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**SITTING DAYS—2014**

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- **PERTH** 585AM
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FORTY-FOURTH PARLIAMENT
FIRST SESSION—FOURTH PERIOD

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

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

Senate Party Leaders and Whips
Leader of the Liberal Party in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Liberal Party in the Senate—Senator Hon. George Henry Brandis QC
Leader of The Nationals in the Senate—Senator Hon. Nigel Scullion
Deputy Leader of The Nationals in the Senate—Senator Hon. Fiona Nash
Leader of the Opposition in the Senate—Senator the Hon Penny Wong
Deputy Leader of the Opposition in the Senate—Senator the Hon Stephen Conroy
Leader of the Australian Greens—Senator Christine Anne Milne
Leader of the Palmer United Party in the Senate—Senator Glenn Patrick Lazarus
Deputy Leader of the Palmer United Party in the Senate—Senator Jacqui Lambie
Chief Government Whip—Senator David Christopher Bushby
Deputy Government Whips—Senators David Julian Fawcett and Anne Sowerby Ruston
The Nationals Whip—Senator Barry James O'Sullivan
Chief Opposition Whip—Senator Anne McEwen
Deputy Opposition Whips—Senators Catryna Louise Bilyk and Anne Elizabeth Urquhart
Australian Greens Whip—Senator Rachel Siewert
Palmer United Party Whip—Senator Zhenya Wang
Deputy Palmer United Party Whip—Senator Jacqui Lambie

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

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<td>Peris, N.M.</td>
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(1) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice R. Carr), pursuant to section 15 of the Constitution.

**PARTY ABBREVIATIONS**

Heads of Parliamentary Departments

Clerk of the Senate—R Laing
Clerk of the House of Representatives—D Elder
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
<table>
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<tr>
<th>Title</th>
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<tbody>
<tr>
<td>Prime Minister</td>
<td>The Hon Tony Abbott MP</td>
</tr>
<tr>
<td>Minister for Indigenous Affairs</td>
<td>Senator the Hon Nigel Scullion</td>
</tr>
<tr>
<td>Assistant Minister for Infrastructure and Development</td>
<td>The Hon Jamie Briggs MP</td>
</tr>
<tr>
<td>Minister for Foreign Affairs</td>
<td>The Hon Julie Bishop MP</td>
</tr>
<tr>
<td>Minister for Trade and Investment</td>
<td>The Hon Andrew Robb AO MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Foreign Affairs</td>
<td>Senator the Hon Brett Mason</td>
</tr>
<tr>
<td>Minister for Employment</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td>Assistant Minister for Employment</td>
<td>The Hon Luke Hartsuyker MP</td>
</tr>
<tr>
<td>Minister for the Arts</td>
<td>The Hon George Brandis QC</td>
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<td>Senator the Hon George Brandis QC</td>
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<tr>
<td>Attorney-General</td>
<td>The Hon Michael Keenan MP</td>
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<tr>
<td>Minister for Justice</td>
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<tr>
<td>Treasurer</td>
<td>The Hon Joe Hockey MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon Bruce Billson MP</td>
</tr>
<tr>
<td>Acting Assistant Treasurer</td>
<td>Senator the Hon Mathias Cormann</td>
</tr>
<tr>
<td>Minister for Agriculture</td>
<td>The Hon Barnaby Joyce MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Agriculture</td>
<td>Senator the Hon Richard Colbeck</td>
</tr>
<tr>
<td>Minister for Education</td>
<td>The Hon Christopher Pyne MP</td>
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<tr>
<td>Assistant Minister for Education</td>
<td>The Hon Sussan Ley MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Education</td>
<td>Senator the Hon Scott Ryan</td>
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<tr>
<td>Minister for Industry</td>
<td>The Hon Ian Macfarlane MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Industry</td>
<td>The Hon Bob Baldwin MP</td>
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<tr>
<td>Minister for Social Services</td>
<td>The Hon Kevin Andrews MP</td>
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<tr>
<td>Assistant Minister for Social Services</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Social Services</td>
<td>Senator the Hon Marise Payne</td>
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<tr>
<td>Minister for Communications</td>
<td>The Hon Malcolm Turnbull MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Communications</td>
<td>The Hon Paul Fletcher MP</td>
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<tr>
<td>Minister for Health</td>
<td>The Hon Peter Dutton MP</td>
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<tr>
<td>Minister for Sport</td>
<td>The Hon Peter Dutton MP</td>
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<tr>
<td>Assistant Minister for Health</td>
<td>Senator the Hon Fiona Nash</td>
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<tr>
<td>Minister for Defence</td>
<td>Senator the Hon David Johnston</td>
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<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Centenary of</td>
<td>Senator the Hon Michael Ronaldson</td>
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<tr>
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<td>Assistant Minister for Defence</td>
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<td>Parliamentary Secretary to the Minister for Defence</td>
<td>The Hon Darren Chester MP</td>
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<tr>
<td>Minister for the Environment</td>
<td>The Hon Greg Hunt MP</td>
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<td>Parliamentary Secretary to the Minister for the Environment</td>
<td>Senator the Hon Simon Birmingham</td>
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<tr>
<td>Minister for Immigration and Border Protection</td>
<td>The Hon Scott Morrison MP</td>
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<td>Assistant Minister for Immigration and Border Protection</td>
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<tr>
<td>Minister for Finance</td>
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<tr>
<td>Special Minister of State</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Finance</td>
<td>The Hon Michael McCormack MP</td>
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</tbody>
</table>

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
<table>
<thead>
<tr>
<th>Title</th>
<th>Shadow Minister</th>
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<tbody>
<tr>
<td>Leader of the Opposition Hon David Feeney MP</td>
<td>Hon Bill Shorten MP</td>
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<tr>
<td>Shadow Minister Assisting the Leader for Science</td>
<td>Senator the Hon Kim Carr</td>
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<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Small Business</td>
<td>Julie Owens MP</td>
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<tr>
<td>Shadow Cabinet Secretary</td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Hon Michael Danby MP</td>
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Monday, 7 July 2014

The Senate met at 10.00 am.

PARLIAMENTARY REPRESENTATION

Senators Sworn

His Excellency General the Hon. Sir Peter Cosgrove AK, MC (Retd), Governor-General of the Commonwealth of Australia, entered the chamber and, taking his seat on the dais, said:

Honourable senators:

I am present to administer to senators elected to serve in the Senate from 1 July 2014, and appointed to vacancies thereafter, the oath or affirmation of allegiance, as required by section 42 of the Constitution.

The Clerk: I lay on the table the certificates of election of senators elected to serve in the Senate from 1 July 2014:

New South Wales—Marise Payne, Bob Carr, John Williams, Doug Cameron, David Leyonhjelm, Arthur Sinodinos

Queensland—Ian Macdonald, Chris Ketter, James McGrath, Claire Moore, Glenn Patrick Lazarus, Matthew Canavan

South Australia—Cory Bernardi, Nick Xenophon, Penny Wong, Sarah Hanson-Young, Bob Day, Simon Birmingham

Tasmania—Richard Colbeck, Carol Brown, David Bushby, Catryna Bilyk, Peter Whish-Wilson, Jacqui Lambie

Victoria—Mitchell Peter Fifield, Gavin Mark Marshall, Scott Michael Ryan, Jacinta Mary Ann Collins, Janet Elizabeth Rice, Ricky Lee Muir

Western Australia—David Johnston, Joseph Warrington Bullock, Scott Ludlam, Michaelia Clare Cash, Zhenya Wang, Linda Karen Reynolds

The Clerk: I remind the Senate that on 24 October 2013, the President received a letter from Senator Bob Carr resigning his place as a senator for the state of New South Wales for his term commencing on 1 July 2014. Pursuant to the provisions of section 21 of the Constitution, the President notified the Governor of New South Wales of the vacancy in the representation of that state. I, therefore, table the certificate of choice by the Parliament of New South Wales of Deborah O’Neill to fill the vacancy and associated correspondence. I inform the Senate that Senator Bilyk is unavoidably absent due to personal reasons today.

The abovenamed senators (with the exception of Senator Bilyk) made and subscribed the oath or affirmation of allegiance.

His Excellency the Governor-General having congratulated senators and retired—

PARLIAMENTARY OFFICE HOLDERS

President

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (10:19): Madam Clerk, I remind the Senate that the time has come when it is necessary for the Senate to choose one of its members to become President. I propose Senator Parry, and I move:
That Senator Parry take the chair of the Senate as President.

The Clerk: Are there any further nominations?

Senator MILNE (Tasmania—Leader of the Australian Greens) (10:20): Madam Clerk, I propose to the Senate, for its President, Senator Ludlam, and I move:

That Senator Ludlam take the chair of the Senate as President.

The Clerk: I invite each candidate to address the Senate.

Senator PARRY (Tasmania—Deputy President of the Senate and Chairman of Committees) (10:20): Thank you, Madam Clerk. I submit myself to the will of the Senate.

Senator LUDLAM (Western Australia) (10:20): Madam Clerk, I also submit myself to the will of the Senate. I want to acknowledge that the reason we are doing this is that much of what happens in this place is governed by statute and by standing orders and some of it is governed by convention and habit. In this instance, we want to make the point that the crossbenchers are an important part of this chamber and that it should not be an automatic assumption that either of the major parties should simply be handed one of these positions. There are 25 Labor senators and 18 crossbenchers, the largest number of crossbenchers that there has been in this place. We believe that, as part of the increasing diversity of this place, the crossbenchers should put themselves forward—it will not always be a Green—for positions such as this.

The Clerk: Does any other senator wish to address the nominations?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (10:21): Madam Clerk, I submit to the Senate that Senator Parry is well qualified to be our President. He has been Deputy President and Chair of Committees for more than three years and has frequently acted in the office of President during the absence of our former President, President Hogg.

Before being elected Deputy President, Senator Parry held a number of offices connected with the management of this chamber. He has built a reputation in this place as a consultative and reliable parliamentarian from his time first as Deputy Government Whip then as chief whip in both government and opposition, including a stint as Manager of Opposition Business. He first occupied the chair in 2008 as a temporary chairman of committees and was elected Deputy President and Chairman of Committees in 2011. He held that office with distinction. Senator Parry is regarded as someone who is impartial in the chair and who conducts himself as a senator in the best traditions of this place. I have great pleasure in commending the nomination of Senator Parry to honourable senators.

The Clerk: Does any other senator wish to address the nominations?

Senator MILNE (Tasmania—Leader of the Australian Greens) (10:23): I wish to recommend Senator Ludlam as President of the Senate. He was first elected at the 2007 election and has since been a dedicated representative of the state of Western Australia, working hard to represent his constituents. He was re-elected at this election and is an active and engaged parliamentarian. He has distinguished committee service. He has been a prolific and effective participant in many committees and, through the process, he has initiated Australia's first national inquiry into public transport and inquiries into structural changes to the justice system and protections for privacy, particularly online. He has been a member of the Senate Standing Committee of Privileges. He has represented on numerous legislative and
references committees, including Foreign Affairs, Defence and Trade; Legal and Constitutional Affairs; and Environment and Communications. He has been on the Senate Select Committee on the NBN, the joint standing committees on Treaties and Foreign Affairs, Defence and Trade, and of course the Select Committee on Cyber Safety.

He has successfully represented this parliament overseas on delegations to Timor-Leste and also to China and Hong Kong. He has been a Greens spokesperson on many issues that have come before the Senate and a strong advocate on all these policy areas. But when he has been in the chair of the Senate he has demonstrated a considered, measured and impartial view of proceedings, and that is what we would seek from a President of the Senate. I do think that it is time that the idea that it is an automatic exchange between the government of the day and one opposition party has to change. The nation has made it clear that it wants its representative democracy to have a different make-up in the Senate, and I commend Senator Ludlam to the Senate as its next President.

The Clerk: If no other senator wishes to address the nominations, there being two nominations, in accordance with the standing orders, a ballot will be held. But before proceeding to a ballot, the bells will be rung for four minutes.

The Clerk: The Senate will now proceed to ballot. Ballot papers will be distributed to all honourable senators, who are requested to write upon the paper the name of the candidate for whom they wish to vote. The candidates are Senator Parry and Senator Ludlam. I invite Senator Bushby and Senator Siewert to act as scrutineers.

A ballot having been taken—

The Clerk: The result of the ballot is as follows: Senator Parry, 63 votes; Senator Ludlam, 10 votes; two informal; and one absent. Senator Parry is therefore elected as President of the Senate in accordance with the standing orders.

Senator Parry having been conducted to the dais—

The PRESIDENT (10:45): Please be seated, colleagues. I am sorry it took so long to get to the chair, but I am supposed to show some reluctance! Thank you very much. I truly appreciate the honour that each of you has bestowed upon me. It is something that I do not take lightly. I intend to continue as I did as Deputy President and be impartial. That is fair warning to both sides and to the crossbenchers. I will be impartial in my role. I will take it very seriously. I will build upon the trust and the commitment that had already started in my previous role. I look forward to working with each of you as we move forward in this Senate, which has a different configuration to most others. I thank you for your warm wishes just then. I realise that this role is not only to preside over the parliament here in this chamber but also, jointly with the Speaker of the House, to preside over and administer the parliament estate. In that aspect, I intend to defend the parliament as being truly independent, especially independent from the executive government. I think that is an important aspect about every Presiding Officer. The executive government has a right to govern, and we must respect that, but, equally, the parliament itself should be independent from the executive. In that way, too, I think the funding and the financial aspects concerning the parliament should be brought back into the parliament and should not be with the executive government. However, I do acknowledge the executive government has a very important role to play in governing this
country, with proper supervision, scrutiny and review from this parliament. Colleagues, thank you again. I understand that the Governor-General will be waiting to greet us shortly. I do appreciate the honour you have bestowed upon me and I look forward to working with you. I regard myself as your servant.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (10:47): Mr President—and what a delight it is to be able to officially call you 'Mr President'!—I have the privilege to officially congratulate you on your election as our President. The regard in which you are held by honourable senators is reflected in the decision taken by the Senate today. If I may be parochial just for a moment, I note that, apart from being our 24th President, you are the fourth to come from the state of Tasmania. You follow John Blyth Hayes, of the United Australia Party; Justin O'Byrne, of the Australian Labor Party; and Paul Calvert, of the Liberal Party. I know that in a former life you served as an officer of the law. I also note that President Hayes had a prison named after him in Tasmania. I interpret all of that as a signal that we should all behave in the Senate because the President might know what to do if we do not! And, just in case that does not work, I note that the other occupation that you held before entering this place was that of an undertaker!

On a personal note, I know this is a very special day for your parents, your wife, Allison, and your children. I am sure they are very proud, as they ought to be, of your achievement in being elected to this high office by your peers. Your predecessor, President Hogg, said to us only a few days ago, in his 'non-valedictory statement', that he valued the relationship he had with you in managing this chamber and in all the other activities that a Presiding Officer undertakes outside the actual meetings of the Senate. It would be accurate to say, especially in this Canberra winter, that the President's job is a bit like the proverbial iceberg—90 per cent of it is not immediately visible. I know you will represent the Australian Senate well and continue the distinguished traditions that have been built up since 1901. On behalf of the government, the Senate and—if I might say—as a friend, I congratulate you and wish you well in the new role on which you embark today.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (10:50): Mr President, as Leader of the Opposition in the Senate, I also rise to congratulate you on your election. As you are well aware, the Senate has a key role in Australia's democracy, a key role in the nation's democracy, a role that reflects the very different configuration that the Senate has as a matter of course—not only this Senate—from that of the House of Representatives, where government is formed. The Senate is the chamber where there is much greater scrutiny applied to legislation, to policy. It is the chamber where committee work that is important to consideration of a legislative agenda is done. It is the chamber—let us be frank—where executive government is held to account in a way it cannot be in the House of Representatives. Because of that, fairness and impartiality need to be brought to the position you now hold. I know, from working with you in your previous role as Deputy President, that you hold a deep respect for the role the Senate has in the nation's democracy. On behalf of Labor senators, on behalf of the opposition, I congratulate you on your election.

Senator MILNE (Tasmania—Leader of the Australian Greens) (10:51): Mr President, I congratulate you on behalf of the Australian Greens on your election as the President of the Senate. We came into this Senate at the same time, and I have observed the service that you
have given to the Senate, the parliament and the Australian people over that time. I wish you all the very best in serving the parliament and working with the Senate. I particularly welcome the remarks that you have made about standing up for the parliament against the executive. That is critical. I particularly note your reference to servicing and funding those roles. I look forward to working with you in supporting that outcome. It is going to be a challenging and new period for the Senate in Australia, but it is going to be one of the most democratic. I look forward to working with you, upholding our democracy and representing the people in the best way we all can.

Senator XENOPHON (South Australia) (10:52): Mr President, I add my very warm congratulations on your election. You have always been decent and fair in my dealings with you and I am sure that that will continue in your role as President. I too am very heartened by your comments about the importance of the Senate keeping the executive to account and the importance of this place as an institution. Finally, Mr President, I can make this observation: during question time, when things are unruly it is always the major parties. Now that there are more crossbenchers, I am sure this place will run much more smoothly.

Senator LAZARUS (Queensland) (10:53): On behalf of the Palmer United Party and all my Senate colleagues, I would like to congratulate you on your appointment to the office of President and we look forward to working with you.

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (10:53): Mr President, I rise on behalf of the Nationals to congratulate you on your ascension to President. Most people in this place have known you for quite a long time. With your character and the relationship many have had with you over time from all sides of the Senate, we have a great deal of confidence you are going to bring a completely even hand to this place. Congratulations.

Senator MADIGAN (Victoria) (10:53): Congratulations on your appointment. I welcome your comments about the role and independence of the Senate. I am sure you will make a great contribution to the parliament.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (10:54): I wish to inform honourable senators that His Excellency the Governor-General will be pleased to receive you, Mr President, and such honourable senators as desire, to accompany him in the Members’ Hall immediately.

The sitting of the Senate will be suspended to enable the presentation of the President and senators to the Governor-General

At noon, the sitting of the Senate will resume

The PRESIDENT (Senator the Hon. Stephen Parry) took the chair at 12:00, read prayers and made an acknowledgement of country.

The PRESIDENT (12:01): I have to report that, accompanied by honourable senators, this morning I presented myself to the Governor-General as the choice of the Senate as President. The Governor-General congratulated me upon my election and presented me with a commission to administer to senators the oath or affirmation of allegiance. I table the commission.
CONDOLENCES

Chidgey, Lance Corporal Todd John

**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (12:01): by leave—I move:

That the Senate records its deep sorrow at the death, on 1 July 2014, of Lance Corporal Todd John Chidgey, in Kabul, Afghanistan, places on record its appreciation of his service to Australia, and tenders its profound sympathy to his family in their bereavement.

