bob Norman for the ills of the Labor Party and their complete mismanagement of Queensland Health is just beyond the pale. There have been, of necessity, job cuts right throughout Queensland in health and in other areas. Why? Because the Queensland government simply cannot afford to pay them. No longer can they afford to borrow money as the federal Labor Party government does—they just keep borrowing. Someday there will have to be a reckoning.

In the instance of Cairns, most of the jobs that went were, in fact, not frontline jobs. A lot of them were clerical, administrative and advertising jobs that Senator McLucas and her left-wing cohorts in Far North Queensland had been building up for years. I am pleased to say that Mr Norman and the Queensland state government are focusing health in Tropical North Queensland on the issues that really count. I look forward to a continuation of good administration of the Cairns regional hospital, and they will certainly get that with a distinguished Tropical North Queenslander, Mr Bob Norman, administering the health system.

The ACTING DEPUTY PRESIDENT: Senator Macdonald, your time has expired; are you going to seek leave to continue your remarks, or shall we take note of that report?

Senator IAN MACDONALD: Well, if nobody else wants to speak on it I will seek leave to continue my remarks later. While I am on my feet, Madam Acting Deputy President, I will not speak on them now but can I reserve by moving to take note of, and continue my remarks on, documents Nos 5, 6, 7 and 8? That would all be by leave, because I understand they have been dealt with, but if I seek leave to—

The ACTING DEPUTY PRESIDENT: We have dealt with document No. 8 already; we have it still already on the Notice Paper. So do you want to go back and keep documents Nos 5, 6 and 7 on the Notice Paper?

Senator IAN MACDONALD: Yes, that would be my request, by leave. I will not speak on them now.

Leave granted; debate adjourned.

Austrade
Debate resumed on the motion:
That the Senate take note of the document.


Leave granted; debate adjourned.

Commonwealth Superannuation Corporation
Debate resumed on the motion:
That the Senate take note of the document.

Senator RONALDSON (Victoria) (18:30): I rise to take note of document no. 16, Commonwealth Superannuation Corporation (CSC)—Report for 2011-12—Military Superannuation and Benefits Scheme (MilitarySuper), including financial statements for the Commonwealth Superannuation Scheme. This document of course talks about military superannuation. Today, Madam Acting Deputy President
Stephens, as you would be aware, this chamber, on the voices, passed the following motion:

That the Senate—

(a) notes that the average annual Defence Force Retirement and Death Benefits Scheme military superannuation pension in 2011-12 was $24,603;

(b) condemns the Gillard Labor Government for its ongoing and stubborn refusal to grant 57,000 Australian military superannuants and their families a fair go;

(c) denounces the Australian Labor Party for misleading veterans before the 2007 election into believing that Labor would actually deliver fair indexation, a point highlighted by Senator Lundy and the then Parliamentary Secretary for Defence Support (Mr Kelly) in their letter to the former Minister for Finance and Deregulation (Mr Tanner) of 14 September 2009; and

(d) criticises the Government for its ongoing failure to schedule a time for the Senate to consider the Veterans' Affairs Legislation Amendment Bill 2012 thus denying the Senate the opportunity to debate and vote on the Coalition's amendments to provide fair indexation for these men and women who have served their nation.

The amendment that is already on the table in relation to the Veterans' Affairs Legislation Amendment Bill is a second reading amendment moved by me as the shadow minister for veterans' affairs.

Senator Ian Macdonald: And a very good one too!

Senator RONALDSON: Thank you very much. At the end of it, it says: 'But the Senate declines to consider this bill further until the government introduces legislation to index military superannuation pensions for Defence Force Retirement Benefits, DFRB, Scheme members, and Defence Force Retirement and Death Benefits, DFRDB, Scheme members aged 55 and over in the same manner as aged and service pensions are currently indexed.'

These are men and women who have served this country. They have served this country, but they are being treated unfairly. As the Fair Go campaign, run by the ex-service community, quite rightly says, how can you treat people who have served this country differently from the way you treat age pensioners? Age pensioners have not been on CPI as the method of indexation for increase in their age pensions for about 12 years.

They have not been on that system for 12 years because 12 years ago it was clear that CPI was not a natural reflection of the cost of living. We have tried since the last election to get this chamber, and indeed the other place, to provide fairness. I will go through those who supported this motion. There was the coalition. There was the Australian Greens and, quite remarkably, the Australian Labor Party, who are so embarrassed about their failure to provide fair indexation that they actually passed a motion condemning themselves. I was in the other place for about 12 years and I have been here for about eight and I have never seen a political party pass a motion condemning themselves. It is quite extraordinary and that must show their level of embarrassment in relation to this issue.

When will the veterans affairs legislation amendment bill come on? It has been on the Notice Paper on half a dozen occasions and for some reason, mysteriously, it keeps on being taken off. I wonder whether that is because the Australian Labor Party does not want to have to vote down fair indexation again as they have in the past. That may be a little bit too cynical, but I do not think it is.

So if this matter is indeed listed then the Australian Labor Party and the Greens have the opportunity finally to give fair indexation to these military superannuants. If they fail to do so again they will stand utterly condemned again. The Australian Greens, who talk the talk but will not walk the walk,
have got a big decision to make in relation to this matter. They can keep on running and flapping around and making all the right noises to the ex-service community but no-one actually believes them. I seek leave to continue my remarks later.

Leave granted.

Senator MOORE (Queensland) (18:36): I will speak to this motion very briefly to make a point of clarification. The way Senator Ronaldson portrayed it was that the ALP voted for the motion. We did not. We actually voted against it and just did not call a division.

Senator Ronaldson: On a point of order, Madam Acting Deputy President, that is completely not so.

The ACTING DEPUTY PRESIDENT (Senator Stephens): Senator Ronaldson, there is no point of order.

Senator Ronaldson: I am surprised that Senator Moore has said—

The ACTING DEPUTY PRESIDENT: Senator Ronaldson, sit down as there is no point of order.

Senator Ronaldson: That is a complete misrepresentation.

The ACTING DEPUTY PRESIDENT: Senator Ronaldson, sit down as you do not have the call.

Senator McLucas interjecting—

Senator Ronaldson interjecting—

Senator McLucas: You should apologise.

Senator Ronaldson: No, you should withdraw.

The ACTING DEPUTY PRESIDENT: Calling across the chamber is unparliamentary.

Senator IAN MACDONALD (Queensland) (18:36): Madam Acting Deputy President, I seek leave to continue my remarks later in relation to document No. 16.

Leave granted; debate adjourned.

Commonwealth Scientific and Industrial Research Organisation

Debate resumed on the motion:

That the Senate take note of the document.

Senator IAN MACDONALD (Queensland) (18:37): I note the motion that the Senate take note of the correction of the CSIRO's report for 2011—and the actual report is document 6. I want to briefly again refer to that report for the current financial year.

It is, of course, a report that is written in the usual professional publication style. The CSIRO over many years have done a lot of good work, of which they should be proud. However, I would hope that the CSIRO, as a supposedly independent research organisation, might just take note of the fact that many people in the scientific community, many people in government and many people in universities are starting to question the very high reputation that the CSIRO once had for research in Australia. There is an underlying tone, which I hope the CSIRO is aware of, that some elements of the CSIRO are almost 'guns for hire'. If the government of the day has a fixation on climate change, and a certain view on climate change, it does seem to some university academics who have spoken to me as recently as the last 10 days that the CSIRO has sold its soul to the government of the day in relation to scientific research.

The CSIRO now seems to be principally funded for climate change—and, as an aside, so does the Australian Institute of Marine Science. Senator McLucas happened to officiate at the AIMS 40th anniversary recently—and she muffed her lines, even though she was reading her speech. She
could not bring herself to recognise the other politicians there—not that I need to be recognised; I was recognised by more important people. It was interesting, though, that there were five LNP politicians at this 40th anniversary. But how many Labor politicians were there? Not one, apart from Senator McLucas. You just cannot believe it. A couple of the more prominent speakers there were kind enough to recognise me. But isn't that strange, isn't that petty.

Getting back to the CSIRO, it seems to be the situation that the government of the day wants to talk about climate change and wants a certain view of climate change. There are people saying that the CSIRO is selling its scientific soul. The UK Met Office has now said, I think uncontested, that there has been no global warming, that global warming has stalled for 17 years.

Senator McLucas: That is not what AIMS says.

Senator IAN MACDONALD: That is interesting. But I think you would acknowledge that the UK Met Office does say that. No less than the head of the United Nations commission on climate change, in Australia recently, was quoted as saying that those who accuse anyone who does not agree with the government line as being deniers, or worse, should not be attributed to him—even the guy in charge of the UN climate change commission says it needs debate. What he and the UK Met Office are saying is that it is not as clear a scientific outcome as the Labor government and some of the CSIRO research would have you believe. I just mention that in passing while talking on the CSIRO report, and hope they might take some notice.

Debate adjourned.

**DOCUMENTS**

**Consideration**

The following orders of the day relating to government documents were considered:


*Australian Security Intelligence Organisation (ASIO)—Report for 2011-12.* Motion of Senator Back to take note of document agreed to.

*Australian Research Council—Report for 2011-12.* Motion of Senator McKenzie to take note of document agreed to.

*Australian Agency for International Development (AusAID)—Report for 2011-12.*

Addendum.

Motion of Senator Bushby to take note of document called on. On the motion of Senator Macdonald debate was adjourned till Thursday at general business.


I will not comment on a case I am watching very closely. The court wound up on that case this week. That was one of the reasons that I called the inquiry into this industry. When the decision comes down—and I have a fair idea which way the judge is going to rule—ASIC will have a lot more questions to answer, I assure you, come next Senate estimates or if I happen to be in the vicinity when the judge hands down his decision on that court case. I will not go into any details, of course.

The Parliamentary Joint Committee on Corporations and Financial Affairs has oversight of ASIC. I see nothing wrong with that. My opposing colleague Senator Cameron might want to comment on the fees and charges of many in this industry, which he learnt about at a recent Senate inquiry we had. I make the point: why would a committee do all the work, put forward 17 recommendations to the government, handed down in September 2009, and the government does not act? A lot of change is required in this industry—regulations need to be changed to give ASIC the powers to do their job properly—but it requires the government to act, and this government has not acted. To me, that is unacceptable. I do not know how many tens of thousands of dollars it costs to run an inquiry. We travelled to Adelaide, Sydney and Newcastle.

There are people out there who have simply been done over by a rogue liquidator, Stuart Ariff, who is now in jail for six years. Of course, ASIC did not act on him until the courageous Adele Ferguson came forward in the media to highlight what this man had done. After three or four years of complaints, ASIC finally it took him to court where he pleaded guilty to 83 counts of wrongdoing. I asked the DPP, ‘Have you had a referral from ASIC?’ and the answer was no. We had to write to ASIC to get a referral to the DPP,
where charges were actually laid, the jury made a decision and then the judge sentenced him. I know that people were done over by the rogue liquidator Stuart Ariff. I know it has destroyed their lives in many respects. I know they live with the problems.

There is a Malaysian owned car-wash company whose name has slipped my mind. The liquidator got in control of the company and it cost the company $1.8 million to have Stuart Ariff removed from the company. When a company is in liquidation or administration, who has a spare $1.8 million to remove a rogue liquidator? Luckily that company did have the money to do that, but it is devastating for them to see what was happened. I blame ASIC for not doing their job properly. I continued to ask Mr D’Aloisio, when he was CEO of ASIC, whether they were resourced enough and he said they were. Of course, now the answer from Mr Medcraft is that they could always do with more funds.

As far as I am concerned, the government needs to look at the recommendations of these Senate committees. If it does not, why are we having the committee hearings? Why are we doing the work? Why are we spending taxpayers’ money to have no change in what happens?

By the way, that Malaysian owned company is Car Lovers, which does car washes around Australia. It has spent $1.8 million in legal fees to remove a shonky liquidator. That was the recommendation of the committee: to see that ASIC had the power, with one phone call, to cancel their licence. The liquidator could go to court to apply to have it reinstated, but we need to give ASIC the power, with one phone call, to suspend the licence of a liquidator. That in itself would send a clear message to this industry: ‘If you do the wrong thing and the evidence is put forward to ASIC, in one phone call you will be sat on your backside. You will be out of business because your licence has been suspended.’ That in itself would be of huge benefit in returning confidence to the liquidating and insolvency practitioner industry, in which I believe so many Australians have very little confidence.

In commenting on the one recommendation from the government for ASIC to upgrade its website, I hope that the government actually does something. But I think it is a little too late. Hopefully after 14 September I will be in the position of being in government where I can see those changes introduced.

Question agreed to.

COMMITTEES

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Economics References Committee—Report—Review of changes to car fringe benefits arrangements. Motion of the chair of the committee (Senator Bushby) 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

Report No. 24 of 2012-13

Senator CAMERON (New South Wales) (18:51): I move:

That the Senate take note of the document.

This is about natural disaster recovery work in Queensland and Victoria. They indicate that I was minded to speak on this issue after the performance of Senator Macdonald in his earlier contribution where he talked about the issue of climate change.

I want to talk about it in the scientific terms—I have been advised by the CSIRO,
the Bureau of Meteorology, the Climate Commission and the Australian Academy of Science—and actually get back to some of the real issues that we are dealing with.

Senator Macdonald has been here very, very, very, very long time. I think we are starting to see that he is really not injecting much sense into the debates. In my view it is about time he gave it away, because he is so predictable. He is absolutely predictable on every issue he stands upon. He is no more predictable on any issue than he is on climate change.

You only have to look at the weather patterns that we have around the country to understand that there are real issues. The problem for the coalition is that they do not seem to understand the difference between weather and climate. Weather is a short-term phenomenon that we deal with; climate is a long-term phenomenon. You have to look at what is happening with weather over a period of time to determine what is happening in the climate. I would rather listen to the CSIRO, the Australian Academy of Science, the Bureau of Meteorology and the academy of science of every developed country in the world, who say that there are huge issues that the world has to deal with.

The glib nature in which the coalition deal with this issue is just not in the interests of future generations of this country. Their Direct Action Plan is a joke. It will not deliver the changes that are required. It will not demonstrate to the rest of the world the Australian leadership that John Howard, the previous coalition Prime Minister, said we should. It will not do that. It is a Greg Hunt, patched together approach to try and say there is a policy that is different from the government's policy. When you look at that policy you have to shake your head, because it is really not dealing with the issues that the CSIRO say we have to deal with. Mr Malcolm Turnbull, in the other place, has clearly described Mr Hunt's policy as 'not very good', and that is being kind. It is like that because he does understand that from time to time governments and oppositions have to deal with the scientific facts. And the scientific facts are clear—that climate change is on us, we have to deal with it, we have to mitigate against it, and we have to protect future generations.

Senator Macdonald should actually be an advocate for mitigation and an advocate for science—the advocate for North Queensland that he says is. If he was a real advocate for Queensland and North Queensland he would be saying, 'We have to do something real in relation to climate change,' because the storms that we have had recently are consistent with the modelling that has been done internationally as to what is going to happen in Australia. It is consistent with the modelling that has been done by the CSIRO and the Bureau of Meteorology, which shows that more extreme weather incidents will take place. That is what we are seeing. We are seeing communities now being wiped out—homes and businesses that have been insured for years and years not being able to get insurance.

When you trace the issues that we are facing it goes back, as the Bureau of Meteorology point out, to the start of the Industrial Revolution. You can trace the increase in CO₂ from the Industrial Revolution to where we are now. You can model that where it is going to head. You can model the implications. It is physics. I was hopeless at physics at school. I do not know anything about physics—except the advice that we get from the people that actually do physics for a living, the scientists.

The scientists would scoff at Senator Macdonald's performance tonight. It is easy
to come in here and run all the glib lines that might go down well with the climate change deniers in the coalition: 'Ho, ho, ho!' 'What a job you did, Senator Macdonald. You were your usual self. You were there denying there was any change to the climate. Senator Macdonald, how good are you!' But, really, that is just really a denial of the future for future generations in this country. It really is disgraceful.

Senator Macdonald could not help himself. He is back. And so he should be back. If he would deal with the science and not the politics of climate change, he would actually be putting future generations before political opportunism. That is what Senator Macdonald does all the time in here. It is political opportunism mixed with a bit of smear, mixed with a bit of vitriol and mixed with a bit of attack on individuals—and we will see that again tonight. That is Senator Macdonald's bread and butter. He is a one-trick pony. He has been here far too long. That is the reality.

I take the view, not being a physicist and not understanding science to a great degree, that I take advice. I take advice from the CSIRO. I take advice from the Bureau of Meteorology. I take advice from the Academy of Science. And I say: 'Give the planet the benefit of the doubt. Give the kids of the future the benefit of the doubt. Do not come here and play short-term politics with the climate.'

Do not come here and play short-term politics, as Senator Macdonald does every day he is on his feet in this chamber. Actually think about the future generations of this country and give future generations the benefit of the doubt that the scientists have got this right. The scientists are saying to politicians around the world that you have to deal with this issue. I would say to Senator Macdonald, who was speaking on the CSIRO the last time he was on his feet: 'Have a read of what the scientists in the CSIRO say about climate change. Read the climate change book that the CSIRO have produced.' Senator Macdonald, you should be absolutely ashamed of yourself because you are putting yourself and your political position before the needs of the North Queensland, before the needs of future generations in this country and before the needs of the environment. I think it is time, Senator Macdonald, that you stopped being a one-trick pony and you started looking at these issues and the reality of the scientific facts that are before us. Australians deserve better from their politicians.

Debate interrupted.