**The PRESIDENT:** I ask honourable senators to stand in silence to signify their assent to the motion moved by Senator Abetz.

Question agreed to, honourable senators standing in their places.

PARLIAMENTARY OFFICE HOLDERS

Deputy President and Chairman of Committees

**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (12:02): I remind the Senate that it should now choose one of its members to be Deputy President and Chair of Committees.

**Senator WONG** (South Australia—Leader of the Opposition in the Senate) (12:02): I propose to the Senate for its Deputy President and Chairman of Committees Senator Gavin Marshall, and I move:

That Senator Marshall be appointed Deputy President and Chairman of Committees.

**The PRESIDENT:** Are there any further nominations? There being no further nominations, it is my pleasure to declare Senator Gavin Marshall as Deputy President and Chair of Committees in accordance with standing orders.

**Senator MARSHALL** (Victoria) (12:03): Thank you, Mr President. I thank the Senate for the honour that they have done me by bestowing this position and responsibility upon me. I will use my best endeavours to discharge my duties with dignity and fairness.

**The PRESIDENT:** I would like to add my congratulations to your election unopposed and I trust that we will enjoy a great working relationship. I particularly enjoyed my role as Deputy President working with the President and I can see that we will have a similar relationship, so congratulations.

**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (12:04): On behalf of the government, I congratulate Senator Marshall on his election as our Deputy President and Chair of Committees.

Senator Marshall is very well qualified to be our Deputy President, having been a Temporary Chairman of Committees in the Senate since 2003. He has also served on several committees involved in the management of this place, including the House Committee and the Standing Committee on Appropriations and Staffing, which are good committees to be on to get an understanding of the mysteries of the operational management of the Department of the Senate and Parliament House. He has also served as a chairman of the Senate Education and
Employment Legislation Committee, enduring my questioning for hours on end and with the patience of Job.

Senator Marshall is a senator who respects the traditions and practices of this place and is very well qualified to undertake this new task. Though, I must say, in all the years I have been fortunate enough to be a senator, I have never had the least desire, with no disrespect, to sit between the clerks at the table, dealing with amendments and amendments to amendments that fall to the Chairman of Committees. It takes a certain skill, patience and procedural knowledge, and I envy those senators who undertake that task well. I am sure Senator Marshall will.

Mr President, I assure you and Senator Marshall that you will both have our support in the chair and in your stewardship of this unique and important institution, the Australian Senate. I wish Senator Marshall well.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (12:05): On behalf of the opposition, I rise to congratulate Senator Marshall on being elected Deputy President and Chairman of Committees. Senator Marshall and I were elected to this place in the same election along with Senator Moore and others, and it is very pleasing for me to see that he has been elected as our Deputy President. Not only has Senator Marshall demonstrated his regard for the traditions and conventions of this chamber in the time he has been here; those who have worked with him would, regardless of their political affiliation, attest to his interest in procedure and capacity to manage debate both in this chamber and in Senate committees effectively and fairly.

We are confident on this side of the chamber, and I am pleased that it is shared, that he will bring not only this expertise to the important role of Deputy President and Chairman of Committees but also a regard, as Senator Abetz said, for the traditions and conventions of this Senate which are so important to Australian democracy.

Senator MILNE (Tasmania—Leader of the Australian Greens) (12:07): I rise to congratulate Senator Marshall on his election as Deputy President and wish him very well and look forward to working with him. All my colleagues share in our congratulations.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (12:07): Can I also add the congratulations of The Nationals to Senator Marshall. He commands a deal of respect in this chamber and always conducts himself with great dignity in the roles that he performs in this chamber. I also note his very extensive work through the committee system. We add our congratulations and best wishes to you on taking up the new role.

Temporary Chairmen of Committees

The PRESIDENT (12:07): Pursuant to standing order 12, I lay on the table warrants nominating senators as additional Temporary Chairs of Committees when the Deputy President and the Chair of Committees is absent and revoking the warrants nominating Senators Fawcett, Ludlam and Ruston as Temporary Chairs of Committees.

SHADOW MINISTERIAL ARRANGEMENTS

Senator WONG (South Australia—Leader of the Opposition in the Senate) (12:08): I seek leave to have incorporated into Hansard revised shadow ministry arrangements.
Leave granted.

*The document read as follows—*

### SHADOW MINISTRY

**7 July 2014**

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<td>Hon Bill Shorten MP</td>
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<td>Hon Matt Thistlethwaite</td>
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I seek leave to have incorporated into Hansard revised party positions and portfolio allocations for the Australian Greens.

Leave granted.

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<td>Australian Greens Leader</td>
<td>Peter Stahel</td>
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<td>Christine Milne, Senator for Tasmania</td>
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<td>Australian Greens Deputy Leader</td>
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<td>Adam Bandt, Member for Melbourne</td>
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<td>Australian Greens Party Whip</td>
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<td>Rachel Siewert, Senator for Western Australia</td>
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<td>Richard Di Natale, Senator for Victoria</td>
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<td>Scott Ludlam, Senator for Western Australia</td>
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<td>Sarah Hanson-Young, Senator for South Australia</td>
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<td>Sarah Quinton</td>
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Palmer United Party

Senator LAZARUS (Queensland) (12:08): by leave—I advise the Senate that I have been appointed as the Leader of the Palmer United Party in the Senate; Senator Lambie has been appointed Deputy Leader in the Senate and also Deputy Whip; and Senator Wang has been appointed as the party's whip.

COMMITTEES

Rural and Regional Affairs and Transport References Committee

Meeting

Senator STERLE (Western Australia) (12:09): Mr President, congratulations on your ascension to greater office. I seek leave to move a motion to enable the Rural and Regional Affairs and Transport References Committee to meet during the sitting of the Senate today.

Leave granted.

Senator STERLE: I move:

That the Rural and Regional Affairs and Transport References Committee be authorised to hold a public meeting during the sitting of the Senate today, from 3.15 pm, to take evidence for the committee's inquiry into the implications of the restrictions on the use of Fenthion on Australia's horticultural industry.

Question agreed to.

Environment and Communications Legislation Committee

Meeting

Senator BUSHBY (Tasmania—Government Whip in the Senate) (12:10): by leave—At the request of the chair of the Environment and Communications Legislation Committee, Senator Ruston, I move:

That the Environment and Communications Legislation Committee be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate today.

Question agreed to.
BILLS

Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2]
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No. 2]

First Reading

Bills received from the House of Representatives.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (12:11): I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Senator MOORE (Queensland) (12:12): Mr President, congratulations on your appointment. The opposition will be asking that you put the question separately on the procedural element of this motion, 'that these bills may proceed without formalities', and I wish to speak to that procedural motion.

We have a particular issue here before the chamber about the whole consideration of the important elements of the carbon bills. We all know that there is major interest in this process. We read in the media every day that this is going to be the most important element that comes—

Government senators interjecting—

The PRESIDENT: Order!

Senator MOORE: We read in the media about the interest that has been placed on this process. We have now heard that there is going to be a meeting of the Environment and Communications Legislation Committee this afternoon to consider the process. We all know that, in the last sitting of this chamber, there was a motion passed by this Senate that there would be a consideration of this package of bills through the environment committee. There was a process put in place that there would be a report provided to this place on 14 July to allow there to be consideration of these issues. That process has not occurred.

We are here today, on the first sitting day of a new Senate, and we have a whole range of people in this place who have not had the opportunity to have any consideration of this legislation. The process that this Senate put in place was that there would be a committee process where we would have the opportunity to consider the range of issues that have
occurred over the last period of months. We are not only looking at issues that were previously discussed in this place. The situation internationally and also nationally has changed considerably around the whole issue of this legislation about carbon pricing and the process that we are going to put in place to look at this significant range of legislation. That process has not occurred. There has not been the opportunity for people to put forward their views. There has not been the opportunity for people to listen to the range of views that we know are held, that continue to be held and that continue to be examined.

It is so important that we start together in this place with appropriate consideration of the legislation that is before us. We talk nobly about what should happen in this place. We heard this morning about the independence of the Senate and how important it is for every single senator to understand fully, to question and to be involved in the votes that they will take on legislation before the chamber. I do not believe, the opposition does not believe and many people in the community do not believe that that is allowed by the current process of bringing forward this package of legislation today, without a recommendation from the committee that was charged by the Senate to consider it, without an opportunity for people to have current evidence before them, although I know the government will say that there has been considerable process around these carbon bills.

It is important that there is considerable effort put into looking at this legislation that we have. It is not simple. It is complex. There are a range of issues here that we all need to understand and consider before we vote. There needs to be the opportunity in this place to have the process. We do not think it is appropriate, in the first matter of core business before us, to say: 'We'll bring the whole carbon tax legislation before this place, we will expect that that process will take place and we will go straight into the full debate without having the evidence from the committee that we set up.'

We consider that this is an important element of the operations of the Senate. We believe it is important for all of us to have the time and the opportunity to hear from not just each other across the august chamber of the Senate. It is not just a debate for us in this place. The important thing is that when we come here we come here we come with the information, concerns and support or otherwise of the people in the wider community who care deeply about this issue. Only this morning, outside this parliament, we had the opportunity to meet with a whole group of young people who have a passionate concern about the future of our environment and the future of carbon pricing in Australia. I believe that every senator in this place was provided with an invitation to go and meet with these young people about this legislation. We had that opportunity to go down there this morning. Some of us took it, and what we heard from the people there was that that it was our decision but their future.

We need to ensure that those voices are heard in this place, through the whole range of the committee process. That has not been completed. We have not had that process concluded. And yet we are here being asked to accept a blanket proposition from the government which says that the bills have to come through straightaway. I do not believe that has given us the chance to have the debate we need to have, not just here but outside.

Senator Ian Macdonald: Do you believe in democracy? There has been an election.

Senator MOORE: I think that to do duty to our job as senators, to do duty to our process, we need to ensure that we have further opportunity to consider what has been said by the community. Other people will have more comments, but I do not believe, as a member of this
Senate, that the process that we have taken to date has given due consideration to the role of the Senate. The Senate committee process, which is the background to what we do, has not been allowed to function fully. There was no attempt to talk to community members. I think it is important that we understand that what we are being asked to do is actually shortcutting the process. What we have been asked to do by the government today is to cut through, to shortcut the process, to ensure that the debate does not reflect the wider information that we must have before we come to this place. It is not a worthy process to rush this through in this way. It is not a worthy process to dismiss the concerns of people in the community who want to hear this debate fully. It does not fulfil those same promises that we heard earlier today about ensuring that this place actually does listen and care and that when we come into this place we do not just bring our own personal opinions; we bring consideration of committee process and recommendations that we have come to expect.

Senator Heffernan: I rise on a point of order, Mr President. My point of order is: I take exception to being told I am not—

The PRESIDENT: That is not a point of order, Senator Heffernan.

Senator Heffernan: I did not see anyone over there at the 'Bin the budget' rally yesterday, at which I spoke, which concerns—

The PRESIDENT: That is a debating point. That is not a point of order.

Senator Moore: In terms of the process that Senator Heffernan has just outlined, indeed the role of all the senators is to ensure that they do listen to the community. However, the process yesterday was not about the bills that are in front of us. The community meeting that we went to this morning was. The whole process of that community meeting of young people from across the country was specifically on the bills that the government now wants us to rush in to debate straightaway.

I have heard the comments from across the way that we have had an election. Indeed we have. We are all aware of that election. But, just because we have had an election, the role of this place does not stop. If you think back to the discussions we had less than an hour ago, when we were swearing in the new Senate, it was said that we were going to ensure that the Senate would be a place where there would be independent, full debate. That is our job. What the government wants us to do now, as the first element of the business for the new Senate—and many senators have not have the opportunity to be in debates about this before—is to rush through a debate on bills for which we have not had the most up-to-date committee recommendations.

Getting committee recommendations should be the way we work. I think that would be evident to all of us. Those of us who have been lucky enough to be here for a while should have seen it in practice. The new senators would have heard about the way the Senate operates, which ensures that there is the opportunity for people to have information. We have a committee structure, in which committees are tasked to go out with legislation and seek the opinions of the people in the community on that legislation. The committee's job is to consider that evidence, have it all recorded and then come back into this place with recommendations.

We all know that, in legislation processes, many of us use the committee reports as the basis for what we are going to say. We look at what has gone on, we look at the submissions
that have been received and we look at the concerns. We most particularly do not rely on things that have happened exclusively in the past. When the government brought forward these bills to the last Senate, we recommended that, before they be considered, they would go through the committee process. The committee process crossed over the conclusion of the last Senate and the beginning of this Senate. We now are faced with looking at legislation to be debated in this place. We had a Senate committee process in place which was considering this legislation—the standard process. The standard process is that the committee has the opportunity to present its report and then, on the basis of that report, we then flow into the debate in this place.

That is not an unusual situation. The way that that operates is clearly identified in the standing orders. So it is particularly important that, when we move into this first debate, we have the authority of the standing practice of the Senate behind us so that we move forward with confidence. That can only enhance the debate; it does not delay the debate. We have no intention of delaying the debate. I remember many times in this place when senators on the other side were making passionate declarations about how important it was for us to have the committee process in place. We heard that. We were reminded of our job, our responsibility to ensure that Senate practices were put in place. I but ask the same thing: if we are going to have legislation brought into the chamber, it is our job to expect that we have all the information available to the senators, that the committee process be fully concluded and that we would have the opportunity to give due consideration to those processes. It is not an unusual request; it is certainly not a groundbreaking request. It is simply asking that the process of the Senate run as we expect it to, the process of the Senate run as it should do and, in fact, the process of the Senate run as it does best—providing information for senators to consider what is important in the legislation, providing opportunities for the senators to ask questions about the legislation and providing opportunities for the senators to respond to their responsibilities as senators in this chamber.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (12:25): Let us just be very clear about one issue here. What this government is seeking to do is to have the carbon tax repealed. That was the bipartisan position of Prime Minister Gillard and the Leader of the Opposition, Mr Abbott, at the 2010 election. We were promised there would be no carbon tax in 2010. Then, in 2013, Prime Minister Rudd and the Leader of the Opposition, Mr Abbott, were once again on a unity ticket—and I have exhibit A here: a Labor Party brochure authorised by George Wright, in which he tells us, 'Kevin Rudd and Labor have removed the carbon tax.'

So why on earth is my good friend Senator Moore—recently resworn as a representative of the people of Queensland, having been elected on the policy of removing the carbon tax, and her colleagues before her having been elected on a policy of never having a carbon tax—now standing here seeking to frustrate the will of the Australian people? I do not think anyone could argue with the proposition that the carbon tax was one of the key issues at the last election.

The reason the Australian people wanted to see the back end of the carbon tax was that they knew it was impacting on their cost of living—$550 for the average household in Australia each and every year. And, courtesy of the Greens-Labor majority that used to
preside in this place, the carbon tax ratcheted up yet again on 1 July to increase that impost on Australian families even further. And, if the cost-of-living impost is not bad enough, we know it destroys jobs. The carbon tax is a blot on the economic landscape of our nation. It attacks the cost of living of families and it is destroying jobs as we speak.

We all know the example of Fuji chemicals, which wanted to set up in Australia with $1 billion worth of infrastructure capital investment and 150 jobs, as an ongoing concern and replacing imports. They decided to set up in China instead, simply because of the carbon tax. Do you know what they will do in China? They will emit more greenhouse gases in their production than they did in a pre-carbon tax environment in Australia. And that is where you see the absolutely perverse environmental outcome of the carbon tax. Not only does it destroy Australia's economy and the cost of living; it actually ensures that clean production companies in Australia have to move offshore to countries where they do not have as strong an environmental regime as we do in Australia.

*Opposition senators interjecting—*

**The PRESIDENT:** Order! On my left.

**Senator ABETZ:** This is the classic lose-lose scenario that was inflicted upon the Australian people by the Australian Greens and the Labor Party in that marriage that they undertook with Senator Bob Brown and Prime Minister Gillard.

*Senator Whish-Wilson interjecting—*

**The PRESIDENT:** Order! Senator Whish-Wilson.

**Senator ABETZ:** I do not know what the Labor Party interjections are about. I refer to this brochure again: 'Kevin Rudd and Labor remove the carbon tax.' If we were to believe the very policy on which Senator Moore got herself re-elected to this place—that is, the carbon tax had been removed—sorry; what are these bills doing here? The carbon tax, we are agreed, still has to be removed. It is still on the legislative books, is it not?

We, as an opposition, said to the Australian people: 'If you elect us on 7 September, we will have as the very first item of business in the new parliament the repeal of the carbon tax.' And we lived up to that promise. Prime Minister Abbott introduced the repeal of the carbon tax as the very first item of business in the new parliament. So it should be no surprise to those opposite that we, as the very first item of business in this new Senate, would seek to ensure the repeal of the carbon tax.

I say to those opposite: you had your fun last month. Yes, the dead hand of the old Senate reached out and attempted to control that which will happen in the new Senate. And that is why the motions were moved to seek to delay the will of the Australian people.

I have been asked: is this a measure that is frustrating the government? More importantly, this measure, or the motion moved by those opposite last month, was frustrating the Australian people. It is frustrating the Australian economy. It is frustrating the world's environment to boot. So in every possible respect—

**Senator Cameron:** What did you say?

**Senator ABETZ:** Senator Cameron says, 'What did you say?' Can I ask you, Senator Cameron: what did you say when you sought re-election?

**Senator Cameron:** I said I supported a price on carbon.
Senator ABETZ: You said that the carbon tax was being removed, on Labor Party funded brochures. Your own union may well have funded this brochure.

The fact that we are seeking to put this up as the first item should be of surprise to nobody. We said we would do so if we were elected. The Labor-Greens Senate majority frustrated us in that endeavour. We now have a new Senate, more reflective of the will of the Australian people generally on 7 September, taking into account the quirks of Western Australia. We have a situation where we as a government want to introduce this legislation as a matter of absolute urgency to get this blot off our economic landscape. People are quite rightly concerned about their cost of living. Today the Senate has the opportunity—

Senator Cameron: People are concerned about the planet as well.

Senator ABETZ: So why did you campaign to abolish the carbon tax, not only in 2010 but in 2013 as well?