Report No. 15 of 2012-13

Debate resumed on the motion:

That the Senate take note of the document

Senator FAWCETT (South Australia) (19:01): I had ceded out of respect for Senator Cameron before, but I somewhat regret that now, given the heap of abuse he has just hurled at a Senate colleague. I also encourage him, before he leaves the chamber, to go and have a look at my speech of 3 November which directly addresses the issue of science in the climate change debate. He may, if he is prepared to read it with an open mind, change some of his views.

I wish to talk to the 2011-12 major projects report by the Australian National Audit Office of the Defence Materiel Organisation. This report is a very thorough and good document that is of great utility to the parliament, representing the interests of the Australian people. The Joint Committee on Public Accounts and Audit worked closely with the ANAO and Defence to bring the report into being back in 2007-08. The ANAO have developed an expertise in auditing Defence and Defence procurement that is a significant asset to the Australian
taxpayer through the transparency that it provides in public reporting and to this parliament. Their expertise was particularly useful during the recent Senate inquiry into Defence procurement. It does beg the question, though, of whether, if this report by the ANAO is actually more thorough and more detailed, particularly when you look at the project data summary sheets—and they give us a very good insight into the progress in terms of cost, schedule and capability, looking at a number of parameters for each of these projects—we can actually start to track the progress of these projects against the business case that was presented to government at first and second pass leading up to contract signature. It does raise the question of whether, if this is such a useful document and if it provides the public, the parliament and particularly the Joint Committee on Public Accounts and Audit with a balanced insight, there is a role for this expertise, during the life cycle of a project, to feed into Defence's and the executive's and the parliament's ongoing oversight of Defence procurement.

Rather than having an audit that is looking back at events, have the same kind of rigour and expertise involved through the life and at decision points of projects, in terms of whether to proceed, how to proceed, whether or not to make it a project of concern, and how any rectification and recovery of the project may occur. Not that I think our system ever should be like the American system, but I note that the GAO in America fulfils a similar function, in terms of reviewing the progress of projects and informing the congressional oversight committees who do have that role in the American system.

The other part I wish to raise about this report is that, as well as giving us that tracking of cost-scheduling capability and where the project is up to, it makes a pretty fair effort of analysing and then listing lessons that should be learnt from each of these projects. That is where one of my significant concerns lie. During the Senate inquiry into Defence procurement we raised, on a number of occasions, the level of confidence within Defence to make adequate assessments of risk before we even brought the project to first and second pass and certainly before contract signature. Defence's position was that the technical risk assessment was going to be conducted by DSTO, and the point was discussed on a number of occasions with both the Capability Development Group and the DMO. But most of the risk that translated into project delays and cost overruns was not so much with the underlying technology but with issues dealing with integration, certification and acceptance into service. The DSTO and, in fact, most of the people working within Capability Development Group and even many within the DMO were not competent, by strict definition of their qualification and experience, to identify, analyse and make an accurate assessment on the implications of that technical risk.

It is concerning, having highlighted that during the Senate inquiry, to go back and look at the major projects reports from 2007-08 onwards and to see some of the lessons learnt, when it was highlighted by the Audit Office that one of the things that should be learnt out of these projects was that a more robust and informed assessment of risk was needed before the Commonwealth accepted that a capability truly was non-developmental or off-the-shelf, whether that be commercial or military.

It also is a good opportunity to review and to get an independent assessment on how Defence views that issue of off-the-shelf acquisition. What we are consistently told—both in the Defence Senate inquiry into Defence procurement and in estimates—is
that Defence's interpretation of the Mortimer and Kinnaird reviews is that an off-the-shelf option has to be provided to government as a benchmark for them to make a decision about value for money. What is written down and what occurs in practice is an issue of culture. I find it interesting that in paragraph 48 of this year's report what the ANAO finds, having audited the DMO again, is that following the Kinnaird and Mortimer reviews, government has increasingly been requiring Defence to pursue MOTS or COTS capability solutions, where they exist, that can deliver the required capability. The intention of this policy is to reduce the risk associated with the acquisition of new capability by limiting the Defence organisation's exposure to the additional risk associated with developmental projects. There is a subtle difference there. It is no longer just a benchmark; it is a preferred direction.

In the additional comments to the Senate report, I talk at some length about the medium- and longer-term implications of continually shifting our design engineering and our design acceptance as well as our test, evaluation and certification capabilities offshore, because it reduces our ability to even conduct rigorous ongoing maintenance of our capabilities. The Rizzo report into the Navy's amphibious capabilities is a classic example that shows that, once those capabilities have atrophied, the unknown unknowns increase. People do not know what they do not know, and we start seeing a decline in the technical battle worthiness, airworthiness and seaworthiness of defence capabilities when that expertise decreases.

It is not good enough to just send people on courses. Qualification alone does not make people competent. People's competence for technical engineering roles around design assurance and ongoing battle worthiness, airworthiness or seaworthiness comes from a combination of both qualification and experience. You only get experience if people have the opportunities to work in those roles. So the long-term consequence—by long-term I mean within the decade—of continuing to send those functions offshore is significant. Take electronic warfare, for example. It has been recognised as a priority capability for industry, yet, if we look across a number of, or almost all of, our fixed-wing platforms—perhaps with the exception of the classic Hornet—we are seeing less and less involvement from the Australian Defence Force and its people within the Defence Science and Technology Organisation or JEWOSU, the Joint Electronic Warfare Operational Support Unit, and from Australian industry, which have the opportunity to put into practice the experience and the qualifications they have in these areas. Through our acquisition decisions, we are undermining the ability of the Defence organisation and industry to maintain that priority capability into the future.

I commend the ANAO for this report, the latest in the series. It sets a really good benchmark for what the Defence department should be providing to this parliament. There are opportunities there to look at how we can use those skills as part of the ongoing process of Defence acquisition and review. But we also need to make sure that the lessons learned are used by Defence and change behaviours as opposed to just sitting in a book that may well gather dust on a shelf.

Debate adjourned.

Report No. 24 of 2012-13

Debate resumed on the motion:

That the Senate take note of the document.

Senator IAN MACDONALD
(Queensland) (19:12): I want to talk on
document No. 5, which my parliamentary colleague Senator Cameron spoke about before Senator Fawcett. I feel a little bit for Senator Cameron. I know he is under a lot of pressure because of his past close association in the left faction of the New South Wales Labor Party with my namesake, Ian Macdonald—as has been mentioned, the 'bad Ian Macdonald'. I know Senator Cameron was very close to him because they were both significant in the left faction in New South Wales. I know he is under a bit of pressure in Western Sydney and is trying his best to look after Ms Gillard as she finds her way to Western Sydney—apparently the first time for a long time. So I accept that Senator Cameron may not have been quite himself in the comments he made on this Auditor-General's report on natural disaster recovery work plans in Queensland and Victoria.

Senator Cameron, as usual, was full of bile and was being vindictive about me. That does not worry me at all, coming from someone of Senator Cameron's standing. It does not worry me at all. But I want to clear the air and put some facts for Senator Cameron. Unlike Senator Cameron, I maintain an open mind on the question of the science and the debate on climate change.

I have always made the point that of course the climate is changing. I am not a climate change denier; I accept the climate is changing—it has been for millions and millions of years. There was once a time when Australia was covered in snow. It is no longer covered in snow, so, clearly, the climate has changed. If you go to the deserts of Central Australia, you will see fossils of what used to be a lush rainforest in the centre of Australia. It is no longer there, so, clearly, the climate has changed. I have never been a climate change denier; I always accept that the climate is changing.

What I am uncertain about, for Senator Cameron's information, is whether it is man that has caused climate change. I know it was not man that caused climate change a couple of thousand years ago, but Senator Cameron subscribes to the theory that man has done it in the last couple of hundred years. He may be right. I have an open mind on that. But, when Senator Cameron says, 'All of these scientists,' and quotes the CSIRO, he shows that he gets the point of the comments I made earlier about some elements—some, not all—of the CSIRO.

There are very well qualified scientists who do have a different view to Senator Cameron. I do not have the background or the learning to say that people who have a different view to Senator Cameron are correct, the same as I do not have the expertise to say whether people whom Senator Cameron follows slavishly without question are right or wrong either. I simply do not know. What I have always said is that there are a number of very well qualified scientists on both sides of the debate who have very strong views, and it does not seem to me as if the science is settled. Who better to support that suggestion than the UK Met Office, which recently indicated that 'global warming' has stalled for the last 17 years. Do you remember, Madam Acting Deputy President, before that marvellous Copenhagen conference, everyone was talking about 'global warming this', 'global warming that' and 'global warming the other'? Suddenly the rhetoric changed. No longer was it global warming; it was climate change.

We have Senator Cameron here today following the Professor Flannery view that all of the floods in recent times are the result of climate change. He forgets to say that the flood in Brisbane last year was the biggest since 1917, so it has happened before. Senator Cameron and Professor Flannery are
saying that all of the ills that confront us now—fires, famine, droughts, floods, cyclones—are the fault of climate change, and yet, if Senator Cameron lived outside the capital cities or had lived a bit longer in Australia perhaps, he would know that up my way cyclones are a common fact of life. They get more publicity these days with 24-hour news, but the occurrence of cyclones has not much changed. They go in cycles and that is the way it is.

The UK Met Office have said that, contrary to Senator Cameron's view, there has been a stalling in global warming for the last 17 years. I know some people say you have to wait for 30 to 40 years before assessing that. Okay, I accept that—I have an open mind—but, clearly, according to the UK Met Office the climate has not been warming for the last 17 years. Even the head of the United Nations Intergovernmental Panel on Climate Change is quoted as saying, 'The science isn't settled. There should be debate.' People like Senator Wong and Senator Cameron should not be vilifying anyone who happens to have a different view to them on climate change. When the head of the UNIPCC says that, you have to stop and think a bit.

I say to Senator Cameron that he should have a look back and consider the comments by Professor Flannery—and I have no doubt that Senator Cameron would have endorsed them at the time—that the Brisbane River would never flow again. Australia would be in permanent drought. Never would the dams in Queensland ever be full again. This is Professor Flannery, the Labor Party's pick for the head of the climate change commission in Australia. Professor Flannery, have a look at Brisbane last year and this year. Have a look now. Have a look at the dams in Queensland that you said would never, ever be full again because of climate change. Good heavens, if we rely on Senator Cameron and Professor Flannery for our advice on climate change, we are in real trouble.

I want to make this point: I have an open mind on these things. I do not accept and I do not reject that it is carbon emissions that are causing climate change, but, even if it is right and you stopped emissions in Australia, which emits less than 1.4 per cent of world carbon emissions, in their tracks, it would not make any difference. If carbon emissions are causing climate change and Australia emits less than 1.4 per cent, how is taxing Australians with the world's biggest carbon tax of $23 a tonne going to help? New Zealand's carbon tax is $1 per tonne; in some provinces in China it is 20c; the Europeans, depending on which day it is, charge $5 or $10 a tonne. Australia has a carbon tax of $23 a tonne to stop, or reduce by five per cent, the 1.4 per cent of emissions that come from Australia. What stupidity!

Before the last election the Labor leader, Ms Gillard, understood that. That is why she promised she would never introduce a carbon tax. She must have understood that. Senator Wong, one of her cabinet colleague, is now saying, 'The carbon tax is brilliant.' I ask Ms Gillard: if you believe Senator Wong and think it is so brilliant, why did you promise before the last election not to introduce it?

If you now think it is so good, were you stupid then? You knew it was good but you promised not to introduce it. These are the questions that should be answered in a rational debate on this subject.

This Auditor-General's report before us, on natural disaster recovery works in Queensland, is germane to this whole argument. Sure, there have been natural disasters in Queensland, but I am not one, like Senator Cameron and Professor Flannery, who believes that all disasters
around the world now are the result of man’s emissions of carbon—more importantly, are the result of Australia’s 1.4 per cent of the world’s emissions of carbon! Senator Cameron, I only say this to you: please, open your mind a little. We live in Australia; we do tolerate other views. (Time expired)

Senator FURNER (Queensland) (19:22): I think there have been some sensible contributions to this report with respect to what is happening with our climate and with natural disasters that have occurred in my home state of Queensland. This is the third consecutive year when we have seen significant flooding. I suggest that the third consecutive year would highlight some issue around the climate. I am only a young fella, born in the fifties—Senator Bilyk interjecting—Senator FURNER: In the late fifties, of course! I can reflect on the ’74 floods in Brisbane, when I was a teenager. I went out and helped a number of people in the streets of lower Kedron. That has received flood mitigation, and I thank the Labor council government in those days for flood-mitigating those particular areas. It is a shame the current Liberal council in Brisbane has not done the same task with respect to flood mitigation that previous Labor city council governments achieved. Nevertheless, I am sure they will get around to it one day.

I was involved in helping people rescue their possessions from those homes. I remember one particular street—Thistle Street in Lutwyche—not far from where Kedron Brook flows through, where it is all mitigated and there are no homes along that brook. When you think of a ‘brook’ you think of a steady stream of water travelling through a particular part of the environment. No doubt the ’74 floods were like what I saw recently when I went doorknocking after the 2010-11 flooding in a number of my duty seats, where those brooks, those streams and those creeks turned into raging torrents. On that particular day back in ’74, my then-wife and my second-eldest brother, cleaned out the house—a ‘Queenslander’, which, as I am sure you would know, Madam Acting Deputy President, is built on stilts—while this brook was swelling to the extent of a raging torrent, virtually becoming a river. Slowly but surely, over what seemed minutes but was hours, it kept eroding the banks of the brook and the earth—and then, pillar by pillar, that old Queenslander started tilting towards the raging river. The last item we got out of the house was a piano. And then, sadly, we watched as the house that this family had lived in for many, many years in Brisbane slid into the raging torrent and was washed down, never to be seen again, broken into splinters.

That was the type of thing that was seen and experienced as a result of flooding over the last several years. It was my privilege as a Queensland senator to go out and doorknock in some of my electorates; places like upper Narangba. There was flooding in those regions and communities—and, to some extent, you could probably argue it was the poor planning by those local authorities. They built those estates, pushed up earth and directed the streets and the land arrangements around what were the best places to put houses for the residents that moved into those areas. It seemed odd: in some cases of flooding that I witnessed, as a result of the changes in that particular environment, water was moving uphill in the suburbs of Narangba.

You start wondering over time. I have lived in Brisbane all of my life. I went to some locations where previously there were pine forests—now they are housing developments in the suburbs of Narangba. I saw people—middle-aged and families—
dragging their carpets and their furnishings out the front door, with their stereos, plasma TVs and those sorts of things being thrown to the front of their homes. Some of these people, unfortunately, were not covered by insurance; but we probably do not have the time this evening to get around to the issues associated with that.

People were devastated, because they had never been affected by flooding to that extent in their lives before. The widespread flooding that occurred, certainly in 2010-11, was nothing like what I experienced when I was involved in the flooding in '74—although the flooding was greater in height in '74 than in 2010-11.

The good thing about this ANAO report is it identifies the outcomes and the procedures that are put in place as a result of auditing to ensure that the money and the transparency of where it goes is done correctly. The Prime Minister said on 27 January that the preliminary estimates indicate that Australian governments will need to contribute about $5.6 billion to rebuild our flood-affected regions. You would know yourself, Madam Acting Deputy President Moore, as a Queensland senator and from getting out to the regions that you visit, that the wide effect of that flooding was quite significant. From memory, I think 95 per cent of the state was declared a natural disaster area—95 per cent! Think about the size of Queensland; it is a huge state. It is not like some of those smaller states down south—

_Senator Bilyk interjecting_

_Senator FURNER:_ I'm not having a chop at the Victorians and Tasmanians in the chamber! But it is a significant state, the most decentralised in our country, and 95 per cent of it was declared a natural disaster area. One of the good things Labor did—and it is something I can remember those opposite voted against—was to introduce a flood levy to ensure that people in our state were taken care of and supported in their greatest time of need—that is, when they were affected by such an extreme volume of water and the flooding that affected their homes and their environment.

One opportunity that occurred for me was up in Murphys Creek. Madam Acting Deputy President Moore, you would appreciate that that is one area that was decimated by the flooding that came from the town of Toowoomba. Many lives were lost in Murphys Creek. I was fortunate enough to go there and open the Building the Education Revolution hall. It was amazing to hear from the residents. They spoke about boulders the size of cars being thrown around by this raging torrent that came down from the tablelands at Toowoomba. They were being thrown around like matchsticks and crashing into the trees.

This report identifies and recognises that we do have an issue when it comes to climate change. I am no tree-hugging greenie but I recognise we have a problem not only in this country but in the world when it comes to the environment. It is great to realise the we, the government, are doing something about it.

It is odd that I found that Senator Macdonald, in his first speech, raised the subject of the environment. They have a policy they believe in—the Direct Action Plan—which we know will cost more and will not deliver what it is supposed to deliver. In Senator Macdonald's first speech he indicated he had a passion or a belief in the environment. I struggle to understand the extent of it. It is fine to stand there making your first speech and say that you have a belief that there is something that needs to be managed in the environment. But that is the limit he went to.
In the short time left, I must recognise and to some degree commend the Republican leader in the United States of America and also the leader of the UK Tory government for commending the Australian government for introducing climate change policy. We are leading the world when it comes to these sorts of reforms to ensure that we protect and look after the generations of children to follow, like my granddaughter Xavia. No doubt one day she will have children and she will want to make sure that the environment is protected for her children and her children to follow. That is one difference that sets us apart from those on the other side. (Time expired)

Senator BERNARDI (South Australia) (19:33): I was going to compliment Senator Furner on his contribution, because I think it did address some serious issues about disaster relief and recovery that have taken place in Queensland. It is a distinctly emotive and personal topic to so many of us. But I am disappointed—and I think Senator Macdonald touched upon this after Senator Cameron's exchange—that they dragged out the old chestnut of climate change—the catch-all climate change—which apparently is responsible for every disaster that has befallen the country in the last few years.