As I have already pointed out to Senator Cameron—he who will interject but never listen—the carbon tax applying in Australia is in fact perverse in relation to the world’s environment. Europe discovered that themselves when they closed down their relatively clean aluminium smelters only to see them pop up again in Africa and elsewhere where the environmental regimes were not half as good as they were in their pre-existing foundries and smelters in Europe. As a result, the world’s environment was worse off. The same is happening in relation to Australia. With great respect to Senator Moore, it is not as though this is a debate that has fallen out of the sky just today; I think it has been around very strongly for a number of years. In fact, so strong was the sentiment in the Australian community that Labor promised no carbon tax in 2010. They promised that absolutely.

Then, when they realised the vehemence with which the Australian people despised the carbon tax—because it was impacting on the cost of living; it was destroying their jobs and having a perverse outcome on the environment—the Labor Party rushed around at the 2013 election to say, ‘No, nothing to see here. We've already removed the carbon tax.’ We know that the carbon tax has not been removed. Just as the Australian people were misled before the 2010 election—that there would be no carbon tax—so they were misled by the Australian Labor Party in 2013 with the assertion that the carbon tax had already been removed.

The simple fact that we have to introduce this swathe of bills, some nine of them, indicates that the carbon tax regrettably is still alive and well. And, each day that this carbon tax continues, it will continue to have an impost on the cost of living for every single Australian, and it will continue to destroy jobs, especially in the manufacturing sector—

Senator Cameron: Don't you talk about manufacturing. What did you do to Ford? What did you do to GM?

Senator ABETZ: especially in the manufacturing sector, Senator Cameron, which you know. It continues to have a perverse outcome on the environment. We as a government are determined to—

Senator Cameron interjecting—

The PRESIDENT: Order! Senator Cameron.
Senator ABETZ: Senator Cameron is always willing to interject, never willing to listen. That is his wont. The new senators will soon learn that is his style, and a very ugly style it is, if I might say.

Senator Cameron: I don't listen to rubbish.

Senator ABETZ: We as a government will seek to prosecute those issues on which we were elected and in particular this impost on the economy which we believe was brought to us as a result of that marriage between the Australian Labor Party and the Australian Greens, something about which former Senator Mark Bishop had words to say, quite rightly. He is no longer with us, regrettably, but I am sure he is ably replaced by Senator Bullock, and I wish him well.

I conclude my remarks by saying that we as a government are anxious to remove this impost for the Australian people; noting that, in its removal, we will be delivering on the promises made by Ms Gillard and Mr Abbott, in 2010, and by Mr Rudd and Mr Abbott in 2013.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (12:36): I was not going to speak in this debate, and I think—

Government senators interjecting—

Senator WONG: Don't worry, I will be speaking on the suspension of standing orders and the upending of the Senate rules which no doubt you will do next.

I thank Senator Milne for allowing me to speak first. I will not be too long. There are a number of things in that stream of hyperbole which I think require a response from the Labor Party. Firstly, Senator Abetz says, 'People are concerned about the cost of living; this carbon price is a dreadful thing for cost of living'. What about the GP tax—that promise that you broke? You did not tell people that you would be introducing a $7 GP tax. As I recall, it was, 'No cuts to health; no cuts to education.' People care about the cost of living. What about the tax on pharmaceuticals, the increased co-payment, making it more expensive for people to get medication? Do you reckon that has an impact on people's cost of living? What about fuel excise? This is one for Senator Williams. What about the increase to fuel tax? That is also not something that was discussed before the election. Some might describe it as a carbon tax on steroids. What about the cuts to pensions? They might be something about cost of living—the cuts to pensions that the Prime Minister so arrogantly pretends do not exist. The thing about this government is that not only—

Senator ABETZ interjecting—

Senator WONG: I will take the interjection from the Leader of the Government in the Senate. He said, 'No cuts.' You tell that to Australia's pensioners. You are going to reduce the amount by which their pension increases from what it is now into the future. You tell them, 'Actually, love, that's not a cut. I'm going to take money back to the government, which is how I get a saving in my budget, but I'm not even going to do you the respect of acknowledging that it is a cut to your pension.'

Finally, there is the deregulation of university fees, making it harder for disadvantaged Australians and kids from working-class families to go to university. When Senator Abetz comes in here and cries about the cost of living, I hope everybody in this chamber and everybody who might consider this debate will think about the cost-of-living measures, the
cost-of-living imposts, the increases to the cost of living of Australians, particularly middle- and low-income Australians, that the government are seeking to impose with their budget. Worst of all, they told lies before the election about whether they would do that.

There was a lot of talk about mandate in the contribution from Senator Abetz. Where is the mandate for the GP tax? Where is the mandate for the increases to the fuel excise? Where is the mandate for increases to the pharmaceuticals co-payment? Where is the mandate for cuts to the pension? Where is the mandate for putting university education out of the reach of so many Australians? If you want to talk about mandates, Senator Abetz, maybe the government should come in here and talk to Australians about why they lied to the Australian people and told them there would be no change to pensions, no cuts to health and no cuts to education.

Senator Abetz also talks about the manufacturing industry. A government whose Treasurer stood on the floor of the House of Representatives and goaded Holden to leave wants to talk to us about manufacturing jobs? The government, who ripped assistance away from the car industry and ensured that we have an end to the auto manufacturing industry here in Australia, want to come to this chamber and tell us that we have to get rid of the carbon price because that is better for manufacturing jobs, after demonstrating that they have no concern for manufacturing workers and their families. I think Senator Abetz said in his speech—and the Hansard will correct me if I am wrong—that the carbon tax had destroyed the Australian economy. If that is the case, what has this government done in terms of ripping away manufacturing jobs? What has this government done in terms of the hit on low- and middle-income earners, the hit on families, the hit on vulnerable Australians and the hit on elderly Australians? Let's get a bit of reality into this debate.

The Labor Party has made very clear: we support an emissions trading scheme. That is our position, and that is a floating price. With all of the word games and props that Senator Abetz uses, he glosses over that fact. We support an emissions trading scheme, which is what we went to the election with in 2007—a mandate which those opposite deny. We support an emissions trading scheme, like John Howard used to in 2007, like John Hewson does and like all sensible economists do, because it is the cheapest way for our economy to respond to climate change. It is the cheapest way for us to address this issue. Unlike those opposite, we do not believe it is a reasonable position, an ethical position, to say to Australians, 'It's all too hard. We don't want to do anything about climate change.' That is what this government wants. That is the position of this government. It is not the position of the Labor Party.

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (12:42): I rise to draw the attention of the Senate to the fact that the new Senate, sworn in a matter of a few hours ago, is being asked, if the government has its way on this, to deal with a complex set of bills which go to the heart of addressing global warming and bringing down greenhouse gas emissions. Having listened to Senator Abetz, it makes it even more important that we do not deal with these in the rush that the government wants. This is a matter where, in 50 years time, people are going to look back on what this Senate did and say, 'How is it possible that, given what they knew at the time with regard to climate science, given that they knew at the time that we were reaching tipping points beyond which there is no return, given they knew at the time that ocean acidification is simplifying marine ecosystems, given that they knew that the West Antarctic ice sheet was collapsing, given that they knew glaciers were retreat ing, and given that they knew that extreme weather events were killing people all around the world and here
in Australia, they swore in people in the Senate and within hours wanted to bring on a complex set of legislation and vote down the only effective policy that this parliament has had to bring down emissions? Every minute that we stand here under the current legislation, greenhouse gas emissions are coming down. That is the fact of the matter. Look at the electricity sector; look at the sectors that are covered.

Senator Williams: Shut down manufacturing.

Senator MILNE: As for shutting down manufacturing, as Senator Williams talks about, let me tell you: hollowing out the manufacturing sector is the legacy of the Howard and Costello years. Hollowing out the manufacturing sector and undermining investment in further education are the legacies of those years. In 2006, there was the opportunity at the height of the boom to actually invest in education and in transitioning the economy. And what did they do? They gave it out in tax cuts, left, right and centre—manna from heaven. Remember the debate? Rivers of gold; manna from heaven—they gave it out in tax cuts to people, instead of investing in public transport, in education and in the kind of infrastructure that the future demanded.

But now we are in a situation where Senator Abetz tells Australians that there is a carbon tax. There is not. We have legislation in this parliament which is an emissions trading scheme. That is what is the law in Australia as I stand here and speak. It is operating as a fixed price for three years and then transitioning to flexible pricing as of 1 July next year. So it is a lie to say to the Australian people that we do not have an emissions trading scheme. We do. The architecture is passed. Everything is in place. The Climate Change Authority was set up to recommend to the parliament the level that we should set for ambition, and, when that recommendation was made, the parliament was supposed to put that into the legislation to enable flexible pricing. The linking with the European Union has already been done. The expectation is that we will be at flexible pricing, linked to the European Union, next year. We could actually go to it now if we chose to do so. But the fact of the matter is: we already have an emissions trading scheme.

As to this notion that it is a blot on jobs: well, contrary to what Senator Abetz says, in the news today we hear that Californian company SolarReserve's CEO, Kevin Smith, has said that it will not be investing in Australia because of the wind-back of climate framework policy. Around Australia today, we have a huge rollout of renewable energy and jobs because people can see that this is where the innovation is, this is where rural development is, this is where rural jobs are, around Australia. Communities are embracing renewable energy, putting solar panels on their roofs and doing what they can with energy efficiency.

It may come as a shock to the coalition to learn it, but most people are actually anxious about the future because of global warming. If you had picked up the paper over the weekend you would have seen that Kiribati, a country in the Pacific, has just bought land in Fiji so that it can transfer its entire population. What does that say to this parliament? These are our Pacific island neighbours who are already impacted on by sea level rise and by saltwater incursion. They have young people sitting there in their country knowing that it is rapidly reaching a point where they can no longer live in that country. As to Tuvalu, as early as 2006, on the United Nations Framework Convention on Climate Change, up got their leader and said to the global community: 'Who will take my people?' Is Australia going to start recognising that we are driving environmental refugees around the world because of extreme
weather events, because of sea level rise, because of storm surge and because of saltwater incursion? These are the issues that we should be talking about, particularly here in this Senate.

There is a need for everybody in the Senate—and, I would say, especially the new senators—to understand the architecture of the legislation and how it works. Did the new senators, for example, know that there has been a schedule added to one of the bills—schedule 5 added to the main bill—which removes the funding substantially from ARENA, the Australian Renewable Energy Agency? This parliament set up the Australian Renewable Energy Agency so that there would be a continuum between early-stage research and pilot-stage rollout of projects through to commercialisation under the Clean Energy Finance Corporation. They were a package. And the idea was that the Clean Energy Finance Corporation profits would flow back into the Renewable Energy Agency and fund early-stage research. So it became a circular thing, where the community was not having to pay for the early-stage research— in fact the rollout and profit from those projects was.

Does anyone here actually understand that, by repealing these bills, the government has chosen to forgo $18 billion in revenue over the forward estimates? The Prime Minister is saying to the people of Australia that he will not take it out of the pockets of the big polluters; he will in fact take it out of the pockets of the community in co-payments for going to the doctor; he will take it out of the pockets of the community and pensioners; he will take it out of the pockets of the community when it comes to health and education. Whilst people have talked about the co-payments, not a lot has yet been said about the millions being taken out of health and education to the states.

Speaking of the states, how many people here realise that Tasmania has had a major windfall gain because of our emissions trading scheme? Hydro Tasmania has made substantial amounts of money—$70 million is going into the Hydro because of carbon pricing, and that goes into the state budget by way of a dividend paid into the state budget. Stopping that means that Tasmania—which is already under the pump economically, which people realise—will have fewer nurses, police and teachers.

**Senator Bushby:** Where does that money come from?

**Senator MILNE:** It is coming out of the pockets of big polluters; that is where the money is coming from. It is coming out of the pockets of big polluters because the big polluters are being asked to internalise the real cost of their pollution, and that is why we are saying: why should the community have to pay with their lives?

Why should the community have to pay for the extreme weather events? Who pays for the massive destruction of infrastructure? Who paid for the aftermath of the Queensland floods? I will tell you: the community did, through their taxes. Billions went in that so-called one-off flood repair levy. But we said at the time that a permanent fund should be set up and the big polluters should pay into that permanent fund, because every year Australians have to pay for extreme fires, for floods and for drought relief, and that is going to go on and on. We are going to see more extreme weather events, and the community is going to pay with lives and with infrastructure, and they are already paying. If you look at the so-called savings that you are supposedly going to be making, and then you take from that the cost of cleaning up after these extreme weather events, and ask people: 'How much are your insurance premiums these days if you live in an area vulnerable to flooding, to storm surge or to fire?' you will find that,
if you live in Roma, the savings that you supposedly are going to make from the repeal of a carbon price are nothing compared with the fact that you cannot even afford insurance anymore because of your vulnerability to flooding. That is the reality around Australia, and that is why I think we need to stand here and go through these bills and have people actually understand the connections between all of the elements of these pieces of legislation. The future depends upon it.

We went out and spoke with some young people this morning, and I can tell you that they are representative of young people right around the country. They get the climate science. They know the world is changing. They also know that it is their future, that they and their children are going to inherit an earth that has been seriously depleted by species extinction, for a start, and extreme weather events. They know they are going to inherit a world with more conflict. The Pentagon has already acknowledged that global warming is going to be a major driver of conflict and is now part of military planning in the United States. That is why we are saying: do not rush this. Australia is not a dictatorship; it is a democracy, and the Senate is a house of review. We should be reviewing this legislation and pointing out the lies that have been told about carbon pricing. It has always been a lie to say that we have a carbon tax in Australia. We have an emissions trading scheme that is legislated; it is in place now and it is linked to the European Union. And we should be keeping that carbon price.

Senator Lambie interjecting—

Senator MILNE: I am pleased that Senator Lambie has raised the issue of pensioners. Part of the design of carbon pricing was that people on low incomes and pensions were overcompensated for the flow-on cost of carbon pricing. We structured the compensation to overcompensate people on low incomes. What is more, we did something that was innovative, and that was raise the tax-free threshold. The tax-free threshold in Australia used to be $6,000. We have raised the tax-free threshold to $18,000 and it will go to $19,400. That means people around Australia on low incomes benefit hugely. Everybody, and particularly those on low incomes—part-time workers, students and the like—benefits from the fact that they have now got a higher tax-free threshold. That was part of the design.

It is important that we have a full and informed debate on how the package worked. Why did we need $10 billion going into renewable energy, which the Greens negotiated? It was because the carbon price was not going to drive the transformation to 100 per cent renewables as quickly as possible. That is why we added the Renewable Energy Agency and the Clean Energy Finance Corporation to the architecture to support a transition to a low-carbon economy. The Climate Change Authority was an important part of the architecture. It was based on what they do in the UK, where they recognised that they needed an expert body to recommend to the parliament the level of ambition that would be required to meet their obligations as part of a global community trying to constrain global warming to less than two degrees.

The Greens will stand here and argue absolutely for the retention of our emissions trading scheme and the retention of action on global warming. Frankly, it is a global disgrace that we are behaving as an isolationist, inward-looking, selfish country in the global community. Ban Ki-Moon, the UN Secretary-General, is calling a global summit asking countries to put a higher level of ambition on the table and acknowledging the disaster that is climate change. And this weekend we had scientists reporting that we are very close to having a massive burst
of methane going into the atmosphere because of the thawing in the Arctic. That will set us back a very long time in terms of urgency and what needs to be done.

By keeping the scheme we have got, we have a trajectory which we can increase and we will be able to do it in a way that does not have massive dislocation in the economy. But the longer you leave action on global warming, the longer you do not do what is necessary, by the time you get around to doing it the trajectory will be so steep that the dislocation will be huge. We have already seen the risk associated with investment in what will be stranded assets. I have absolutely no doubt that the coal ports up and down the Queensland coast and the coalmines currently being proposed in the Galilee and Bowen basins are going to end up as stranded assets because the world is going to have to move and very fast.

It beggars belief that the Parliament of Australia, a nation which prides itself on its global responsibility, would abuse the processes of the parliament and race in here on the first day of a new Senate and try and drive through legislation that will impact on every person who comes after us. This seems to be part of a game the coalition wants to play. The Prime Minister ran around Australia saying Whyalla would be wiped off the map, and Barnaby Joyce said a roast dinner would cost $100 and the like. All of it was untrue—unsubstantiated nonsense has been out there. That is why we need to make a considered and thoughtful judgement. It really will be a situation where, in 50 years time, people will look back at who was in here now and ask themselves: 'Why did those people vote the way that they did in full knowledge? Were they so selfish that they didn't care about future generations? Were they so ignorant that they didn't read the science and understand what it meant? Or were they just involved in playing cheap political games?' People in here have to recognise that on this package of bills, on this issue, they will be judged. We will all be judged for the positions that we take.

Former Prime Minister Rudd decided in 2010 to abandon what he then called 'the greatest moral challenge of all time'. And it is. It is an intergenerational equity issue and it is a justice issue. He was right. In abandoning that in 2010, he turned the 2010 election into a climate election. I can tell you, Mr President, the 2016 federal election will be a climate election in Australia. That is because the rest of the world is not going to tolerate what Australia is doing. We will see not only the Chinese but also the British and the Americans entering into all kinds of bilaterals, which will give them enormous economic advantage, recognising that the main source of growth at the moment is innovation in the clean energy economy. Australia will be left behind as a rust-bucket economy because we are looking back to an old, resource based dirty past as the rest of the world is investing its best brains in a clever, innovative and educated future. That is why this choice today is about the past versus the future and that is why the Greens are firmly placed here on the side of the future.

We accept the Climate Change Authority's recommendation that we need a 40 to 60 per cent reduction in greenhouse gas emissions by 2030. The community is rapidly coming to understand the costs of not acting on climate change. The cost of acting is far less and people are now seeing that this is an equity issue. Why should $18 billion be kept in the hands of the polluters and taken out of the pockets of the community? That is what people are asking and that is the question that has to be answered. But it is because of the fact that so many lies have been told, because there is an attempt to abuse the processes of this parliament, that we are saying here that we will absolutely not support these bills being taken together. We ask that
the questions of proceeding without formality and the bills being taken together be put as separate questions.

Senator XENOPHON (South Australia) (13:01): To me this is an issue about process. I can indicate that I did not support the carbon tax because the former government had a reverse mandate not to introduce it. When Malcolm Turnbull was opposition leader, we jointly commissioned Frontier Economics to come up with an alternative emissions trading scheme and I think it stood the test of time in terms of the predictions made about the revenue recycling, the waste inherent in what the previous government had put up.

But the issue here is: do we deal with these bills this week or do we deal with them next week? That is what the issue is. Do we deal with them in a rush this week, or do we wait for a committee process to determine the nuances and the intricacies of these bills, particularly given the new schedule that Senator Milne referred to? I think it would be a prudent thing to do to ensure that we deal with them next week. There is no question that we need to have these bills dealt with in this sitting fortnight, but the immediate question is whether we deal with them this week or next week. Having them dealt with separately, I think, would be preferable from a procedural point of view.

In terms of abuse of process, I must say—and I think Senator Madigan has been consistent on this as well—I have been in this chamber when the ALP and the Greens voted for the guillotine where we rammed a whole range of bills through with little or no debate. That was absolutely and fundamentally wrong. It is very important that we on the crossbench try and ensure that that does not happen again. I was not party to it and I do not want to be party to it.

If my colleagues on the crossbench decide to have these bills dealt with this week, my plea to you is: at the very least, please let's make sure there is sufficient debate in the committee stage, because I have been in this place when they rammed through legislation and there was no committee stage or it was truncated. You do not get to ask those key questions in the committee stage about the intricacies of the bills, about how they work. That is very important. So, if we are going to deal with them this week, then let's sit as many hours as we need to so that no senator, no party, no individual is deprived of the right to ask key questions about these bills, because they have wide implications.

Let's look at the broader picture. It is this: both major parties have a bipartisan commitment to reduce greenhouse gases by a fairly modest five per cent on 2000 levels by 2020. How do you best achieve it? That is one of the questions here. I believe that direct action, a second-best option, with modification, might work.

I agree with Senator Wong that the best, most effective and efficient way of dealing with climate change, of reducing greenhouse gases, is by having an efficient emissions trading scheme. I would like to quote from an opinion piece published last week in the *New York Times* by Henry Paulson. Henry Paulson was the Secretary of the Treasury from July 2006 to January 2009 in the United States for George W Bush. We are not talking about a left-winger. We are talking about a deeply conservative man whose position was this:

The solution can be a fundamentally conservative one that will empower the marketplace to find the most efficient response.

He goes on about the risks of not having an effective response. He says:
When I worry about risks, I worry about the biggest ones, particularly those that are difficult to predict—the ones I call small but deep holes. While odds are you will avoid them, if you do fall in one, it’s a long way down and nearly impossible to claw your way out.

That is the sort of thing we need to be careful of. When you hear an arch-conservative saying we need to have an efficient market response to climate change, that is something that we need to look at very, very closely. Mr Paulson went on to say:

The nature of a crisis is its unpredictability. And as we all witnessed during the financial crisis, a chain reaction of cascading failures ensued from one intertwined part of the system to the next. It’s easy to see a single part in motion. It’s not so easy to calculate the resulting domino effect. That sort of contagion nearly took down the global financial system.

We need to have a sensible and a considered approach.

Can I also say this about the debate in relation to the carbon tax. Whilst I did not support it, let’s put this in perspective. Two-thirds of the reason why power prices have gone up in this country is because of network charges. Successive governments at a state and federal level have been asleep at the wheel with respect to our National Electricity Market and the power of the Australian Energy Regulator. The regulator does not have enough powers to tackle the cost-gouging that we consumers are facing when it comes to electricity prices in this country.

We have had a narrow debate—that the increased prices are all about the carbon tax. Of course the carbon tax is a key factor, but two-thirds of the power prices are due to a whole range of other factors, including where network charges have been gold plated and where consumers and businesses have been taken for mugs. We need a commitment from the government. That is why the Palmer United Party, Senator Muir, Senator Leyonhjelm and Senator Day can play a key role to ensure that the government pushes a reform agenda to make sure the regulator has the power to hold big power companies to account for the price gouging which has been occurring for so long.

For our manufacturing industries, power prices are a real and significant factor, but for the government to rip $400 million from the Automotive Transformation Scheme is a much bigger factor for manufacturing in this country, and that is on top of the $500 million taken out of promises made by the former shadow minister, Ms Mirabella.

The Australian government, for reasons I cannot fathom, has decided to send a contract for the building of two Navy supply ships worth up to $1.5 billion to South Korea and/or Spain. It will not even allow Australian companies to tender. How is that good for our manufacturing industries? We are not even allowed to have a fighting chance, to tender for those jobs. We need those jobs more than ever, with the demise of Holden, Ford and Toyota removing original automotive manufacturing from this country. We need those jobs and that is why this government must be held to account. So I will not be lectured by this government on manufacturing jobs when it is not even allowing Australian industry to tender for a $1.5 billion contract. There is something that we need to do as well. It is not that simple; it is nuanced.

So if eventually there will be a suspension of standing orders, which I understand the government is proposing to move, and we deal with these bills this week—that is not my preferred course, but if we do—I urge my crossbench colleagues: for goodness sakes, do not do what the ALP and the Greens did in the previous parliament when they rushed things through and gagged debate. We need to have a decent debate on this. That is what this
parliament is about. We have a job here to hold the executive arm of government to account. We owe that to the people of Australia.

Senator LUDLAM (Western Australia) (13:09): This is a matter which brought me to politics in the first place, so I am very pleased to speak on these bills today. As much as Senator Abetz would like us to believe that the Australian government has a mandate to bash these bills through without comment, I would remind him that the Australian people have seen fit to hang the numbers in this chamber; that we have the largest ever assembly of crossbenchers, people who have not yet had time to read the bills, let alone critique them and come to an informed view, which is why we engage in committee processes in the first place; and that although Mr Abbott does control the numbers in the House of Representatives—which is why we have seen debate there approach the proportions of a sham—the Senate works very differently and thank goodness it does. We have the most diverse upper house probably in the history of the Federation and, given the importance of the bills we are dealing with, the very least we could do is pay the committee the respect it deserves and give it the time to produce and table its report.

I will be very clear: this is one bill on which I have made up my mind. The most important issue facing this parliament today and facing other parliaments and assemblies around the world is what kind of policy we bring into the age of climate change. We have committed ourselves already to dangerous climate change and to dangerous degrees of global warming. The question now is whether we plunge on and commit ourselves and our children to catastrophic climate change, where societies’ ability to adapt to what is coming down the line will be overwhelmed.

We have also heard Senator Abetz and others on the government benches adopting this very thin veneer of pretending to care about climate change, but the cat was let out of the bag by the fact that they are still happy and content to adopt a five per cent target, which is so brazenly at odds with what the scientific community has been telling us for decades. It should be treated as no more than a sham. That is why the government’s direct action policy should be seen for what it is: a policy designed by people who could not care less whether or not it works because, through some strange artefact, the government appears to have decided that what the weather is doing at the moment is some kind of socialist conspiracy.

How utterly bizarre! How could otherwise intelligent, reasonable legislators, educated people, somehow bring themselves to believe that NASA, CSIRO, the Hadley Centre and the Bureau of Meteorology have got it wrong and Lord Monckton somehow got it right? I should not address him as a lord. The House of Lords have asked that he not be addressed as a lord, so I will not. They believe that somehow people like Andrew Bolt have got it right and that the global science community have somehow become engaged and enmeshed in a socialist conspiracy? What are you people huffing in your party room, if that is where you have got to?

These acts should stand. The government would rip $18 billion out of the economy—out of direct transfers to vulnerable Australians, out of energy efficiency throughout the business community and out of changes to the tax scales to protect people who can least afford increases in electricity prices. Bear in mind that the overall impact, more or less, is as Treasury predicted: equal to about a third of the cost impact of the GST when it was introduced. Those who were unable to pay for that were compensated—indeed, as Senator Milne reminds us, were overcompensated.
Even more importantly, the carbon tax would transfer some of that money from dirty industry to the clean energy industries of the future. The package was not perfect but it is a lot better than what this current government proposes to do, which is simply to throw a wrecking ball through it. You will be throwing a wrecking ball through Australian industry. While those on the other side of the chamber bemoan the demise of manufacturing in this country, they are setting out to systematically sabotage the clean energy sector, which has extraordinary manufacturing potential for Australia, particularly for my state of WA, which has been dubbed 'the Saudi Arabia of sunlight'. All this shows that the government simply cannot be taken seriously.

This is policy designed by people who have managed to persuade themselves that the most serious public policy issue facing this country in the 21st century simply does not exist. How nice that must be for you, to wake up in the morning simply believing that it is not there, it is just not true and it is just not happening. You wake up, you tighten that blindfold around your eyes and you come into parliament to try to persuade the rest of the country that, simply because you have deluded yourselves into believing this is not real, we should believe it and go that way as well. It is real and it is, indeed, an uncomfortable and an inconvenient truth. But it is the truth. You cannot argue with the weather; you cannot debate the composition of the atmosphere.

You bring forward these repeal bills. However, the Australian Greens are of the view that they should be debated and that the committee should be allowed to report. We are strongly of the view that the new crossbenchers and the other senators on the back bench of the Labor and Liberal-National parties should be given the opportunity, given the gravity of these measures, to read the bills and to analyse exactly what it is that you are proposing to do, to form a considered view and then, I would hope, to consign these repeal bills to the dustbin of history. As Senator Milne mentioned previously, people will be looking back at these debates. They will be asking how on earth Australia became the first and only industrialised country in the world to roll back a functional carbon price instrument.

I am a little tired of being accused of being a socialist for being one of the ones promoting a flexible pricing instrument to deal with this public policy question. That is straight out of the Karl Marx playbook—that you would have a market instrument to sort out the most efficient and most rapid way of restructuring electricity markets around the country, driving industry and householders towards more efficient consumption of energy, thereby lowering electricity bills and eventually eliminating them when the renewable energy infrastructure is completely in place. You have somehow established in your own minds that a floating market instrument as one component of public policy for dealing with this issue is somehow a socialist initiative. How utterly bizarre. You have completely taken leave of reality.

That is not the only thing: the Australian Greens believe that one of the most important components of the clean energy package, which the coalition also proposes to wreck, is the construction of and investment in the next generation of renewable energy power stations, such as solar thermal plants. Senator Hanson-Young and Senator Wright were buoyed over recent days with the announcement that Alinta, themselves a very substantial fossil player, are now undertaking a feasibility study into converting a section of South Australia's power grid into a dedicated solar thermal plant. That fires the starting gun for me. I think we are going to
beat you, Senator Wright. I think the goldfields in WA will be the first to get one of those built. We look forward to the competition.

Senator Waters interjecting—

Senator LUDLAM: Senator Waters might like to step up for the western part of Queensland. Our continent is drenched in sunlight and this is the fuel for the power stations of the future. You can try to roll it back all you like and maybe you—through you, Mr Acting Deputy President—will be successful today, Senator Abetz. Maybe you will succeed through these procedural shenanigans to have these bills brought on and rammed through. But I do not think you are aware of just how rapidly the electricity sector is changing. What has been posed as this so-called death spiral of the black-power generators in the network business, at least on the east coast of Australia, is in fact the sign of an industry being born, an industry that we desperately need to perform and outperform expectations, as it has been doing.

You can sit there and study your repeal bills. You can craft your speeches about toxic taxes and rehearse the same tired talking points that got you through last September because people genuinely believed your campaign of fearmongering—that Whyalla would be wiped off the map, that people would be priced out of their homes and that electricity bills would go through the roof. None of it happened. That is why it did not work when it came to the Western Australian by-election. The talking points no longer worked. The stale lines that you were rolling out meant that the combined vote of the coalition collapsed by another five per cent. It was not a glitch, not the kind of bump that always happens in by-elections. It was the continuation of a long-term decline in the Liberal Party vote. It was 50 per cent of the Western Australian vote a decade ago. Now it is 34. And we knocked another five per cent off you while you were out there flailing your arms about, talking about the toxic carbon tax. The Greens recorded their strongest ever vote in Western Australia in the Senate.

The reason it is not working anymore is that the fear campaign was exposed as hollow. Whyalla is still chugging along pretty nicely. Alinta is now proposing solar thermal in South Australia. The off-grid miners are first in the queue in Western Australia to eliminate their diesel fuel bills and their gas bills by building solar plants at their mining operations. The politics have changed, the policy has changed and the air is warming around us.

All I can do is urge the crossbenchers to join with the Greens in opposing this motion, in taking time and giving these bills due consideration because, in my view, there will not be a more important set of bills that we deal with, certainly not in this term of parliament. We cannot be the first country in the world to roll back a functional carbon price that is actually changing the structure of electricity markets, at least on the east coast. It is driving down emissions in the electricity sector and we are finally seeing that economic tipping point of the next generation of renewable energy technology and the increasing economic advantages of eliminating your fuel bills—coal, gas and oil. The penny is finally dropping that that revolution is here.

If you think you can hold that back with these votes today, you are mistaken. Maybe you will manage to cost us five years, as Australian industry slips further backwards down the curve, outcompeted by the United States, the Chinese and the Middle East—they also have a fair amount of sunlight there. Is that really what you are after? You will not be able to say that you were not warned. You went into this with your eyes open. I look forward to committing
to the vote: proper, due consideration of these bills rather than this reckless, headlong rush
that you are engaged in on behalf of your donors in the coal, oil and gas industries.

The PRESIDENT: Senator Abetz has moved a motion that has been requested to be
divided into three components. The question is the first component of the motion, that these
bills may proceed without formalities.

The Senate divided. [13:25]

(The President—Senator Parry)

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

AYES
Abetz, E
Bernardi, C
Bushby, DC (teller)
Colbeck, R
Edwards, S
Fierravanti-Wells, C
Heffernan, W
Macdonald, ID
Mason, B
McKenzie, B
O'Sullivan, B
Payne, MA
Ronaldson, M
Ryan, SM
Seselja, Z
Smith, D

Back, CJ
Birmingham, SJ
Canavan, M.J.
Day, R.J.
Fawcett, DJ
Fifield, MP
Leyonhjelm, DE
Malcolm, JJ
McGrath, J
Nash, F
Parry, S
Reynolds, L
Ruston, A
Scullion, NG
Sinodinos, A
Williams, JR

NOES
Brown, CL
Cameron, DN
Dastyari, S
Faulkner, J
Hanson-Young, SC
Lambie, J
Lines, S
Ludwig, JW
McEwen, A (teller)
Milne, C
Muir, R
Peris, N
Rhiannon, L
Siewert, R
Sterle, G
Wang, Z
Whish-Wilson, PS
Wright, PL

Bullock, J.W.
Collins, JMA
Di Natale, R
Gallacher, AM
Ketter, CR
Lazarus, GP
Ludlam, S
Lundy, KA
McLachlan, J
Moore, CM
O'Neil, DM
Polley, H
Rice, J
Singh, LM
Urquhart, AE
Waters, LJ
Wong, P
Xenophon, N

Question negatived.
The PRESIDENT (13:25): The question now is on the second component of the motion moved by Senator Abetz, that these bills may be taken together.

The Senate divided. [13:29]

(The President—Senator Parry)

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

AYES

Abetz, E
Bernardi, C
Bushby, DC (teller)
Colbeck, R
Edwards, S
Fieravanti-Wells, C
Heffernan, W
Macdonald, ID
Mason, B
McKenzie, B
O’Sullivan, B
Payne, MA
Ronaldson, M
Ryan, SM
Seselja, Z
Smith, D

Back, CJ
Birmingham, SJ
Canavan, M.J.
Day, R.J.
Fawcett, DJ
Fifield, MP
Leyonhjelm, DE
Madigan, JJ
McGrath, J
Nash, F
Parry, S
Reynolds, L
Ruston, A
Scullion, NG
Sinodinos, A
Williams, JR

NOES

Brown, CL
Cameron, DN
Dastyari, S
Faulkner, J
Hanson-Young, SC
Lambie, J
Lines, S
Ludwig, JW
McEwen, A (teller)
Milne, C
Muir, R
Peris, N
Rhiannon, L
Siewert, R
Sterle, G
Wang, Z
Whish-Wilson, PS
Wright, PL

Bullock, J.W.
Collins, JMA
Di Natale, R
Gallacher, AM
Ketter, CR
Lazarus, GP
Ludlam, S
Lundy, KA
McLucas, J
Moore, CM
O’Neill, DM
Polley, H
Rice, J
Singh, LM
Urquhart, AE
Waters, LJ
Wong, P
Xenophon, N

Question negatived.

The PRESIDENT (13:31): The question now is that the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] be read a first time.
Question agreed to.
Bill read a first time.

The PRESIDENT: The question is that the True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2] be read a first time.
Question agreed to.
Bill read a first time.

The PRESIDENT: The question is that the True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2] be read a first time.
Question agreed to.
Bill read a first time.

The PRESIDENT: The question is that the Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2] be read a first time.
Question agreed to.
Bill read a first time.

The PRESIDENT: The question is that the Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2] be read a first time.
Question agreed to.
Bill read a first time.

The PRESIDENT: The question is that the Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2] be read a first time.
Question agreed to.
Bill read a first time.

The PRESIDENT: The question is that the Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions) Bill 2013 [No. 2] be read a first time.
Question agreed to.
Bill read a first time.

The PRESIDENT: The question is that the Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2] be read a first time.
Question agreed to.
Bill read a first time.

Debate adjourned.

BUSINESS
Consideration of Legislation

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (13:35): I seek leave to move a motion relating to government business.
Leave not granted.
Senator ABETZ: Pursuant to contingent notice standing in my name, I move:

That so much of standing orders be suspended as would prevent him moving a motion to provide for the consideration of a matter, namely a motion to give precedence to a motion relating to the consideration of the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] and related bills.

In moving that motion, we show yet again our resolve as a government to ensure that this Senate has the first available opportunity to rid the Australian economy, Australian households, the Australian environment and indeed Australian businesses of the blot which is the carbon tax—a carbon tax that has a perverse environmental outcome, a tax that is destroying jobs in Australia as we speak, a tax that is imposing on everybody's cost of living as we speak, a tax that Labor promised us we would never have in 2010, a tax that Kevin Rudd and Labor promised us in 2013 courtesy of this brochure they had removed. Of course that never occurred, but we are now trying to achieve it nine months after the Australian people voted for the removal of the carbon tax—a carbon tax that is that toxic that Labor promised never to introduce it and, having introduced it, said they had somehow removed it themselves.

Of course, they have not removed it. It is still on the legislative books of this nation, and each and every day that it continues to be on the legislative books of this nation the Australian people are reminded of that great deception perpetrated by the Australian Labor Party on the Australian people, not only in 2010, that they would not have a carbon tax, but also in 2013, that the carbon tax had been removed. If the carbon tax had been removed, why on earth would we need to have a discussion in this place to actually ensure its removal?

This tax ratcheted up yet again on 1 July this year, increasing the impost on households, doing further damage to our economy and—the perverseness of it all—doing further damage to the environment as more manufacturing, cleaner manufacturing, that occurs in Australia has had to go overseas. When it does, it does not operate in the environmentally sound legislative environment in which it needs to operate in Australia.