I want to put on the record the lack of acknowledgement by this government that the facts around their rhetoric have changed somewhat in recent times. As far as I can recall, the government and the climate change alarmists have claimed the IPCC as the font of all wisdom and so we should heed their warnings, no matter how discredited they have been on many occasions. They also claim that the head of the IPCC, Mr Pachauri, is someone who should be listened to. Well, Mr Pachauri, I think, in Australia last week was reported as saying that they cannot explain why the earth has not warmed over the past 17 years. But this is a fact that this government continues to ignore.

You have ministers who are supposedly economically responsible, rational and coherent, although it is hard to associate that with this government. One is Dr Craig Emerson, who flat out refuses to acknowledge the truth of the matter. I am not hypothesising or conjecturing; I am talking about the absolute facts. The problem in this debate is that the government tries to insert a whole range of rhetoric and discussion and their self-evident beliefs into it to support their policy agenda. Quite frankly, the policy agenda they have adopted is flawed, is wrong and is a broken promise in respect of the carbon tax and climate change.

To link climate change so directly with this disaster that has befallen the Queensland people does the government no credit. It is more reflective of the former leader of the Greens Party in this place, Bob Brown, who described the coal miners, who have provided billions of dollars in tax revenue and tens of thousands of jobs, as being responsible for it. The government should not sink any lower than it already has. It does them no credit to blame carbon dioxide for these floods.

The ACTING DEPUTY PRESIDENT (Senator Moore): Are you seeking leave to continue your remarks later?

Senator BERNARDI: Indeed I am.

Leave granted; debate adjourned.

Report No. 25 of 2012-13

Senator FAWCETT (South Australia) (19:36): I rise to speak on the Auditor-General audit report no. 25 of 2012-13—Performance audit—Defence's implementation of audit recommendations—Department of Defence; Defence Materiel Organisation. I move:
That the Senate take note of the document.

Yet again the audit office has demonstrated a remarkable deal of insight into the Defence organisation. I will start by highlighting some of the findings, not so much to beat up on the Defence force but to recognise that there are some issues and then to ask the question why.

What the ANAO found as they looked across the audit recommendations that had been laid out for DMO to implement was that almost half of the ANAO audits that had been recorded by Defence as being implemented were in fact not implemented, or at least not adequately implemented, which is a significant issue.

In terms of timing, the average time to implement and to record as implemented a recommendation was 400 days, which is on average 175 days past the original forecast implementation date. On 12 July, the Defence Audit and Risk Committee wrote to six of the group heads alerting them to the fact that there were audit recommendations more than 150 days late—as in not implemented by the recommended point. Half of them did not respond to that committee. And the committee, despite their charter requiring it, did not provide annual reports to the CDF and secretary outlining performance and the implementation of audit recommendations. Clearly, there are some problems there. The Audit Office has done a good job of highlighting that.

The question has to be asked: why is this? There are many talented, passionate and enthusiastic people working within Defence and the Defence Materiel Organisation. Why, then, when the ANAO highlight that they have good quality assurance processes and a well-established internal audit focus, do we get outcomes like this? The answer is partly explained in the Rufus Black review, which looked at management and accountability in the Defence Force. It talked about the matrix management structure of Defence, which has led to a large number of committees, with each of those committees representing an interface between different parts of the Defence organisation. Rather than having one person who is accountable for outcomes who can direct action using available resources, we have a whole range of interfaces and therefore inputs that are constrained.

There is a very good paper by Will Clegg, who used to work at ASPI but is now in the UK on a scholarship. In that paper, he looks at the Defence organisation in the context of the SRP program and the efficiencies that can be gained. One of the things that he highlighted was that where you have an input constrained organisation that will inevitably lead to long-term dysfunction but, if you have an output led organisation, you can manage and prioritise and reorder your constrained inputs to still deliver outcomes and have accountability.

What we see here is the ANAO picking up on a very powerful symptom of structural issues within the Defence Force. It is how they are structured that is the issue. That structure has come about over the last two decades because of short-term savings measures that governments of both persuasions have required Defence to put in place. Following reform after reform, we now see a very process driven organisation with a matrix structure and with great inefficiencies and in which it is very difficult, because of the number of interfaces, to give somebody responsibility and then hold them to account.

This is something that was picked up during the Senate Standing Committee on Foreign Affairs, Defence and Trade inquiry into Defence procurement last year. The recommendations of the main committee
report called for Defence to consider changing the matrix structure of their organisation and to actually create an output led organisation by giving more power to the service chiefs. The additional comments that I made refined that model by asking how we could get alignment of best practice with accountability through having appropriate regulators.

I am disappointed to say that despite audits like this still giving clear indication of the problem a couple of years after Rufus Black brought down his report, the government response—which obviously was drafted by Defence—to that Senate report was: 'Thanks for coming. That's not the way we do business so we're not going to change.' Given that this audit report highlights that there are still areas of serious dysfunction, I would encourage the department and members and senators of both sides in this parliament to consider looking at how we can bring about reform in the Defence department that will increase the capital productivity of the money that the taxpayer invests in it in the long-term interest and for the security of this nation.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Moore) (19:41): Order! I propose the question:

That the Senate do now adjourn.

Mobile Technology

Senator BILYK (Tasmania) (19:42): I rise tonight to speak about advances in mobile technologies and the benefits that they are bringing to our society. The use of mobile technologies is growing at a rapid rate. Mobile broadband traffic in Australia is expected to grow by an extraordinary 14-fold between 2011 and 2016. The development and widespread adoption of mobile technologies will result in a change to our society as fundamental—or perhaps more so—as that caused by the development of television or radio.

A few weeks ago I attended here in parliament the launch of the report commissioned by the Australian Mobile Telecommunications Association entitled Mobile Nation: the economic and social impacts of mobile technology. The Mobile Nation report provides an important snapshot of the use of mobile technology in Australia. Anything that we can do on a PC we now have the capacity to do on a mobile phone or tablet device. The report illustrates that the use of mobile technologies is changing the way that we work, socialise, conduct business and deal with government. They are changing our work-life balance, our communities and, for many, their relationships.

The report outlines the efficiency gains and the productivity growth due to emerging technologies. We are entering an exciting new era. In the coming years, our mobile devices will be able to perform tasks that we cannot imagine. While capable of downloading data from 3G and 4G mobile networks, mobile devices still do not download the majority of the data from fixed networks—that is, networks in the home, office or café. The report states that mobile devices can be used with both mobile and fixed networks. They are a complementary means of accessing data. The growth of mobile devices is likely to be a significant driver of NBN demand.

While we are talking about the NBN, I would like to say how pleased I was to attend with the member for Franklin, Julie Collins, the Future Tasmania event held at the Kingston Beach Digital Hub just a couple of weeks ago. This was launched by Minister
Conroy. The Future Tasmania event featured a high definition hook-up from six locations around Tasmania.

The event demonstrated that the NBN has the power to allow seamless teleconferencing between locations as distant as Kingston Beach, St Helens, Smithton, George Town, Triabunna and Sorell. It demonstrated that teleconferencing for business, social or tele-health purposes is not only feasible but easily and seamlessly achievable.

We were also able to see firsthand the benefits of the NBN for education. The Kingston Beach Digital Hub hosted a demonstration of cartooning, using tablet technologies and the NBN from Illawarra Primary School students. In just a short lesson with a professional illustrator, Bradfield Dumpleton, the students were able to construct short animated videos on iPads that were uploaded instantly to YouTube to show their classmates, friends and families. I would like to thank the principal, Nick Donnelly, for letting me spend time talking to the students about their experiences with the technology. They told me they had so much fun making these cartoons. I said, 'It's amazing how much you can learn when you've got a good teacher,' and they said, 'We didn't actually realise we were learning.' I think that says a lot about the interaction technology has and the way young people adapt to it and use it while learning as well.

I am pleased to say that the Tasmanians who have spoken to me regarding the NBN have only ever asked me, 'When can I get it?' Tasmanians want the NBN—and they will get it first, with Tasmania on track to be the first state to complete the NBN rollout by the end of 2015. The NBN will complement emerging mobile technologies, delivering a faster backbone for the nation's telecommunications infrastructure and allowing us to connect to each other and the world quicker and more reliably. These technologies will revolutionise the way business is conducted, from the consumer to product design and generation. Mobile technology is moving from a device for individuals to a platform underpinning all business ICT. The structure of the industry is being transformed from a simple supply chain to an emerging ecosystem of mobile technologies that are transforming the economy.

The Mobile Nation report discusses the potential benefit of mobile technologies to business productivity. The report states:

Mobile devices can increase productivity by: increasing the effectiveness of employees or managers, or by saving them time; or by increasing the effectiveness or reducing the need for computers, vehicles, office space or other capital.