What the Australian Labor Party have been seeking to do is use the dead hand of the old Senate—the unrepresentative Senate—to reach out, stop and block discussion of this legislation so that the impost and the damage being done by the carbon tax can linger on for just that little bit longer and for that little bit more. Why on earth would the Australian Labor Party be associated with such a move I have no idea. I can understand the Greens' position. At least it is consistent—absolutely wrong, but at least it is consistent—whereas the Labor Party have flip-flopped, flip-flopped and flip-flopped so much that I do not think they actually understand what their own policy is.

We as an opposition were very firm. We said that, if we were elected, if we were given the privilege of the confidence of the Australian people, we would put up the repeal of the carbon tax as the very first item of business for the new parliament. That is exactly what we did, and the House of Representatives happened to agree with the government that the carbon tax should go. Of course, the former Senate, dominated as it was by Labor-Green senators, in their absolute resentment of the will of the Australian people on 7 September 2013 demanded that the carbon tax—which they promised would never exist and then promised they had repealed—remain.

We now have a new Senate and I say to those opposite that this is not a rushed piece of legislation. Everybody knows what this is about. It has been on the national agenda for well
over three years. And it is not surprising, having said to the Australian people that the first item on our agenda would be the repeal of the carbon tax, that we should then do exactly the same with the new Senate and put it up as the first item of business for the new Senate. So I invite honourable senators on all sides, from all parties, to give due consideration to their duty to the Australian people to have this blot on the economic landscape removed. Reduce the cost of living, support Australian jobs and, to boot, support the world environment.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (13:41): It says a great deal about the Abbott government that its first act on the first day of this new Senate is to look to break the Senate's rules and undermine the role of the Senate. It says a great deal about this government. This morning in the discussion that ensued post the election of the President everyone talked about the importance of the role of the Senate. The reality is that this is a government that acts like it wants Australia to be a one-party state and thinks that this should be a one-chamber parliament. The role of the Senate is not to rubber-stamp the government's legislation, to acquiesce to the government's broken promises, to wave those through or to cop it sweet when ministers fail to answer questions and refuse to account for their actions.

I do think it is worth remarking on the make-up of this Senate. Why does this Senate have a different political complexion? It is because that is what Australia voted for. An overwhelming majority of Australians did not vote for the Abbott government in the Senate. In fact, 8½ million Australians gave their first preference Senate vote to parties and senators other than coalition senators. By comparison, 4.9 million people voted for the coalition in the Senate.

Senator Ian Macdonald interjecting— Senator WONG: I will take the interjections from Senator Macdonald. They remind us that he does not want a Senate that acts as a check on executive government. But that is what Australians voted for. Australians voted for a Senate which acts as a check and balance on untrammeled government power. An overwhelming majority of Australians voted for non-government parties in the Senate, and I say that is because they did not trust Mr Abbott. It is the case that we have a government that would prefer not to have a chamber that held the executive to account—but that is not the chamber that Australians voted for.

I want to turn briefly to the Senate procedure and carbon bills point. The government claims it has a mandate for these bills. That does not justify breaching the Senate's order. Even if that were the case, it does not justify breaching the Senate's standing orders to ram bills through without allowing the Senate committee processes to be concluded. Let's remember that senators previously agreed on a not unreasonably long date for a committee report—not October or the end of the year or next year, but next week. Everyone listening should understand that the government are seeking to overturn the Senate's rules, the standing orders, simply to bring forward this vote by a week, because they want a political win and they want to avoid talking about their budget of broken promises, which is a vicious attack on middle Australia and low-income Australians.

We are going to continue to follow the rules and the conventions of the Senate. I would make this point to the chamber. As Odgers makes clear:

When a bill is referred to a committee with a fixed reporting date—
As it has been on this occasion—
and the committee reports early, the bill cannot be proceeded with until the due date, except by leave or a suspension of the standing order.

Odgers then goes on to explain why it is that this is in the standing orders. It is in the standing orders because we want to ensure better legislation, better scrutiny of legislation and a better argument about the detail of legislation. This is the core work of the Senate—and it is not the work that the government want the senators to undertake.

Finally, I want to make a point about Senator Abetz. It is quite interesting to look at what Senator Abetz said on previous occasions about how important the Senate is, how the coalition parties would stand up for the Senate and how the coalition would use every opportunity afforded by the standing orders to make sure legislation was ventilated. I want to make this point about his argument about the carbon price. He says the carbon price destroyed the Australian economy. That is yet another lie. The carbon price did not destroy the economy. In fact, our GDP grew by about 2.5 per cent in the first year, and we saw about 155,000 new jobs created during this period. That was yet another lie from a government that was elected on a lie.

Senator MILNE (Tasmania—Leader of the Australian Greens) (13:46): I rise to oppose Senator Abetz's motion to suspend standing orders in order to defy the will of the Senate. We have just had two votes in the Senate, where the majority of senators have said they want the carbon tax repeal bills dealt with separately and they do not want them brought on in contravention of a Senate decision that they will not be debated before 14 July, when the Senate committee reports. We have just had those two votes, and we have got Senator Abetz absolutely thumbing his nose at the majority in the Senate, who said that is what they wanted to happen. As we have just seen, suddenly we have the government coming in here wanting an urgency motion for this repeal package to take precedence over all government business. If this suspension is successful, the motion would be to have the repeal package brought on and given precedence. Well, the Senate did not agree to it.

I remember when I was first elected to this place and the then Prime Minister John Howard had a majority in both houses. He treated the Senate with contempt. He changed the Senate committee procedures and made it almost impossible to get up a Senate committee investigation into anything. We went for years without being able to get a Senate inquiry into a number of issues. Now, on the very first day of the new Senate, we have Senator Abetz and the Abbott government defying the will of the Senate as has been expressed—not just once, but twice, in the two motions just voted on. The majority said that, no, they do not want to be pressed, pushed and bullied into this by the Abbott government. Just because the Prime Minister went out and said that Whyalla would be wiped off the face of the map did not mean to say it happened. It did not happen. He went out and said that an emissions trading scheme was a tax. It was never a tax. It is not a tax. It was a fixed price of an emissions trading scheme, and that remains the case.

So the wind has gone out of the sails of Senator Abetz today. He thought he could come in here and bully the new Senate into doing exactly what the government wanted. He thought he would be able to rush out there and say, 'We don't run a democracy. We're in charge. We're going to bully the Senate into doing what we said it should do.' Well, no; the Senate just voted differently. The Senate does not want these bills to take precedence over everything else, nor
does it want standing orders be suspended to enable it to happen. It just voted twice to the contrary. That is what should be respected. Those votes say that those bills cannot come on before 14 July. That is how it should be.

This is a really important matter of principle for this period of government and this new Senate. If we get to the point where the government feels it can bully people into changing a vote that they have just made, that it can come over here and try to push people into doing things which they had clearly made a decision not to do, then how are we going to end up in this Senate? I come back to the fundamental point, and that is: this Senate should have the opportunity to debate these bills separately, to debate them when the Senate committee reports. The date for reporting was 14 July. During that time, we will hear from more people. Today 59 economists came out pointing out what the Prime Minister does not understand, and that is that climate change is an economic issue. Sir Nicholas Stern, a leading global economist, years ago was pointing out that the costs of acting are far less than the costs of not acting. Economists everywhere are talking about the costs of the destruction of extreme weather events and the likely changes, the idea of non-trade tariff barriers being erected around various economies and Australia being punished, the risks associated with nonaction. All of those things are economic. That is why we have President Obama wanting climate change on the G20 agenda. It is why other countries want it on the G20 agenda.

Senator Williams interjecting—

Senator MILNE: Contrary to Senator Williams's view, President Obama would love to have an emissions trading scheme, but he is blocked by the Tea Party and others who share Senator Williams's views. If it were up to President Obama, there would be an emissions trading scheme in the United States. What he has done with his policy now is to enable that at the subnational level. But do not allow this government to bully the Senate into changing its mind. We will not be suspending standing orders to allow the government to try to get around the decisions that have been made.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (13:51): If there is one procedural motion that this chamber has absolutely no need to debate and that should not have been required, it is Senator Abetz's motion to seek to suspend standing orders so that he can move a motion to bring on debate on the carbon tax package of legislation. There is no matter of public policy which has been canvassed in greater detail through the media and through the course of an election campaign than the government's proposition to repeal the carbon tax. There is no public policy matter which has been examined in more detail. I do not need to remind you, Mr Acting Deputy President Gallacher, of former Prime Minister Gillard, who went to the 2010 election on a lie. She went to that election saying there would be no carbon tax under a government she led. Let me put it more diplomatically: she fibbed; she told a porky; she told one of the biggest political whoppers of all time. She, after forming government, set about to break her election commitment, to break her solemn word to the Australian people, and legislate the carbon tax.

The coalition could not have been clearer at the last election that it was our intention to repeal the carbon tax. We were elected on that. If there is one issue that is beyond any doubt, it is that the Australian public knew that, if they voted for the coalition, they were voting for the repeal of the carbon tax. Indeed, there are many colleagues in this place on the
crossbenches who also went to the Australian people with the solemn commitment to seek to repeal the carbon tax. All the government is seeking to do is to give effect to the will of the Australian people as expressed in the ballot box.

The carbon tax repeal package of legislation is in fundamentally the same form as the last time it was presented to this place. The only thing that has changed since that time is that we have new Senate colleagues. We all join in welcoming them. Obviously that changes the dynamic in this place. The Australian Labor Party and the Greens fear that this chamber is on the cusp, on the verge, of giving effect to the will of the Australian people. What the Australian Labor Party and the Greens cannot abide is the possibility of not having the numbers on the floor of this place. And we have seen their outrageous behaviour in relation to the committee chaired by Senator Anne Ruston. The Environment and Communications Legislation Committee has concluded its work on this carbon tax repeal package of legislation. It is ready to report. But senators opposite are refusing to provide quorum for that committee.

**Senator Milne:** Mr President, I rise on a point of order. Senator Fifield is misleading the chamber by saying that the opposition parties are upset about the numbers. In fact, the person who is most upset about the numbers is Senator Abetz.

**The PRESIDENT:** There is no point of order. It is a debating point.

**Senator FIFIELD:** In this place, I have never seen before a political party deny quorum to a duly constituted committee of the Australian parliament because they knew they would lose the vote on that committee. All Senator Ruston and her government colleagues want to do is to be able to report their work to this chamber so that debate can commence on the carbon tax repeal package of legislation.

The Australian Labor Party needs to understand that the Australian Senate and its committees are not like a trade union executive—you cannot play games. You cannot say, 'Hey, let's all leave the room. Let us withhold quorum so the union executive cannot exercise a vote.' This is not a trade union executive. This is not a student union where these sorts of games are played. This is the Australian Senate. The committee that Senator Ruston chairs is a duly constituted committee of the Australian Senate. The Labor Party and the Greens are seeking to prevent that committee doing its work.

The committee members have completed their work, they are ready to report, and those opposite should provide quorum to allow that to happen. We are having this procedural debate today because of the games that Labor and the Greens are playing. We are having this procedural debate so that we can do something very straightforward—that is, actually to commence the debate on the carbon tax repeal package of legislation. We want to debate. We want to canvass the issues. We want to talk about this. Yet the opposition and the Australian Greens are seeking to deny the Senate that opportunity through their tawdry behaviour on the environment committee of the Senate.

This motion to suspend standing orders should not be required. Sadly, it is. It should be supported.

**Senator SINGH** (Tasmania) (13:56): I rise to vote against Senator Abetz's suspension motion and to make it very clear that the Senate is a house of review. It is different from the other place because we do scrutinise and review legislation. For the senators to do their job...
effectively, that has to happen through its committee process. The Environment and Communications Legislation Committee is due to table its report on those bills on 14 July. That date has been set by the Senate. That has been set because that committee wanted time to scrutinise those bills. It actually wanted to go further and hear from the experts—but that, I understand, was not allowed. That would have given the further scrutiny required when we are looking at debating these incredibly important bills that are going to be brought before this chamber. Yet that has not occurred. Why is that? Because that fits again around this framework that this government operates—that is, a framework of secrecy. It does not allow for the committee to hear from environmental scientists, experts, professionals in their field—who know a lot more than Senator Scullion and a number of government senators, and opposition senators, when it comes to climate science—the reasons why it is important to have a price on carbon pollution.

Labor's position on this has been very clear: we accept the science on climate change and, in doing so, we accept that we need to do something about it. Our position is an emissions trading scheme. That is the most efficient and effective way to do something about carbon pollution in this country—as it has been going on throughout the rest of the world.

As Labor's spokesperson for the environment and climate change in this chamber, I am pleased to say that Labor very much supports an emissions trading scheme going forward. It will continue to be our policy, because we want to tackle climate change in the most effective way possible—that is, through an emissions trading scheme. It is time that the government senators in this place start listening to the scientists, start listening to evidence based research which says that we need to do something to tackle climate change. And, if that is not good enough, listen to the 59 economists who today have said that we need to put a price on carbon pollution and do something about ensuring that the carbon pollution that is produced in this country for our future generations has a limit, a legal cap, on it. That is what an emissions trading scheme would do, and that is why we support it.

Debate interrupted.

MINISTERIAL ARRANGEMENTS

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:00): by leave—I inform the Senate that Senator Cash, the Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women, will be absent from question time today, owing to personal reasons. Senator Payne will represent the Minister Assisting the Prime Minister for Women and I will represent the Assistant Minister for Immigration and Border Protection.

QUESTIONS WITHOUT NOTICE

Budget

Senator O'NEILL (New South Wales) (14:00): Mr President, congratulations on your elevation. My question is to the Minister representing the Minister for Health, Senator Nash. Is the minister aware of the recent University of Sydney study which found that a young family consisting of two parents and two young children will pay an additional $184, on average, to access medical care as a result of the government's $7 GP tax and increased prescription fees? Is this correct?
Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:01): I am aware of the Sydney university research. I am also very well aware that the previous Labor government left us a budget mess, which we are addressing. There have been a range of views expressed relating to the budget since that time. But what is very important for the Senate to note is the very fact that we are having to take tough decisions is because of the previous government's economic mismanagement and the budget mess that they left us. We had an MBS 10 years ago that was costing this nation $8 billion. It is now costing around $19 billion and is projected to cost around $34 billion over the next decade. This government has had to make some tough decisions. There has been a range of commentary about that.

Senator Moore: Mr President, I rise on a point of order, which is particularly on direct relevance. The minister has been asked specifically about whether she thinks that the figures quoted in the question are correct. It is not whether she is aware of the University of Sydney process. It is about the specific figures about the cost of two parents and two children and the impact of the GP tax. I would ask you to draw the attention of the minister to the question.

The PRESIDENT: The minister has got nearly a minute left answer the question. The minister is being relevant.

Senator NASH: I indicated that I am aware of the view. I am aware of a range of views when it comes to the budget measures that this government has put in place. For over 50 years, successive governments have recognised the need for a co-payment when it comes to the PBS. We have had something like an 80 per cent blow-out over the last decade in the PBS. The question relates the PBS. The reason we have made—

Senator Moore: Mr President, I again rise on a point of order on direct relevance. The question is specifically about the figures in the question and about whether they are correct. That is the question.

The PRESIDENT: The question was broader than just the indication of figures. Senator Nash is being relevant.

Senator NASH: As I was indicating to the chamber, over successive governments for nearly 50 years there has been an acknowledgement that there needed to be a co-payment when it comes to the PBS, to ensure that it is sustainable. This government will ensure that we have a sustainable health system into the future. The budget is going to relate to ensuring that happens.

Senator O'NEILL (New South Wales) (14:04): Mr President, I ask a supplementary question. Does the minister also understand and accept that this study found that the elderly and those with chronic conditions will be the hardest hit by the government's $7 GP tax and that it could deter those who are most vulnerable in our community from seeking treatment, due to higher costs? Is this study correct?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:04): I am aware of the study, as I have indicated. I am aware of a range of views about what the impact is going to be. However, the previous Labor government left us with a trajectory—

Senator Wong: Mr President, on a point of order: the fact that the word 'aware' is in part of a question does not mean that the minister can simply say, 'I am aware of everything,' and
then not answer the question. The question is very specifically about a study which shows that
the government's GP tax deters the vulnerable from seeking medical care. That is the question
that the minister should respond to and that is the question that the minister should be directly
relevant to.

The PRESIDENT: There is no point of order. The minister has only been going for 12
seconds in this answer.

Senator NASH: I would say that, as with most studies relating to these things, this needs
to be taken in context. This government has said that the requirement for a modest
contribution when it comes to a co-pay is a necessity to ensure that we have a sustainable
health system into the future. Unlike those opposite with a history of waste and
mismanagement, which has led to the fact that we have a tough budget, we—

Senator Moore: Mr President, I again rise on a point of order on relevance. The specific
question refers to the accuracy of the report. We have not got there yet.

The PRESIDENT: There is no point of order. Senator Nash might not be answering the
question specifically, but she is being relevant to the topic and relevant to the question.

Senator NASH: I indicated that the research needed to be taken in context. This
government is going to take the tough decisions to ensure that we have a sustainable health
system into the future.

Senator O'NEILL (New South Wales) (14:06): Mr President, I ask a further
supplementary question. Why is the government continuing to deny that their $7 GP tax will
hurt families, the elderly and those with chronic health conditions, the people who need health
care, not more health costs?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and
Assistant Minister for Health) (14:06): Isn't it interesting that the shadow Assistant Treasurer
actually supports a co-pay? Let me just share this with the chamber:

But there's a better way of operating a health system, and the change should hardly hurt at all. As
economists have shown, the ideal model involves a small co-payment - not enough to put a dent in your
weekly budget, but enough to make you think twice before you call the doc. And the idea is hardly
radical.

That is from your shadow Assistant Treasurer.

Senator Moore: Mr President, I rise on a point of order again going to relevance. We only
have a minute for this particular answer. It is halfway through. We have not got close to the
question, which is about the impact on the elderly and those with chronic health conditions.
The minister has gone nowhere near it.

The PRESIDENT: There is no point of order. Senator Nash is being generally relevant to
the portfolio and the question. Senator Nash, you have the call.