The labour productivity benefits stem from a number of sources. Workers can now communicate with others in the office while they are travelling, whether via talk, text, or email. This allows for business to continue while in a cab, at the airport or using hands-free while driving. Such unutilised or underutilised down time, which was formerly unable to be spent effectively due to not being able to access a desktop computer, is no longer unproductive. Numerous apps on smartphones and tablets, not available on desktop environments, allow users to utilise their time better. Inbuilt voice recorders, calendar applications, the ability to research on the go, and various apps designed specifically for an industry or a task can streamline repetitive tasks and increase overall efficiency. All these features can allow people to better utilise their time. Use of mobile technologies can allow decision making to be conducted more efficiently.

I would like to quote the report again, where it says:
As managers can be contacted, review information, and communicate with the office, without being physically present, they are able to increase the speed of information transfer and make timely decisions which can enable other follow-on tasks to be accelerated, improving the efficiency of business.

As I mentioned earlier, there are also capital productivity benefits from improvements in the efficiency of capital. These include efficiencies in ICT equipment, premises, software and choice of business location. By supplying employees with laptops or allowing employees to use their own laptops to connect to the workplace’s wireless network, fixed infrastructure costs can be reduced.

Mobile devices are also able to help improve efficiencies through the use of so-called machine-to-machine technology. These ‘smart technologies’ allow data to be transmitted to tablets or smartphones from sensors to provide accurate, real-time readings. This will provide particular benefit in the electricity, irrigation, agriculture, health, transport, and broadband and communications sectors. In 2009 Access Economics found that adoption of intelligent technologies would result in a significant increase in the net present value of GDP. This increase would be between $35 billion and $80 billion over the first 10 years, depending on the amount of spare capacity in the economy.

Mobile technology can improve capital productivity by facilitating telework. Telework involves working regularly from a place other than the office—in most cases from a home office, using high-speed telecommunications. It is a core feature of the emerging workplace of the future as we transition to the digital economy. Telework has the potential to improve productivity, reduce costs and enable employers to better access and retain skilled staff. By using smartphones, laptops and mobile broadband while working at home, teleworking can reduce business costs in terms of reduced rent, less desk space and lower electricity costs. Combined with the rollout of the National Broadband Network, it can also help people living in regional Australia to access a wider range of job opportunities, improve work-life balance and reduce the time, stress and cost of commuting and related traffic congestion and help to reduce our carbon footprint.

The increase in sales of smartphones via apps and online shopping, known as e-tailing or m-commerce, can lead to cost savings for bricks-and-mortar stores through reductions in occupancy cost, as a smaller floor space will result in a lower rent. Operations can be conducted out of back offices or even from people’s garages. Of course, the new mobile technologies provide challenges as well opportunities. As chair of the Joint Select Committee on Cyber-Safety I know full well some of the challenges that face young people in particular, but also senior Australians, concerning safety on mobile devices. As mobile technologies emerge and develop, applications that we cannot currently conceive will become a fundamental part of our daily lives.

Combined with the power of the National Broadband Network, mobile technologies offer an extraordinary opportunity to revolutionise the way we conduct business, the way we socialise and how we interact with our peers. The future will be mobile, and it will be a bright one.

**Polyamory Action Lobby**

**Senator BERNARDI** (South Australia) (19:51): Tonight I wish to place on the record some information regarding the formation of a group lobbying for polyamorist marriage. Three weeks ago Sydney’s *City Hub* reported on the
establishment of the Polyamory Action Lobby, or PAL. According to the article entitled, 'Polyamorists set up lobby group':

The lobby was set up not only to fight for legal rights, but also to challenge cultural misconceptions about polyamorous relationships.

The lobby contends there is no reason adults should not be able to form committed relationships with more than one person, and there is no evidence that smaller families are any better off.

As far as the law is concerned, the lobby said the government should not have the right to restrict consenting adult relationships based on love and respect.

“The legal, health and financial protections enjoyed by a spouse in a monogamous relationship must be extended to all partners in a family,” the spokesperson said. “A family should be about security, stability and love; not about its structure.”

And sure enough, PAL recently started a petition which reads:

The House of Representatives

For too long has Australia denied people the right to marry the ones they care about. We find this abhorrent. We believe that everyone should be allowed to marry their partners, and that the law should never be a barrier to love.

And that's why we demand nothing less than the full recognition of polyamorous families.

So here we have it: a polyamorist lobby group petitioning parliament to allow polygamous marriage. To some, five months ago this was inconceivable. Yet it should have been noted that former Justice Michael Kirby last year told the Senate's inquiry into Senator Hanson-Young's Marriage Equality Bill, what was the response? On 21 May 2012 Senator Hanson-Young declared the Greens had a clear policy against support for polyamorous marriage. That was false.

On 6 June, outgoing Greens leader, Bob Brown, described polyamorous or multi-member marriages as, 'nonsense'. He said it 'never has been or will be our policy'. That, too, was false, because the Greens policy touting 'marriage for all', stated that the Greens would 'legislate to allow marriage regardless of sexuality or gender identity'. Is it any wonder that the Greens repudiation of polyamorist marriage caused such an outcry among Greens members and polyamorists who, until then, believed the Greens were also pushing for their rights? As one of Senator Hanson-Young's Facebook followers said:

The first time in a long time the Greens have disappointed me. I know that it might be politically expedient to cast us poly people out but true marriage equality should let the people getting married decide what their family looks like.

Meanwhile, the President of Bisexual Alliance Victoria, James Dominguez, excused Sarah Hanson-Young, saying:

If there is ever a popular movement to legalise poly marriage in the future, The Greens will be the first to lend their support, I guarantee it. A few poly people are angry with them for not
expressing support, but I think we need to be realistic.
In other words, the Greens are pushing the boundaries of marriage, one step at a time.

But not all Greens and polyamorists want to let the matter rest there. The then Greens convener in the ACT, Simon Copland, wrote in the Sydney Star Observer that 'marriage advocates from Australian Marriage Equality and the Greens recently'—came—'out strongly against the idea of polyamorous marriage'.

According to Copland, this is:

part on an ongoing problem with the queer movement where people who don’t fit into the mainstream queer mould are being excluded from the debate, with claims that they are ruining our chances to reach equality.

He went on:

The institutional queer movement has become dominated by upper to middle class wealthy queer activists …

He went on that those people were 'ensuring a select few get equal access to heteropatriarchal systems'.

In November last year the City Hub reported that University of Sydney Greens on Campus convener, Brigitte McFadden, was introducing a policy at the National Union of Students national conference in December to support the recognition and acceptance of polyamorous relationships.

The article said:

"The idea that love can only be between two people comes from the conservative definition of a ‘legitimate relationship’ between one man and one woman,” Ms McFadden said.

In response, the Greens New South Wales spokesperson on the status of women and sexuality and gender identity, Cate Faehrmann said her party did not support polygamous marriage. She said:

As a feminist, I have serious concerns about the implications of polygamy for women, particularly in some extreme elements of religious communities where polygamy is used to control, almost own, women.

Ms McFadden shot back, saying:

As a feminist, I have serious concerns about the implications of conservative rhetoric that dictates the type of relationships women can have with other people. If a woman wants to be in a relationship with a man and a woman and another man, why shouldn't she have the right to marry those partners.

Another Young Greens member, Rafi Alam, said the government had no place in restricting consensual relationships.

It is clear that the major reason for the recent formation of the Polyamory Action Lobby is the view that polyamorists have been let down by those on the left. The Polyamory Action Lobby's Facebook page says:

The Poly community has always been let down, even by supposedly left leaning political parties.

Another PAL post says:

We have a message for all those members of the same sex marriage movement who think they can get marriage by excluding us: Shame.

PAL then posted a link to a Daily Beast article entitled 'Gays against polyamory', which states:

Some members of the Australian Green Party believe that their party platform to support 'marriage for all' means that the party must support polyamorous marriage. Guess who disagrees? Gay marriage advocates…

Such is the hostility to the Greens and same sex marriage advocates who are now rejecting polyamorist marriage, this post elicited comments such as, 'Alex Greenwich'—from Australian Marriage Equality—'is either a clueless idiot or a lying scoundrel. Or both.'

Another posted:

Lying scoundrel more like. Cate Faehrmann was using the same line, though she knows better.
Clearly these polyamory advocates feel they have been led up the garden path by the Greens policy of 'marriage for all'.

But who is behind the Polyamory Action Lobby? PAL's president is Brigitte Garozzo. PAL's spokesman is Timothy Scriven. And Kieran Adair is also one of PAL's founders. And what do these militant polyamorists have in common? I will tell you. They are all associated with the Greens. Brigitte Garozzo, also known as Brigitte McFadden is listed as the contact officer for the New South Wales Young Greens at the University of Sydney. Timothy Scriven describes his political views as 'anarchism and revolutionary libertarian socialism', though the University of Sydney Greens Facebook page last year said:

Timothy Scriven is an active member of the Greens on Campus and on our executive.

I do not see any inconsistency between those two descriptions. Kieran Adair's Twibbon profile promotes the 2011 Greens New South Wales election campaign. Further, a 'Kieran Adair' said, on the New Matilda website when commenting on the 2011 annual Marxist conference, 'I don't identify as a socialist; I'm a Green.' As a matter of interest Mr Adair also supports the BDS campaign against Max Brenner coffee shops—another Greens obsession.

So there it is. This lobby group agitating for polyamorist marriage, and petitioning the parliament for polyamorist marriage, is run by a group of Greens activists. That would be concerning enough were it not for the fact that the Polyamory Action Lobby has received support from Australia's most influential polyamorist, Chris Ford. Mr Ford has been tagged the co-ordinator of the Sydney Polyamory Group. He has designed the webpages for polyamory groups all around Australia and he is the contact registrant for the website of the main polyamory organisation—Polyamory Australia.

Mr Ford recently said of the Polyamory Action Lobby—and this just gives the whole game away:

Now I have no problem with people taking a stand, or expressing a view. Have at it, as far as I am concerned. I do have a problem when they say they represent me, and I do have a problem when they represent a view that I think is counter productive to a cause that most people I know believe in. PAL would appear to—

be—

arguing for legal recognition of polyamorous relationships, a topic I would not argue against, however a conversation that right now would put us at odds with the campaign for marriage equality.

I think this bears repeating. Australia's most influential polyamorist said that this is: 'a cause that most people I know believe in. PAL would appear to be arguing for legal recognition of polyamorous relationships, a topic I would not argue against; however, it is a conversation that right now would put us at odds with the campaign for marriage equality.' There you have it. Polyamorous marriage is on the agenda.

Greens activists are now pushing publicly for it while other polyamorists are lying low, waiting to be the next cab off the rank—no doubt, I suspect, having been given a nod and a wink by other Greens, who are still advocating marriage for all.

It is worth noting that in the Netherlands the first civil union of three partners was registered in 2005. It is naive and wrong to think that the same push will not come to Australia.

Public Service

Senator WATERS (Queensland) (20:00): I rise this evening to talk about the Public Service. In my home state, Queensland, the public sector is under attack. Job cuts are
putting people out of work and reducing the services upon which many in our community rely.

Over 240,000 of my constituents are public servants. We have already seen 14,000 jobs go in Queensland in a merciless stream of job cuts across the state. Premier Newman's Liberal-National government had said that the job cuts were finished, but now we are seeing new attacks on public services in the name of privatisation.

I was proud to successfully move in this place for a Senate inquiry into the rights of public servants. It has been fantastic to see numerous unions get behind this inquiry and make detailed submissions recounting the experience of their members. It is noteworthy that many of the submissions came from Queensland, clearly demonstrating the recent experience of their members under the Newman government.

Public sector workers often bear the brunt of incoming conservative governments, and frankly I worry for the people of the ACT if an Abbott coalition government is elected and slashes the Commonwealth Public Service. I worry for the 12,000 public servants that Mr Abbott has already committed to slash—as I worry for the downturn, of course, for the businesses that rely on public servants buying their goods and services. I also worry for all the folk who rely on services provided by Centrelink, Medicare and the CSIRO if these slashes are made. Ongoing efficiency dividends by the federal Labor government are also taking their toll on the Commonwealth Public Service.

With such a large number of public sector jobs threatened, public sector job security will be an election issue. The Greens will continue to campaign strongly for public servants who are threatened either by efficiency dividends—for a wafer-thin surplus which has now been ditched—or threatened by the coalition's promised job cuts.

In August 2012, the Newman Liberal-National government removed a raft of employee entitlements that were reflected in awards and collective agreements with the stroke of a pen by amending our state's Industrial Relations Act. Those amendments removed provisions in awards and agreements that delivered job security. So it is now the case that Queensland public sector workers have fewer rights than Commonwealth public sector workers. My inquiry is looking into that very point.

In Queensland, the evidence is clear: Campbell Newman's Liberal-National government's cuts hurt workers. These job cuts include 234 health jobs in Cairns, and 200 hospital jobs in Townsville, including 45 nurses from the Townsville Hospital. The Maryborough hospital's pathology unit has closed. One hundred and twenty-nine beds were lost at the Moreton Bay Nursing Care unit. Almost 200 full-time equivalent positions were cut from Brisbane's Metro North district, including 96 home-care services positions, which have gone to the private and non-government sectors.

It is disappointing that the LNP government sees these essential services as something to be provided for a profit or something where the community sector will fill the gap, rather than seeing those services as a central responsibility of government. At Brisbane's Royal Children's Hospital, 99 full-time positions were cut. As a parent who gave birth to her daughter in this hospital, the scale of reductions in services for children's health strikes fear into my heart.

Five hundred and fifty jobs were cut from the Department of Agriculture, Fisheries and Forestry, folk who do important research into
all sorts of things, like sustainable fishing levels; provide important services on food security; and of course look at sustainable commercial and recreational fishing more broadly—not to mention forestry; they have certainly had a lot on their plate in that respect this week.

In the environment and heritage department, we have had 220 jobs cut. They are the folk who are tasked with protecting Queensland's iconic and beautiful environment from the threats of the rapacious mining boom, invasive species, pollution and climate change—important work, in doing which they are now down 220 people.

Let us remember that, while for Premier Newman and his LNP cabinet colleagues these job cuts are just numbers on a page, for my constituents each of those numbers is attached to a family. The cold hard reality for Queenslanders is that, in the face of cuts and under the threat of privatisation, times are tough for public sector workers and for those who rely on public services.

And this is by no means every job cut. It is tough, in fact, to find the details of every Queenslander who has been condemned to unemployment by Campbell Newman's Liberal-National government, but every day I am hearing stories of families finding it harder to access public services. Contrary to Mr Newman's promises, there is even less openness about what is happening on the ground. Moves like privatisation and the use of health boards are the ways in which this Liberal-National government is passing the buck on its responsibilities to deliver services. Queenslanders are right to ask what is going on and why the Newman Liberal-National government is hell-bent on making life hard for them and their families.

In 2012, the newly-elected Newman LNP government attacked the jobs of people who worked hard to make Queensland better. Now, in 2013, Premier Newman's privatisation agenda is an attack on the services on which Queenslanders rely. Privatisation of public services costs the community more and delivers less.

On Tuesday, Queensland's health minister, Minister Springborg, hosted a $200-a-head lunch for corporate lobbyists to announce his government's plans for health services. He chose corporate lobbyists over the public sector workers who provide those health services, and over the patients and families who rely on high-quality, accessible health services. He chose the people who will profit from the privatisation of Queensland's health services, rather than the people who will see a reduction in the quality of the services that they need, and the workers who will experience the downward pressure on wages and conditions associated with privatisation.

The LNP government put public servants to work producing their health blueprint document, and then asked major private health players, like Ramsay Health Care, to give money to the LNP in return for an exclusive briefing on that document's contents.

It is just extraordinary that the private corporations that are looking to be handed taxpayer money in the sell-off of Queensland's health system are being so openly solicited for donations to the LNP's campaign fund.

Public sector unions in Queensland are gearing up for a fight about the privatisation of public services, and I am proud to stand alongside them. The front line of this fight is in aged care, where facilities in Rockhampton and Wynnum, among others, have been privatised. It is also in prisons. Recently it was revealed that there is a Queensland Public Service taskforce to study the feasibility of privatising prisons. It has
reportedly found that private prisons are 10 per cent cheaper than publicly funded prisons. But those savings are found through lower staff-to-prisoner ratios, raising questions about community safety and inmate welfare, as well as creating perverse incentives for companies that profit from harsher sentencing.

The front line of this fight is also in hospitals, with new private facilities such as the new Sunshine Coast University Hospital delivering services that should be delivered publically. Through his health minister, Minister Springborg, Premier Newman has made the LNP health agenda 'more private and not-for-profit corporations delivering public health services'. I congratulate the Queensland Nurses Union for asking questions about what the privatisation of Sunshine Coast University Hospital will mean for the accountability of health services in Queensland.

A reduction in the quality of public services always hits the needy and the vulnerable hardest—the very people that governments, regardless of their political persuasion, should be aiming to help. Although we may share a state, Premier Newman and I differ very much on the issue of public services. He sees necessary public services as something to sell for a profit; I see public services as the way we as a society care for each other.

With all these horror stories, it is important that senators are both informed and ready to act. If the Senate takes seriously its job as a house of review, a states' house, we need to have hearings in the states where these job cuts and moves towards privatisation are happening. In my home state a hearing of the inquiry in Brisbane would hear firsthand the accounts of the effects of Premier Newman's LNP government job cuts. Hearings in regional centres such as Cairns and Townsville would provide evidence of the ways that cuts to services have a disproportionate effect outside the big cities.

Once we have gathered the evidence, the next step has to be taking whatever action is available to us at the federal level to protect workers' rights. Public services are important. We cannot deliver high-quality public services by cutting public sector jobs. We do not make our public services more efficient by taking away job security, wages and conditions. We cannot look after the needy and most vulnerable in our communities without a strong safety net. The Greens care for people, and that is why we stand alongside public servants, and their unions, campaigning for more secure jobs with fair wages and conditions. The Greens care for communities, and that is why we stand up for good quality public services. The brutal agenda of conservative state governments is clear. We need the Senate to thoroughly investigate through this inquiry and turn those findings into legislation.