Senator NASH: The best way those opposite could assist the elderly and indeed all people
across Australia is to support this government getting rid of the carbon tax, which is putting
such a huge impost on people. Those opposite claim that they are worried about the cost to
people. Get rid of the carbon tax. That will assist them all. (Time expired)
Budget

Senator McKENZIE (Victoria) (14:08): My question is to the Leader of the Government in the Senate, Senator Abetz. Will the minister advise how the new Senate provides the opportunity for the government to deliver the agenda on which it was elected to build a strong, prosperous economy for a safe, secure Australia?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:08): On 7 September last year, the Australian people elected the government with an unmistakably clear mandate—a mandate to scrap the carbon and mining taxes, to stop the boats, to build the roads of the 21st century and to fix Labor's budget mess. Since coming to office, the government has committed itself to methodically and systematically delivering on those promises. Already we have introduced into the parliament legislation to repeal the carbon and mining taxes, to re-establish the Australian Building and Construction Commission and to strengthen protection for honest trade union members—all policies which carry the mandate of the Australian people.

However, it is disappointing that over these last nine months, the Labor-Greens alliance has been hell-bent on obstructing the passage of the government's legislation. Indeed, so resentful is Labor of the decision of the Australian people that last week it even boycotted the Senate Environment and Communications Legislation Committee, with the sole purpose of frustrating the passage of the carbon tax repeal legislation. The Labor-Greens alliance seems to be so desperate to keep the world's biggest carbon tax that they have tried to rort the proceedings of a Senate committee in order to prevent the new Senate from having its say on this important legislation. It now falls to this new Senate to deliver to the Australian people those policies for which the Australian people voted last September, some nine months ago. I therefore congratulate all new senators and also invite all new senators to reflect on the wishes of the people of Australia in electing them to this place and to respect the agenda on which the Australian people elected this government.

Senator McKENZIE (Victoria) (14:10): Mr President, I ask a supplementary question. Can the minister explain to the Senate how the agenda on which the government was elected will deliver better outcomes in health and education for Australian families?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:11): At the very heart of this government is a steadfast commitment to the forgotten families of Australia. That is why we are making a multibillion-dollar investment in our hospitals and schools. Australian families should be assured that the government has guaranteed total hospital funding to the states of almost $70,000 million over the coming four years. I am also pleased to inform Senator McKenzie, who I note has a particular interest in education, that the government is investing $64.5 billion in government and non-government schools across our nation. The government looks forward with the Senate in being able to deliver. Of course, need I remind the Senate that, but for the deficit and debt legacy, there would be an extra $1,000 million per month available for these issues if we did not have to pay the interest bill on the borrowings thus far.
Senator McKENZIE (Victoria) (14:12): Mr President, I ask a further supplementary question. Will the minister further advise the Senate how the agenda on which the government was elected will deliver better outcomes for Australian workers and businesses?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:12): The most important thing that the Senate can do straightaway to improve living standards by reducing the cost of living and supporting Australian jobs is to repeal the world's biggest carbon tax. The world's biggest carbon tax was already high enough, but last week, because of the Labor-Greens majority that existed in this place, it got even higher. The former Senate refused to respect the outcome of the election last year. On the subject of election mandates, we must not forget that in 2010 the Labor Party went to the election promising there would be no carbon tax. In 2013 they went to the election pretending that 'Kevin Rudd and Labor have removed the carbon tax,' yet now, just as in 2010, Labor comes into this parliament and seeks to repudiate its own election commitments.

Budget

Senator McLUCAS: My question is to the Minister representing the Minister for Health, Senator Nash. Is the minister aware that women with a breast lump requiring investigation would routinely need at least two visits to the doctor, an ultrasound, a mammogram, an ultrasound biopsy, blood samples and a pathology test? Can the minister confirm that, under the government's proposed changes, a woman with a breast lump would be at least $90 out of pocket given the combined cost of the $7 GP tax and changes to the bulk-billing incentive?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:14): No, I cannot confirm those figures, because, as I have indicated to the chamber on several occasions, it is a matter for the clinicians whether or not they choose to charge the co-payment. As somebody with a family history of breast cancer, I am the person most likely to be aware of these issues and to not trivialise it and to be well aware of what is necessary. So it is entirely a matter for the clinicians whether or not they choose to charge the GP co-payment.

Opposition senators interjecting—

The PRESIDENT: Order on my left!

Senator NASH: Those opposite might not like that answer, but it is indeed a fact and allows me to directly answer the question. It is a matter for the clinicians whether or not they choose to charge the co-payment. As somebody with a family history of breast cancer, I am the person most likely to be aware of these issues and to not trivialise it and to be well aware of what is necessary. So it is entirely a matter for the clinicians whether or not they charge the GP co-payment.

Senator McLUCAS (Queensland) (14:15): Mr President, I ask a supplementary question. Can the minister confirm that, if a woman tests positive for breast cancer, she will incur further significant out-of-pocket costs associated with visits to her GP and for diagnostic imaging?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:15): There have been a range of changes in the budget, as those opposite understand very well. They also are aware that it is a matter for the clinicians, as I have said and will continue to repeat, as to whether or not they charge the co-payment in those co-payment arrangements. This government has had to make some tough decisions to
ensure that we have some sustainability for the health system into the future—something that the previous Labor government neglected to do.

Senator McLUCAS (Queensland) (14:16): Mr President, I ask a further supplementary question. Won't the government's GP tax act as a barrier to receiving life-saving treatment for some women who simply cannot afford to pay?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:16): We have been very clear about the changes in the budget as they relate to health, and the reasons why. The reason why we have had to make some tough decisions is the budget mess that the previous Labor government gave us. Those opposite know very well that it is a matter for clinicians to determine whether or not they will charge the co-payment, and they also know and are well aware of the concessional arrangements that apply to many of the patients.

Carbon Pricing

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (14:17): My question is to the Minister for Finance, representing the Minister for the Environment, Senator Cormann. I refer to statements by power regulators that prices will be lower in 2014 and 2015 without the carbon tax. Minister, how will scrapping the carbon tax lower power bills for all Australians?

Senator CORMANN (Western Australia—Minister for Finance) (14:17): Thank you very much, Mr President, and congratulations on your appointment. I thank Senator Ruston for that question. The reason that scrapping the carbon tax will bring down the cost of electricity is that scrapping the carbon tax reduces the cost of generating electricity and reduces the cost of generating gas, and of course those cost reductions flow through in terms of lower electricity costs for families, for pensioners and for business.

The carbon tax is the tax we were never meant to have. Now it has imposed $15.4 billion of damage on the Australian economy so far, and it has only been in place for two years. It is the tax that we were never meant to have. It is the tax that went up again on 1 July this year. It is the tax which, in the lead-up to the last election, the Labor Party said they already had removed.

I warmly welcome Senator Bullock from the great state of Western Australia because, as recently as the WA Senate by-election, a re-run of the Senate election, he said, as quoted in The West Australian:

Labor is scrapping the carbon tax …

That was on 20 March 2014, the very same day that Labor was voting in this chamber to keep it. And guess what. More than three months later the Labor Party are still playing games. They are still playing political games and they are still playing procedural games, in defiance of the will of the Australian people.

The Australian people want the carbon tax gone. The Australian people want the $550 a year in lower cost of living that will come with scrapping the carbon tax. The Australian people want the boost to economic growth that will come with scrapping the carbon tax. The Australian people are sick and tired of the political games and the procedural games that are being played by the Labor Party, week in, week out, saying one thing to the Western
Australian people in Perth in the lead-up to the Senate by-election but then doing the exact opposite on the very same day and ever since in this chamber. *(Time expired)*

**Senator RUSTON** (South Australia—Deputy Government Whip in the Senate) (14:19): Mr President, I ask a supplementary question. I would also like to ask the minister if he would advise the Senate on how scrapping the carbon tax will secure broader benefits for Australians across the board, and, in particular, how it will secure Australian jobs.

**Senator CORMANN** (Western Australia—Minister for Finance) (14:19): The carbon tax is pushing up the cost of electricity and pushing up the cost of doing business, without doing anything to help reduce global greenhouse gas emissions, because all it is doing is shifting economic activity and shifting emissions to other parts of the world, where, for the same amount of economic output, those emissions are actually higher than they would have been here in Australia. Scrapping the carbon tax will help Australian manufacturing businesses become more competitive internationally again. It will help create jobs here in Australia based on a genuine improvement in our competitive position.

A number of regulators of electricity prices have already come out to say that lower electricity prices would be the result of scrapping the carbon tax: the Queensland Competition Authority, the New South Wales Independent Pricing and Regulatory Tribunal, the independent Tasmanian Economic Regulator and the ACT Independent Competition and Regulatory Commission. And AGL, as a big electricity generator, has confirmed that if the carbon tax is repealed the price reductions will flow through to residential and small business customers. *(Time expired)*

**Senator RUSTON** (South Australia—Deputy Government Whip in the Senate) (14:20): Mr President, I ask a further supplementary question. Minister, will you advise the Senate why it is important that Australian families and businesses benefit from the repeal of the carbon tax?

**Senator CORMANN** (Western Australia—Minister for Finance) (14:21): It is important because, as the Australian Senate, we should stand for maintaining our living standards. We should stand for building prosperity and opportunity into the future. We should support plans and decisions that will actually lead to stronger economic growth so that everybody across Australia will have the opportunity to get ahead. We should stand for bringing down the cost of living by reducing the cost of electricity and reducing the cost of gas. The Senate has this opportunity—and the Labor Party has the opportunity to fulfil its promises to the Australian people at successive elections: in 2010, 'There will never be a carbon tax under a government I lead;' in 2013, 'We have already removed the carbon tax;' and, in 2014, Senator Bullock saying that the Labor Party is scrapping the carbon tax—on the same day that Labor voted to keep it.

We have had this debate for long enough. The Australian people are very well aware of what is before this chamber, and it is time that we got on with it and took the pressure off Australian families and off business. *(Time expired)*

**Carbon Pricing**

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (14:22): My question is to the Minister representing the Prime Minister, Senator Abetz. Is the minister aware that the President of Kiribati, in anticipation of his country being submerged by rising sea levels and...
storm surges due to climate change, has purchased land in Fiji for $8.7 million to relocate his people to avoid a humanitarian crisis? If the Prime Minister is aware of that, how does the government justify its five per cent emissions reduction target and its refusal to commit climate finance under its UNFCCC obligations to the small island states as they are displaced now?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:23): I thank the Leader of the Greens for her question. I trust that she is not trying to play crass politics with the situation being confronted by the people of Kiribati. The people of Kiribati clearly have an issue that they need to deal with. But a quantum leap has been made from their difficulties to the domestic debate in this nation about the carbon tax. The carbon tax, as we have pointed out all morning, has a perverse outcome on the world's environment because what we are doing is exporting emissions from Australia to other countries whose emissions are worse and who have less control than we do in Australia. As a result, if you do want to have lower carbon emissions into the atmosphere, you would have to vote against the carbon tax because of its perverse outcome for the Australian economy which would see the shifting of jobs and economic activity out of our nation which has such an excellent record in relation to matters environmental in comparison to other countries. We can learn from the experience of Europe, where they tried the same thing, only to see their aluminium smelters and similar activities go offshore to Africa and elsewhere. Does anybody in this chamber actually believe that those new smelters in those other countries are delivering less CO₂ emissions than was the case in Europe? Of course not. What the Greens are seeking to do is replicate that mistake for the Australian economy. We as a government will not be part of it, nor will we be part of your crass politics of trying to involve Kiribati in this situation.

Senator MILNE (Tasmania—Leader of the Australian Greens) (14:25): Mr President, I ask a supplementary question. Given the minister's answer, does he accept that Australia has a responsibility to put money into climate finance through the UNFCCC process in order to achieve a 2015 treaty, since climate finance is a major component of assisting those countries that are now being impacted because of emissions from countries like Australia?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:25): As very good stewards, we as a government would seek to ensure that pollution is minimised to the greatest extent possible. That is why we as a government see the perverse outcome of the carbon tax. That is why we put before the Australian people, not only in 2010 but also in 2013, the Direct Action Plan—a plan that will see a reduction in greenhouse gas emissions. I am reminded that Senator Milne runs campaigns against the renewable, sustainable forest industry in my home state of Tasmania and then champions the use of wood products from Indonesia. In Indonesia they clear-fell one million hectares of forest per annum without replanting a stick, whereas in Tasmania we were planting more trees—(Time expired)

Senator MILNE (Tasmania—Leader of the Australian Greens) (14:26): Mr President, I ask a further supplementary question. Given the minister's answer, what percentage of the Abbott government's 'five per cent below 2000 levels by 2020' reduction in carbon emissions will be delivered by the Direct Action Carbon Farming Initiative amendment about which he has just spoken—the whole five per cent?
Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:27): I do not know whether I had a memory lapse, but I am not sure I referred to carbon farming in my answer.

Senator Milne: It is in your Direct Action bill!

The PRESIDENT: Order! Senator Milne, you have asked your question.

Senator ABETZ: Oh, as part of the Direct Action Plan, right. What I was talking about was the Direct Action Plan. The Direct Action Plan will deliver—

Senator Milne interjecting—

Senator ABETZ: Senator Milne either does not want to hear an answer or just keeps interjecting because she is so knowledgeable on all matters. She did ask a question and, if she wants an answer, I am happy to oblige. The situation is that we believe the Direct Action Plan will deliver the five per cent reduction to which we are committed. I am not going to get into a game as to how much of that percentage will be delivered by each individual component of that plan, but we believe that the totality of the plan will deliver the totality of the five per cent to which we are committed.

Child Care

Senator SESELJA (Australian Capital Territory) (14:28): My question is to the Minister for Human Services, representing the Minister for Education, Senator Payne. I refer the minister to recent reports about the increasing cost of child care. Can the minister outline some of the factors that are putting upward pressure on the cost of child care in Australia?

Senator PAYNE (New South Wales—Minister for Human Services) (14:28): Mr President, it is a great pleasure to congratulate you on your election to the position of President. I thank Senator Seselja for his question. I think in the last sitting period I updated the Senate on the Department of Education quarterly data which showed that childcare fees over the six-year term of the previous Labor government had risen by 53 per cent, an absolutely extraordinary legacy that was left to the coalition to clean up. The senator has asked about a very important matter, which is: why have childcare fees increased by such an extraordinary amount in such a short period of time? As those on this side of the House well know, one of the major factors leading to those sorts of fee increases in business is an ever-increasing red tape and regulatory burden. The strangling of our economy that had been caused by those opposite has hit the childcare sector as well; it is no exception.

We can see firsthand the impact of that obsession with red tape and regulation. The National Quality Framework—Labor's national quality framework—imposed around 1,000 pages of laws, regulations and guidelines on childcare services. They smothered those organisations and extraordinarily increased their administrative burdens. In fact, a report by the National Regulator into the NQF found that the ongoing cost to administer the 1,000 pages of new laws and regulations was upwards of $140,000 a year for a long-day-care service with 75 places and 15 staff. How can you possibly be expected to do business in that environment, and to look after children properly as well—that obviously being the focus of the entire operation—when the National Regulator determined that that was the case, and when providers around Australia, like Little Cottage Preschool in Penrith—which might be familiar to some of those opposite—have said exactly the same thing? (Time expired)
Senator SESELJA (Australian Capital Territory) (14:30): Can the minister provide some further examples of where regulation has pushed up the cost of child care?

Senator PAYNE (New South Wales—Minister for Human Services) (14:30): It is a very good question from Senator Seselja; you will not be surprised to hear, Mr President: do you know that there was one childcare centre in Queensland which was marked down in its accreditation assessment because, in the room for children from zero to two years old, there were not enough pictures at children's eye level? A similar service, also in Queensland, was conducting Earth Hour during the day so that the children could be involved. That service was marked down in their assessment because it was too dark for the children. How can they win? They turn on the lights, they get hit by the carbon tax; they turn off the lights, they get hit by regulation. What are they supposed to do? A service in Katoomba told us that their service was marked down because a child fell asleep, and the assessor told the service they had failed to provide adequate rest periods. The service in Penrith that I was speaking about earlier had 700 different regulations to comply with daily, and it was absolutely constraining the capacity to run their service. (Time expired)

Senator SESELJA (Australian Capital Territory) (14:32): Thank you, Mr President. Can the minister update the Senate on what steps the government is taking to tackle the huge increase in the cost of child care?

Senator PAYNE (New South Wales—Minister for Human Services) (14:32): Notwithstanding the fact that some of those examples which I have provided are so ridiculously silly that they would almost make you cry with frustration, they are genuine examples of excessive regulation. We, on the other hand, are serious about reducing unnecessary red tape and helping to ease the cost pressures on families. And we have started to do that. We have removed the need for childcare centres to obtain individual supervisor certificates, and we are working with the states to reduce some of the overly burdensome regulations which surround staff-child ratios. I do not hold out any great hope that those opposite are going to have any interest at all in the deregulation process that the government is undertaking, but we hope that some of our new senators—some of our new colleagues in this place; members of the crossbench, for example—will have a very serious look to ensure that child care is flexible and affordable for all Australians. Indeed, I note that my new New South Wales colleague, Senator Leyonhjelm, commented—(Time expired)

Employment

Senator MADIGAN (Victoria) (14:33): My question is to the Minister representing the Minister for Industry, Senator Ronaldson. Mindful of Australia's dismal laws in relation to dumping, labelling, intellectual property and 457 visas, can the minister outline how much the Australian government forecast for jobs in the Australian manufacturing sector will increase or decrease over the course of this financial year?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:33): Thank you, Mr President, and can I join the long queue of those congratulating you on your elevation to that status. I thank Senator Madigan for his question. I acknowledge his very longstanding interest in manufacturing not just in our home town but throughout the nation.
I understand that under the former government some 140,000 manufacturing jobs have been lost since 2008—almost one in seven—which I know causes both of us great concern. The government is committed to setting in place the right infrastructure and economic conditions for manufacturing. It is a priority for the minister, as I know it will be a priority for you. In relation to the forecast for the financial year, I have been provided with the following advice from the Department of Employment: a projection from 2013 to 2018 by industry indicates that employment in the manufacturing sector will decrease from 934,100 persons to 893,000 persons in 2018, reflecting global trends and a move from traditional industries. This is a decrease of 4.3 per cent over five years, or a decrease of 0.86 per cent per year. This would give us an estimated employment projection of approximately 917,000 in 2015. As the senator knows, we are undergoing a generational transition. Through you, Mr President, I will say to Senator Madigan that today, we have the opportunity to remove the millstone around the industry's neck, which of course is the carbon tax. (Time expired)

Senator MADIGAN (Victoria) (14:36): Thank you, Mr President. Mindful of the fact that there has been a decrease in the number of people working in manufacturing over the past five years—the figure you suggested was 140,000 jobs—can the minister outline whether the number of 457 visa holders working in the manufacturing sector has increased or decreased?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:36): Mr President, as you are aware, I do not think this question is necessarily in this portfolio area but if I can assist, I will, and if I need to take anything on notice, I will. I can confirm that there has been a decrease in the number of primary subclass 457 visa holders in the manufacturing sector in Australia. The number of subclass 457 visa holders working in the manufacturing sector as at 30 June 2014 was 6,891. This is a decrease of 152 persons compared with 30 June 2013, when there were 7,043 subclass 457 visa holders working in the manufacturing sector in Australia. Under the former Labor government, the subclass 457 program grew from around 68,400 primary visa holders at the end of June 2010 to more than 110,000 when they left office. (Time expired)

Senator MADIGAN (Victoria) (14:37): Mr President, I ask a further supplementary question. What practical measures is the government taking to ensure that university and TAFE graduates—whom they seemingly want to have a bigger debt to repay—will have jobs available in the manufacturing sector or indeed in any other sector?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:37): I do not accept the premise of part of the question, but I will put that to one side and respond in this way. One practical measure we intend to implement is the government's trade support loans, which is before the Senate as we speak. It is an investment of $1.9 billion and will support those who learn a trade in ways that are targeted, practical and job-ready. And I will say to Senator Madigan that I think that he, like me, would agree that there is a group of Australian young people who have had the opportunity to have a university education, but what about that group of Australian young men and women who want to do a trade—who want to contribute to this nation with a trade and those skills? They have been left behind, and this government is determined to overturn what the former government did. We are proud of our
young men and women doing trades, and we will do all we can to support them. *(Time expired)*

**Budget**

**Senator SMITH** (Western Australia) (14:38): My question is to the Assistant Minister for Social Services, Senator Fifield. Can the minister inform the Senate of how the government's budget delivers on its promises to support Australian families both now and into the future?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:39): I thank Senator Smith for his question and for his ongoing interest in social policy in this place. The 2014-15 budget delivers $19.3 billion to support families through the Family Tax Benefit payments. It also provides $28.6 billion for the Child Care Rebate and Child Care Benefit. And of course with the support of our new colleagues in this place, we will have the opportunity to repeal the carbon tax and provide, on average, $550 extra in the pockets of Australian families.