**Australian Water Holdings**

Senator SINODINOS (New South Wales) (20:10): I rise to make a statement to the Senate regarding Australian Water Holdings, AWH, and, separately, matters relating to my statement of registrable interests. I became a non-executive director of AWH on 31 October 2008, a position which I resigned when I entered the Senate. AWH has been operating in the North West Growth Centre of Sydney since the early 1990s. It began life as the Rouse Hill Infrastructure Consortium. I was excited by the opportunity because the company was seeking to grow to the next stage, building on its work in the North West Growth Centre and potentially becoming a national water services company. A separate entity, Australian Water Queensland, a subsidiary
company of Australian Water Holdings with its own board, was responsible for identifying business opportunities in the Queensland water market.

My view was that completing the rollout of water infrastructure in the North West Growth Centre was important to opening up land and housing and new job opportunities, and that a judicious combination of public and private capital would accelerate the timetable for infrastructure rollout. Senators may not be aware that the then New South Wales Labor government did agree to consider an unsolicited bid from AWH for a public-private partnership. There was a proper process, including a probity adviser. AWH was unsuccessful in that process. I cannot recollect when I first became aware of the involvement of Eddie Obeid Jnr in Australian Water Queensland, but it was not before I joined the company. I had no reason to regard his presence in the company as signifying some greater involvement by the Obeid family in AWH, and I had very limited dealings with him. I have never met any other members of the Obeid family. I became non-executive chairman of AWH on 3 November 2010. I was not aware that, at around this time, the CEO of the company had negotiated what has been reported as a personal loan agreement with members of the Obeid family, secured against shares in Australian Water Holdings. I believe that there should have been such a disclosure made to me.

On 27 January 2011 the board of AWH agreed to provide me with a shareholding in AWH, part of which was subject to conditions precedent and all of which had to be documented and approved. Because I believed I was entitled to that shareholding and had been assured that it would be forthcoming, I disclosed it on my Senate register promptly on entering the Senate. Because of these assurances that a transfer would occur, I characterised this publicly as a gentleman's agreement. I did not request at any time that shares be healed secretly on my behalf, nor did I mean to suggest that a shareholding was being held on my behalf. These shares have never been issued to me, nor will I be pursuing them. Tonight I confirm a media report that I have forgone all and any entitlement to this shareholding. On 26 February 2013—that is, Tuesday, which was also my wedding anniversary—my lawyers wrote to Australian Water Holdings renouncing this interest. I seek leave to table this letter.

Leave granted.

Senator SINODINOS: Obviously, I was shocked and disappointed to learn that a company whose mission I believed in and was passionate about was financially linked to the Obeid family. I believe that should have been disclosed to me at the time. I had no reason to suspect any such involvement, but it should have been disclosed. I played no role in the awarding of the January 2012 contract to AWH by Sydney Water. I was by then in the Senate and Mr Michael Costa, who succeeded me as chairman, was responsible for securing that agreement. I understand from public statements by New South Wales government ministers that this process was conducted at arm's length between the two parties to the contract, AWH and Sydney Water.

In relation to political donations by Australian Water, these were handled by the management of the organisation at their discretion. I do not recollect donations to political parties being discussed at the board level. My understanding of the relevant funding and disclosure laws is that companies are able to make donations and political parties are able to receive them. I am of course referring to the laws applicable
at the time. Any matters relating to the receipt and recording of such donations by the New South Wales Liberal Party is properly the responsibility of the state secretariat.

I also wish to disclose that I have made some further amendments to my statement of registrable interests today. I am grateful for this being brought to my attention by a journalist. None of this relates to Australian Water holdings. On entering the Senate I should have declared the following unpaid directorships. The first is in a start-up healthcare company, Move2Live Pty Ltd, that has not traded since its inception. I was appointed on 14 March 2011, but I have had no involvement with this company since entering the Senate and have now both registered that directorship and resigned formally from the board, and I have taken appropriate action in relation to my register of interests. Second, on entering the Senate I disclosed my membership of the board of the Aboriginal Employment Strategy Limited, AES, a not-for-profit organisation of which I am particularly proud because it specialises in placing and mentoring Indigenous Australians into employment. I recently resigned my unpaid directorship of AES. That company and another called Firestick ICT Pty Ltd operated effectively as a single business with the same board even though they are two separate entities. Firestick provides telephone and ICT services to the primary company—to AES, in other words. I believed that I had made a complete disclosure by registering my directorship of the main entity, AES, but it is a requirement that I disclose my directorship of the separate entity. I have now done so and have also resigned from that entity.

It is a matter of public record that I was an office bearer of the Liberal Party, including president of the party in New South Wales, until December 2012. In that context, I should have disclosed my directorship of three entities related to the New South Wales Liberal Party. The Liberal Party uses these companies as vehicles for employing its staff and holding its assets. I have corrected my register of interests in this regard.

I also disclosed earlier this week my directorship of the Sir Paul Hasluck Foundation, which promotes the memory and work of Sir Paul Hasluck. For the purpose of completeness, I have also updated the register with respect to my directorship of the Octant Foundation, a not-for-profit organisation established by the Australian Institute of Management. Octant works to educate business leaders. I disclosed my directorship of the Australian Institute of Management upon entering the Senate. However, I should have included this related organisation. ASIC, the Australian Securities and Investments Commission, records that I ceased being a director of Octant on 21 November 2012, when I resigned from AIM, the main entity. Resigning from AIM was recorded in my register of interests.

I apologise unreservedly to the Senate and to my party colleagues, if I can use such a term in the Senate, for these oversights. I believe that at no stage were there any matters arising from these directorships which may have occasioned a conflict of interest, but the responsibility for overlooking these and for not following them up is mine and mine alone, and I take that responsibility. I also add that I take my responsibilities in the Senate and to my party very seriously. I have often contemplated: what is the cost of being in public life? But the cost of being in public life is, where possible, to make full and frank disclosure. I am disappointed that it took a journalist to remind me of these directorships on this occasion. If I treat life as a learning experience, it is a reminder that all of us have to be so careful and always think ahead.
about these matters. I will not detain the Senate too much longer tonight, but I hope that by making a clean breast of this I may also send a message to my colleagues on all sides that we always have to be very careful of these matters, because what you think is an innocent oversight can be looked on perhaps not as favourably by others. Again, I apologise to the Senate and promise to be much more punctilious and rigorous in pursuing these matters in the future.

**Senate adjourned at 20:20**

**DOCUMENTS**

**Tabling**

The following documents were tabled by the Clerk:

>[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number. An explanatory statement is tabled with an instrument unless otherwise indicated by an asterisk.]

- Australian Prudential Regulation Authority Act—Australian Prudential Regulation Authority (Confidentiality) Determination No. 3 of 2013—Information provided by locally-incorporated banks and foreign ADIs under Reporting Standard ARS 320.0 [F2013L00316].
- Customs Act—Customs By-Laws Nos—
  - 1243557 [F2013L00335].
  - 1300584 [F2013L00348].
  - 1300942 [F2013L00344].
  - 1300964 [F2013L00331].
  - 1300978 [F2013L00336].
  - 1300982 [F2013L00330].
  - 1300987 [F2013L00333].
  - 1300989 [F2013L00334].
  - 1300995 [F2013L00347].
  - 1301124 [F2013L00323].
  - 1303352 [F2013L00340].
  - 1303602 [F2013L00338].
  - 1303862 [F2013L00342].
  - 1303866 [F2013L00327].
  - 1303871 [F2013L00324].
  - 1303873 [F2013L00325].
  - 1303874 [F2013L00326].
  - 1303876 [F2013L00341].
  - 1305011 [F2013L00332].
  - 1305014 [F2013L00328].
  - 1305091 [F2013L00343].
  - 1305755 [F2013L00339].
  - 1306509 [F2013L00337].
- Environment Protection and Biodiversity Conservation Act—Amendments of lists of exempt native specimens—
  - EPBC303DC/SFS/2013/09 [F2013L00346].
  - EPBC303DC/SFS/2013/10 [F2013L00345].
- National Health Act—Instrument No. PB 12 of 2013—National Health (Listed drugs on F1 or F2) Amendment Determination 2013 (No. 1) [F2013L00329].
- Schools Assistance Act—Schools Assistance (Guidelines for Determining Socio-Economic Status (SES) Scores) Amendment 2013 (No. 1) [F2013L00349].

**Departmental and Agency Contracts**

**Tabling**

The following documents were tabled pursuant to the order of the Senate of 20 June 2001, as amended:

- Departmental and agency contracts for 2012—Letters of advice—
  - Agriculture, Fisheries and Forestry portfolio.
  - Prime Minister and Cabinet portfolio.