On this side of the chamber we recognise that those opposite left us with a projected debt of $670 billion. It would not have been responsible to do nothing about that. It would not have been responsible to just let the existing policy settings continue as they were. So it is true that we have had to take some difficult decisions. But I just want to put that in context, because those opposite seem to see good economic policy and good social policy as alternatives. On this side we see that as very much a false dichotomy. You have to have a good economic policy in order to sustain a good social policy, and the heart of a good economic policy is a good budget policy. So one of the reasons we are taking what are some difficult decisions is that we want to ensure that there is ongoing support available for families. We want to be in a position where we can ensure that there is a good and decent social safety net, because we want to make sure that government has the money to support what is its core business—and that is supporting people who face extra challenges for reasons beyond their control.

**Senator SMITH** (Western Australia) (14:41): Mr President, I ask a supplementary question. Can the minister outline to the Senate any particular measures in the budget that meet the government's election commitments in the area of social policy?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:41): Indeed I can. I think nothing could be more emblematic of this government's conviction that good economic policy and good budget policy support good social policy than our delivery in the budget of full funding for the National Disability Insurance Scheme. In fact, we went further. The previous government wanted to apply an efficiency dividend to the package costs in the NDIS. We did not think it was reasonable to apply an efficiency dividend to package costs in the NDIS, so we have returned that $45 million back into the NDIS. Through the NDIS example, we can demonstrate already the dividends of good economic policy, of good budget policy—that we are in a position to help fund the NDIS in full, with the support of our state colleagues—because, obviously, it is a national venture with all Australian governments.

**Senator SMITH** (Western Australia) (14:42): Mr President, I ask a further supplementary question. Can the minister inform the Senate of any alternatives to the government's budget strategy?
Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:42): I can. There is not an alternative strategy. What we have from those opposite is opportunistic pot shots. Last time we were in government, after 1996, the Australian Labor Party opposed every single measure that was put forward to bring the budget back into balance. They are repeating that pattern yet again. Mr President, I know I do not need to remind you but, thanks to those opposite, $1 billion is being paid in interest every month. On this side of the chamber we know that deficit budgeting is nothing more than intergenerational theft. We do not think that is fair. We do not think that is reasonable. Government needs to live within its means. We are taking these steps so we can get the budget back on a path to balance, and also so that we have the capacity to do what the Australian public wants—government core business.

Financial Services

Senator DASTYARI (New South Wales) (14:43): My question is to the still-Acting Assistant Treasurer, Senator Cormann. Why has the Acting Assistant Treasurer made a regulation winding back Future of Financial Advice reforms, despite clear evidence that consumers need protection from financial advice motivated by profit and not their best interests?

Senator CORMANN (Western Australia—Minister for Finance) (14:44): The government is delivering on the commitments we made in the lead-up to the last election. We are implementing improvements to our financial advice laws which are necessary to deal with the excessive, unnecessary and costly red tape that your government imposed at the behest of the union movement. We do know that the Labor Party is the political arm of the union movement. We do know that Industry Super is the commercial arm of the union movement. We do understand that the Labor government worked very closely with Industry Super and with the unions in order to do a special deal for them. What I can say is that our focus is on the best interests of consumers and on the public interest. What we are doing is maintaining and keeping all of the consumer protections that matter.

Senator Cameron interjecting—

The PRESIDENT: Pause the clock. Order, Senator Cameron! Some of you on my left have been blessed with great voices, but please do not use them across the chamber constantly.

Senator CORMANN: We are keeping all of the consumer protections that matter. We are keeping the requirement for financial advisers to act in the best interests of their clients. We are keeping the ban on conflicted remuneration, despite the erroneous and dishonest assertions that have been made by various people on the Labor side. In fact, the ABC’s Fact Check came out and said that the assertions by shadow Treasurer Bowen that we were reintroducing commissions for financial advisers were inaccurate and scare-mongering. That is not the government saying it; this is the ABC Fact Check saying it. We are keeping in place the consumer protections that matter, but we are getting rid of the excessive, unnecessary red tape that Labor imposed at the behest of the union movement in order to protect the commercial interests of the union movement. We are focused on the public interest—not on the commercial interests of the union movement. I know that Senator Dastyari is very focused on the best interests of the union movement. We believe that not every bit of red tape is good for consumers. (Time expired)
Senator DASTYARI (New South Wales) (14:46): Mr President, I ask a supplementary question. Does the Acting Assistant Treasurer share ASIC’s view that the Future of Financial Advice reforms ‘should go a considerable way in improving the long-term quality of advice provided to investors’? If so, why has the Acting Assistant Treasurer wound back the reforms?

Senator CORMANN (Western Australia—Minister for Finance) (14:47): As Senator Dastyari would know, we supported everything that was good with the Future of Financial Advice laws. We supported the introduction of the best interests duty; we supported the requirement for advisers to act in the best interests of their clients; we supported the ban on conflicted remuneration. We did not support the massive increase in red tape imposed on small-business financial advisers but not imposed on advisers in industry funds. We understand that the Labor government was motivated by the commercial interests of Industry Super and the union movement. We on this side of the parliament understand that not every bit of red tape is good for consumers. Where red tape pushes up the cost of advice, it makes access to advice less affordable for many people saving for their retirement, managing their retirement and managing financial risk through life. In those circumstances, red tape is not good for consumers and it should be removed. That is what we are doing.

Senator DASTYARI (New South Wales) (14:48): Mr President, I ask a further supplementary question. Why did the Acting Assistant Treasurer regulate and not legislate the winding back of the Future of Financial Advice reforms? If he is so proud of his changes, why did he make the regulations in the dead of the night and gazette them on 30 June—less than 12 hours before they were due to take effect? Minister, when will you be tabling these regulations?

Senator CORMANN (Western Australia—Minister for Finance) (14:48): That final proposition is ridiculous. I know that—

Senator Kim Carr: Why?

Senator CORMANN: I know that shadow Treasurer Bowen missed the five-page statement that I released on 20 June, setting out the process to be followed on the improvements to financial advice laws—which we promised at the last election, which we put forward in exposure drafts and which we consulted on for months. On 20 June I put out a five-page statement explaining exactly what we were doing, what we were not doing, the process that we would follow—

Senator Kim Carr: Table it!

Senator Dastyari: I rise on a point of order. I clearly asked a question: when will the regulations be tabled? The minister has not answered the question. When will you table them, Minister?

The PRESIDENT: Senator Dastyari, there is no point of order. Your question was broader than just that.

Senator CORMANN: I was working my way through all of the aspects of Senator Dastyari’s question, and I am very happy to table the press release that I put out on 20 June—five pages of it—explaining what we were doing and what we were not doing and also the process that would be followed. I can also assure Senator Dastyari—if you relax a bit, I will give the answer—that the government will table these regulations consistent with the law and consistent with usual practice—(Time expired)
Industry

Senator FAWCETT (South Australia) (14:50): My question is to the Minister representing the Minister for Industry, Senator Ronaldson. Will the minister outline to the Senate how the government aims to fulfil its promise to restore stability, certainty and confidence to Australian industry?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:50): As an aside, I would like to acknowledge all new senators, but particularly Senator Linda Reynolds and Senator Jacqui Lambie, both of whom have served this nation. This chamber will be the richer for them. I know that you have proudly served; and we are proud of your service.

At the last federal election, the Australian people voted overwhelmingly for change. That was represented in the other place after September, when parliament first sat, and today it is represented in this chamber with the new state representatives joining us. When we are considering these changes that the government believe are right for industry, I ask that we reflect on what our policies were in the run-up to the last election, and on what has been done since.

Senator Kim Carr interjecting— Senator Cameron interjecting—

The PRESIDENT: Senator Carr and Senator Cameron!

Senator RONALDSON: I am fascinated to hear from Senator Carr, because the last time I had a question from him we were still in the middle of bushfire season. So it is probably time he asked a question, if he is indeed serious about it.

We want to reflect on what this nation needs to do for industry and on what we are going to do to again foster entrepreneurship, and to encourage those who want to grow and those who want to export. The government has a very substantial plan to do so, not the least of which is the abolition of the carbon tax, which again the Australian Labor Party— (Time expired)

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (14:53): Mr President, I ask a supplementary question. Would the minister outline for the Senate some of the specific measures the government has taken to restore much-needed confidence to Australian industry?

Honourable senators interjecting—

The PRESIDENT: Order, on my right! Order, on my left! I remind senators on my left that there is a possibility you will get another question up if you do not keep interjecting.

Senator RONALDSON: I again thank the senator for his very good question. As I have said to Senator Madigan, sitting opposite are those who took 140,000 manufacturing jobs out of this nation in their brief but quite dramatic period in government. In setting the right infrastructure and economic conditions, which was our first priority, we have introduced a number of measures. One of those is the Entrepreneurs Infrastructure Programme's Single Business Service. That commenced on 1 July. It will bring research and business together to develop and
commercialise home-grown ideas and to equip SMEs with the management and business
skills to lead change and expansion.

On top of that, we are also doing many, many things in high-level infrastructure to support
skills, such as the $476-million Industry Skills Fund which will put a new focus on delivering
the skills—(Time expired)

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (14:54):
Mr President, I ask a further supplementary question. Will the minister explain how the
Senate can work with the government to restore stability and confidence both within industry
and across the broader Australian economy?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the
Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:55): I again
thank the senator for his question. We want to work with industry. That is why, on top of the
Industry Skills Fund I was referring to, there is the $1.9-billion Trade Support Loans and a
$50-million manufacturing grants program.

Those opposite in three years spun through 14 ministers in these portfolios—they went
through 14 ministers in three years! They completely lost control of the agenda. What we are
seeing today is the outcome of their incompetence. I say to the Australian Labor Party: get out
of the way of industry. Get out of the way of Australian families. Get out of the way of
Australian workers. Get out of the way of us trying to get rid of this toxic carbon tax which is
destroying industry in this country. We are losing jobs overseas, and the very people you say
you represent are being damaged again by your complete and utter incompetence. (Time
expired)

Commonwealth Cleaning Services Guidelines

Senator LINES (Western Australia) (14:56): Congratulations, Mr President, on your new
role. My question is to the Minister for Employment, Senator Abetz. I refer to the
Commonwealth cleaning services guidelines which were issued in 2011 and reissued in 2012.
Why has the minister repealed the guidelines and cut the prescribed minimum rate of pay of
cleaners in his office and in this building by $5 an hour?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting
the Prime Minister for the Public Service and Minister for Employment) (14:56): I will
disabuse the honourable senator, first of all: nobody has had a pay cut. It is a dishonest
campaign that has been run. Let's be very clear on this; these guidelines apply to about 20 or
so contracts. They sought to differentiate between offices requiring cleaning operated by the
Commonwealth. They only operated in the capital cities, and so you had a differential
between Penrith and Parramatta, and Comcare's office here in Canberra.

Is the Australian Labor Party today telling the Australian people that it is the government
who should set pay rates and not the Fair Work Commission? You have a decision to make.
Either you have confidence in the Fair Work Commission to determine what a fair rate of pay
is for Australian workers, or you want the government to undertake the task. We as a
government have said to the Australian people very clearly that we believe that the Fair Work
Commission is the right forum, either with the modern awards or with the enterprise
agreements that are determined as being appropriate. But it is for the Fair Work Commission
to make that determination. The howl we have just witnessed from those opposite is a major
vote of no confidence in the Fair Work Commission's capacity to determine an appropriate wage rate.

Furthermore, these guidelines required the scheduling of employee meetings with union officials. There was a requirement that union delegates attend all inductions. Even if the staff did not want a union official there— *(Time expired)*

**Senator LINES** (Western Australia) (14:58): Mr President, I ask a supplementary question. Why has the minister made cutting the rate of pay of some of the lowest paid workers in this country one of his first priorities in office?

**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:59): The honourable senator would know that the very first priority for me was the re-establishment of the Australian Building and Construction Commission, which would have brought to heel the corruption in the building industry and the CFMEU's liaison with bikie gangs in this nation. You know that, Senator Lines.

**Senator Moore:** Mr President, I rise on a point of order on direct relevance. Standing order 72 says that answers should be directly relevant to each question. This question was on the cutting of the rates of pay for some of the lowest paid workers. It had nothing to do with what the minister has been talking about.

**The PRESIDENT:** The minister has got part way through his answer, and I draw his attention to the question.

**Senator ABETZ:** I remind Senator Moore that the question related to what my first priority as minister was. Senator Lines asked about my priority as a minister and I indicated that the very first bit of legislation I introduced was the Australian Building and Construction Commission legislation. I am more than happy to yet again disabuse—

**Senator Cameron:** Mr President, I rise on a point of order. The question was quite clear: why was his first priority cutting the wages of some of the poorest people in the country—cleaners—by $4 an hour?

**The PRESIDENT:** There is no point of order. Senator Abetz is being directly relevant to the question.

**Senator ABETZ:** Senator Cameron made my point when he said 'the first priority of this minister'—it was the Australian Building and Construction Commission.

**Senator Lines:** Mr President, on a point of order: As you said earlier, a number of us in this chamber are blessed with clarity in our voices. I am one of those, and I very clearly said 'first priorities'. I did not say 'priority' with a 'y'; I said 'first priorities'.

**The PRESIDENT:** That is a debating point. There is no point of order.

**Senator ABETZ:** In the time remaining, can I categorically deny that anybody's wages have been cut in any way, shape or form. *(Time expired)*

**Senator LINES** (Western Australia) (15:02): Mr President, I ask a further supplementary question. Is the minister prepared to guarantee that no enterprise bargaining agreement renegotiated after the repeal of the guidelines will drop the hourly rate of pay for cleaners below the prescribed rates in the repealed guidelines, or will he further attack the living standards of the working poor—in this case, contract cleaners?
Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (15:02): The Fair Work Commission determines what a fair rate of pay is in relation to the modern award, and for any enterprise bargaining agreement to be successful it will need the vote of the workers or a determination of the Fair Work Commission. If you think that I should be supplanting my decision over the vote of the workers and over the decision of the Fair Work Commission, then that is a new chapter that is about to be written by the Australian Labor Party in the history of industrial relations in this nation. I would have thought we were on a unity ticket, up until today, that wages should be determined by the Fair Work Commission. If you want the government to now determine what the wage rates should be, so be it—make that your policy for the next election—but we will be supporting the Fair Work Commission determining what a fair rate of pay is. I ask that further questions be placed on the Notice Paper.

ANSWERS TO QUESTIONS ON NOTICE

Question No. 621

Senator LUDLAM (Western Australia) (15:04): Mr President, I add my voice to everyone's congratulations on your assumption of the office of President. Pursuant to standing order 74(5), I ask the Assistant Treasurer for an explanation as to why an answer has not been provided to question on notice No. 621, which was asked on 5 May 2014. Some notice has been provided to the minister's office earlier in the day. It relates to a question that I put to the Assistant Treasurer on notice on 5 May of this year. The amount of time that is allocated for answers to come back to questions on notice is 30 days. This question was submitted two months ago. I will move that we take note either of the explanation or the absence of such, once we have heard from the Assistant Treasurer.

Senator CORMANN (Western Australia—Minister for Finance) (15:04): Mr Deputy President, I congratulate you on your elevation to high office. As far as I am aware, I have not been provided with any notice of the fact that Senator Ludlam was intending to raise this matter after question time today. I will seek advice on where the answer is at and get back to the Senate as fast as I can.

Senator LUDLAM (Western Australia) (15:05): I move:

That the Senate take note of the minister's failure to provide either an answer or an explanation. I recognise that Senator Cormann is here in his representing capacity; nonetheless, notice was provided to the minister's office and in fact notice was provided to the Senate on 5 May—quite some time ago.

Senator Bushby: Mr Deputy President, I believe there is a requirement that notice be given in order to take note.

The DEPUTY PRESIDENT: No, there is no requirement.

Senator LUDLAM: Thank you, Mr Deputy President—there is no requirement but, as a courtesy, we do notify ministers that we are going to do this. The fact is, formal notice was submitted on 5 May this year. Questions on notice are meant to be returned within 30 days, and clearly that has not occurred in this instance.
I will go into a little detail about why this question was put on notice in the first place and why it has now become urgent that some answers be provided. The question related to the degree to which state governments and the federal government in particular subsidise the destruction of native forests in the south-west of Western Australia. This is something that has occurred across the eastern states—in eucalypt forests in Tasmania, New South Wales and Victoria—and very clearly in Western Australia as well. Not only are we flattening precious ecosystems but taxpayers are funding it. In Western Australia, vast amounts of timber are woodchipped and sent offshore to be pulped, to be brought back into Western Australia as paper and other pulp products. In this instance, the timber is sawlogs—I will go into a little bit of detail about them in a moment—from Western Australian forests, principally karri and jarrah, and a large amount of that timber is being used as sleepers. So we are interested to know the degree to which the federal government is providing financial assistance to Western Australia for ‘resleepering’ of railway lines in WA since 2009, because it appears that potentially a very large fraction of that sawn timber winds up in publicly-subsidised hardwood timber sleepers for Western Australian railway lines. It is particularly ironic that I have to be raising this issue today, given the closure of the Tier 3 grain rail lines in Western Australia.

It appears that WA has already exported more than 85,000 tonnes of karri as woodchips this year. This is extraordinary natural heritage being thrown into chip-mills and exported as a low-value woodchip cargo. Earlier this year, I visited the Challar Forest in the South West, 50 or 60 kilometres south of Manjimup. I met with campaigners down there who had spent months doing what they could to protect those forest ecosystems. I was winched up a 40-metre karri tree, which they estimated was somewhere between 300 and 400 years old, to sit for a brief period of time with one of the campaigners who had spent the morning there. Western Australian citizens should not have to put themselves in the way of logging equipment and earthmoving equipment in order to protect these priceless ecosystems—but thank goodness they are! They gave me a very brief tour of the extraordinary devastation that had been inflicted already in the coops around the Challar Forest that they were seeking to protect: areas that had been scrub-rolled, which means that the underbrush and the understorey had been smashed into the ground, in preparation for fellers to come in and remove the largest trees.

The fact is—as a result of the Gallop government, with the strong support of the Greens and the community, ending large-scale clear-felling in native forests in Western Australia after 2001—that that so-called clear-felling no longer occurs. But I can tell you that the destruction and the waste that is still occurring in Australia’s native forests is absolutely unbelievable. The idea that you would take a 600-year-old karri tree, a tree three times the age of the city of Perth, and feed it into a chip-mill because it had a small amount of rot in the heartwood is utterly obscene. The fact that we are still conducting this carnage in our native forests is completely indefensible. The idea that we would be publicly subsidising that destruction is abhorrent to the majority of Western Australians. The question that I put to the Assistant Treasurer, or to the minister representing the Minister for Agriculture, as the portfolio was later transferred—that is, question No. 621, was simply: to what degree are we actually subsidising this carnage in our native forests?
On jarrah, we know that the state government sells a couple of hundred thousand tonnes a year, and that just 17 per cent of that is sawn timber—that is, something that you can hold in your hand—and the rest of it is fed into a chipper. Last year, 370,000 tonnes of jarrah logs were sold—which is a reasonably typical year—from Western Australian forests. Of that, only 17 per cent was sawn timber and the rest was charcoal, firewood or waste at the mills. Of that 17 per cent, a significant proportion was railway sleepers; we do not know the exact number. That was the purpose of putting that question to the minister. We know in relation to railway sleepers going interstate and overseas that the state government spent around $1 million buying them from major mills—at the same time as they are closing down or scaling back the Tier 3 grain railway lines. So the demand is falling, even as the state government is throwing more money at 'sleepering'. We want to know how many; where they are going; in what volumes; who the customers are; and exactly how much Western Australian and Australian taxpayers are paying to subsidise that process. Obviously, the reason that it is being subsidised is that the business case is dead. It simply does not stack up as a commercial proposition. We also understand that a lot of pole logs are being exported to China and to other countries, with significant volumes going into sea containers and then on into mills. The jobs and employment argument is absolute nonsense, but I will speak more on that in a moment.

On karri, the majestic tall timber of the South West main belt, only a tiny proportion—12 per cent—ends up as sawn timber, while 85 to 90 per cent of these extraordinary trees are put into chip-mills and exported. It goes through the Diamond Mill in Manjimup and is exported from the port of Bunbury, mostly to Japan for paper products. This year, we believe around 85,000 tonnes has been exported. Some of the karri stays in WA—but again, the purpose of putting these questions in the chamber is that the exact quantities are completely unknown to the public—who are paying for this destruction. We also know that logging is moving much closer to Margaret River, and that there is a very strong sentiment from local people there that they want their forests saved—that their forests are vastly more valuable standing than flattened, as we are seeing around Challar Forest. One of the reasons for this—not that it tends to show up in annual reports, nor does it show up in any state or federal government balance sheet—is the extraordinary range of threatened species that are at risk from the destruction that we are perpetrating in our precious eucalypt forests in WA. Three species of black cockatoos, the woylies, the numbats—all these forest-dependent species are threatened with extinction, the more logging continues to wipe out their habitat. What is the federal government doing to protect these ecosystems? Well, it is proposing to hand back the powers on national environmental law—powers that have been accruing to the Commonwealth over a period of 20 or 30 years—back to the very same state governments which are financing the destruction of these ecosystems and which are, in fact, the proponents of logging down there.

These are the reasons that I was proud to visit the South West earlier this year to launch the Green's Future Forests initiative, which is about getting out of native forest logging once and for all and about transitioning properly—forever—into the plantation estate. Our South West forests are simply too precious to lose. I want to acknowledge and pay my respects to those campaigners and their families who, in some instances, have put their lives on hold for years to protect these ecosystems. It is completely insane that we have environment ministers at state and federal levels who stand back while these ecosystems are being mowed down before our eyes, and that it is up to the community to step up. Thank goodness for people like Mikey
and Jess Beckerlin, who showed me around the blockade camp at Challar that day and then messaged us only a few weeks later—within days, from recollection, of the by-election in WA—that in fact the fallers had moved away, that the wet season had come, and that it would not be possible to flatten Challar Forest; that we had at least won a reprieve until the forest dries out again later this year. I hope with all my heart that, at that point, the fallers do not move back in again and flatten that precious ecosystem, but if it appears that that is on the cards I will be travelling back down to the South West to lend my support to those members of the Western Australian community who have stepped up where the governments have so dramatically failed to do so.

The initiative that we launched that day—Future Forests for the South West; similar to initiatives that we had announced for the tall forests of the east coast and Tasmania—quite simply says, 'This has to stop.' These towns are running out of forests to chop down. If we want to put a sustainable basis under towns like Manjimup and other timber towns or former timber towns of the South-West, we need to look very carefully at reinvesting in the plantation estate and transitioning out of native forests once and for all. I think one of the promising uses of the plantation estate down there, if we can get proper environmental protection for the South-West forests, will be housing. The idea that you could plug a housing affordability crisis into a manufacturing crisis and a skills crisis in Australia—as well as the climate change crisis and the decline of native forest logging in Western Australia—is the kind of closed-loop thinking that I think we need to progress.

One of the planks of this platform—if you will pardon the pun—was the comprehensive plantation and farm forestry plan to support a vibrant new timber industry that would support the establishment of a second pine sawmill to improve the utilisation of the softwood resource. One of the most interesting things that is being done, and that I believe should be done—not just with the Western Australian plantation estate but across the country—is new jobs in sustainable forestry for building homes.

Australia has one of the least affordable housing markets in the Western world. So right now in Western Australia, on a given night, there are nearly 10,000 people experiencing homelessness, and one-quarter of those are under 18 years old. There are 45,800 people on a social housing waiting list, and the overall supply gap of affordable homes in WA is at least 50,000 affordable rental homes. The Greens National Housing Roadmap that we launched last year provides an ambitious plan to fund 214,000 new homes across the country within a decade. In WA that would translate to 21,500 new homes, including, most immediately, providing a roof over the head of those sleeping rough, those people who are homeless in WA; 1,500 new affordable rentals created from currently empty space, through our Convert to Rent program; 12,000 new social housing dwellings; and 7,000 new affordable rentals. What does this have to do with the issues that I am raising around the destruction of irreplaceable forest ecosystems in the South-West?

We believe there is an enormous potential in a home-grown, WA made, fast-build, sustainable prefab housing industry using the plantation estate. We need a major commitment to an ambitious building program. Where should that come from? The potential of the fast-build prefab housing industry is massive. Should we be bringing these kits in in flat packs from China or should we be constructing this material at home in WA? Modern prefab homes look like conventionally built homes, they are cheaper, they are faster to build, they are far
more energy and water efficient and have vastly less building waste. Why would that material not be made out of sustainably grown timber from the South-West of Western Australia?

In suburban Perth, a one-bedroom house can be delivered in just 14 weeks from the time of order of delivery to the time it is placed on site. It effectively uses a lot of the skills—the design, engineering and manufacturing skills—of people who are falling out of the auto industry, which is in crisis on the east coast. We do not have a car industry in Western Australia. There are similar skills. There is a production line. The kits go in at one end and houses come out the other, and then they are simply assembled on site in a matter of hours or days. It is not simply detached housing. In Richmond, in Melbourne, for example, there is an eight-storey apartment block that was assembled in 11 days. That is the kind of manufacturing innovation that we believe Australia needs, and it should be coming from the sustainable plantation estate in forests like those of the South-West. This is the kind of creative thinking that the Australian Greens are bringing to the debate, not just about housing affordability but also about protection of native forests. We can have the jobs, we can protect irreplaceable native forest ecosystems and we can make vastly better use of the plantation estate. We cannot do that without intelligible information such as that that we have requested from the minister's office and that they have so spectacularly failed to provide to the Senate today.

I look forward to the next time Senator Cormann comes in here and hopefully provides us with a bit of information about the degree to which taxpayers are subsidising the destruction of native forest ecosystems. When the time comes and the door opens for alternative employment, alternative manufacturing and alternative skills development based on the plantation estate, the Greens are here with some creative ideas of our own.

Senator IAN MACDONALD (Queensland) (15:19): Mr Deputy President Marshall, congratulations on your appointment.

The DEPUTY PRESIDENT: Thank you.

Senator IAN MACDONALD: If any of the new senators or anyone who might be listening to this debate needed any evidence of the hypocrisy of the Greens political party, they have just heard it. Senator Ludlam gave a magnificent speech this morning about how he was offering himself for the position as the President of the Senate because he did not want the crossbenchers to be ignored. Why was that? Because it was a government senator who was being nominated for the President of the Senate. But, when it came to your position, Mr Deputy President—the deputy's job—did the Greens have the same high-sounding principles about giving the Senate the opportunity of voting for a crossbench senator? No, of course Senator Ludlam did not. Why? Because there is no difference between the Greens political party and the Australian Labor Party. Why the Palmer United Party have been put between the ALP and that section of the ALP called the Greens, I will never know, but, if the new President is listening, he should do something about it so that all of the Labor Party can actually sit together.

I am still waiting for answers to questions of the previous government that were never answered, and I know that the Greens had questions of the previous government that were never answered either. But did they ever embark upon this stunt of spending 15 minutes, when we were on broadcast, when there were a couple of people in the gallery? Did they ever bother about it then? No, because it was the Labor Party, it was their other faction, that was refusing to answer.
Senator Ludlam interjecting—

Senator IAN MACDONALD: Senator Ludlam is right. Yes, I think I can count two times in the last six years where they did move such a motion. This is just typical of the Greens political party. If you happened to be listening to Senator Ludlam, you would think, 'Horrors! Native timber in Australia is just about to disappear'. Most of what Senator Ludlam just spoke about is incorrect. For a start, it was Richard Court's Liberal government—much to my disgust—which shut down a lot of sustainable logging in karri and jarrah forests in Western Australia. I was well familiar with the statistics on the logging industry and the forests in Western Australia back earlier in this century. I am not quite so up to date with the statistics at the moment but I can guarantee you—because I have seen the Greens here for a long period—that most of what Senator Ludlam has spoken about in relation to Australia's native forests would be incorrect.

Australia has an enviable record of sustainable management of our native forests. We have built up that reputation over many years, but the Greens have determined to shut down in this country anything which is productive. That takes jobs away from the workers that I thought the Labor Party were concerned about. I remember a time when—and I pay credit to the CFMEU; wash my mouth out! —the forestry section of the CFMEU had the courage to stand up to the Greens and to the Labor Party to save logging jobs in Tasmania. They knew, as we all knew, that logging in Tasmania was sustainable.

We have just had the farce of the United Nations group suggesting that some of the forests in Tasmania which have been logged for centuries are now so pristine that they have to be protected. Senator Colbeck, photographically as well as verbally, made the case on why some forests in Tasmania should be delisted. I see Senator McLucas mouthing something here. She well knows the forests on the Atherton Tableland. I can still remember Senator Richardson going up to Ravenshoe and saying, 'These are the pristine forests which have to be saved.' The locals told him, 'Minister, these forests have been logged for 100 years and you are saying they are pristine!' In his book Whatever it takes, former Senator Richardson gave the truth to that campaign, writing that it was all about whatever it took to get the Greens second preferences in the elections in 1990.

I challenge senators to go through most of the facts Senator Ludlam has just related. They would see that, as with most things with the Greens political party, it will be a fabrication, an exaggeration, and this misleading of the Australian public must be brought to account. I was involved in the committee on Northern Australia. The other day we had the Wilderness Society following the Greens political senators around the North, giving them information about various things. Not once did they mention the oil leaking into the Great Barrier Reef. You would think the Greens would have 10 motions before the Senate about oil from ships leaking into the Great Barrier Reef. Did we hear a squeak from the Greens about that? No. And why not? Because the oil leaked from the boat Bob Brown was on doing some sort of campaigning. When Bob Brown's boat leaks oil into the Barrier Reef, it is not something the Greens are too interested in, but when anyone else does it you will have the Greens there in spades.

We were in Weipa the other day, and Senator Waters, to her credit, was asking questions of Rio. She said, 'But you've got all these new boats going through the Barrier Reef and we are campaigning to stop them.' It took about 15 minutes of patient explaining by the Rio
executive that there were absolutely no additional boats going through the Barrier Reef, that there were a few extra boats taking bauxite from Weipa but they were going straight to China. I almost felt sorry for Senator Waters, but at least she now has the truth of the matter. This is a motion to taken note of—

Senator Ludlam: Mr Deputy President, I rise on a point of order. I ask you to draw Senator Macdonald's attention to the question before the chair, which has very little to do with any of the stuff he has been going on about.

The DEPUTY PRESIDENT: Thank you, Senator Ludlam. I will say that the question before the chair is to take note of minister's response. In your contribution you also ranged rather broadly on that subject. It is a debate about that now, and I think Senator Macdonald, for the whole, is responding to some of the matters you raised, but I ask him to keep the question in mind.

Senator IAN MACDONALD: Thank you, Mr Deputy President. As Senator Ludlam interrupted me, I was about to refer to the fact that this is a motion to take note of the failure to answer a question, notice of which was said to be given to the minister but about which the minister—and he is checking—is unaware. Again, that I have seen as a Greens tactic in the past. It may be that they did give notice this time, but this happens often. It even happened under the former government, I might add, on the one or two occasions when this matter was raised.

I have finished my conclusion. I do not wish to take the time of the Senate on these matters. I want to take at least five minutes less than Senator Ludlam. I point out that this becomes such a great issue for Senator Ludlam and the Greens now because the coalition is in government, but it is an issue which the Greens never seemed to worry about when, week after week, Labor ministers would take questions on notice in this chamber and never answer them. I think the hypocrisy of the Greens is there for everyone to see.

Question agreed to.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Budget

Carbon Pricing

Senator McLUCAS (Queensland) (15:29): Congratulations, Deputy President Marshall, on your election to that position. I move:

That the Senate take note of the answers given by the Assistant Minister for Health (Senator Nash) and the Minister for Finance (Senator Cormann) to questions without notice asked by Opposition senators today relating to copayments for medical services and to the regulation of financial services. You would have noticed that Labor senators have been asking Senator Nash questions over many weeks about the impact of the GP tax, the $7 co-payment, and what that means for those using the health system in our country. We will continue to do so because it is important that people understand what this will mean for health consumers in our country. We will also continue to do so because we do not get an explanation or an understanding from either the minister or the government of what this measure will in fact mean. We saw the Treasurer, Mr Hockey, say that the $7 co-payment is just a bit more than the cost of a cup of coffee, a couple of beers. That is not what we are hearing from the health community and health consumers
and, again, today we see coverage of the University of Sydney's detailed analysis of what this $7 tax on a GP visit, this $7 tax on diagnostic imaging and this $7 tax on pathology will mean. What will that mean?

That is why I, again, asked a question today: what does it mean for a woman who finds a lump in her breast? She has to go to the doctor. There will be a GP tax on that visit. She will probably need to go to the doctor twice. She will need an ultrasound and a mammogram. She will need to have an ultrasound biopsy, various blood samples and various pathology. It is ascertained that the cost for just finding out what the lump might be is in the vicinity of $90. But, if she then finds out that this is a positive test, there are a range of costs that that woman will have to cover in order to be treated for breast cancer. Minister Nash did not answer those questions. She provided a couple of answers.

First of all, she said that the GP can make the choice. The GP can decide whether or not to pass on those costs. At the Senate Community Affairs References Committee inquiry last Thursday, we asked various witnesses about the likelihood of GPs making decisions not to pass on those costs. I do not recall anyone saying, 'That'll be fine; the GP practice will just cover those costs.' It will mean that, for every item 23 on the MBS, a 20-minute consultation, the doctor would not only receive $5 less but also lose their bulk-billing incentive. The bulk-billing incentive is paid at the rate of $6 for a regular bulk-billed event in a metropolitan area and it is $9 or $10 in rural areas—there was different evidence on this last Thursday. The doctor will not absorb those costs for a 15- or 20-minute consultation. The doctors have said to us very clearly, 'We can't afford to.' So the bulk-billing incentive that is currently in place to encourage people to bulk-bill will now be paid if the doctor does not bulk-bill. The incentive is now applied if the doctor does not bulk-bill the patient. That is, they get the bulk-billing incentive if they actually require the patient to pay the $7 co-payment.

Senator Nash also said that the reason we have to do this is that the health system is unsustainable and that we cannot keep the health system going with the costs it has at the moment. First of all, the AMA, which is fairly well respected in this place, says, 'Frankly, the health system is absolutely sustainable.' Associate Professor Brian Owler, the President of the AMA, has said very clearly that the cost to the health system as a ratio to GDP has not gone up in any way that should be viewed as alarming. It is about the same as it has been over the years. But let us peel back Senator Nash's claim that we have to make the system sustainable.

Any saving as a result of the application of the GP tax does not go back to the health budget. It will not go back into support health service delivery in this country. It is being creamed off and put into the Future Fund that, one day, may or may not do some medical research. So it is not as though the money is going back into better services, more doctors, more nurses; it is being pulled away.

But the more concerning thing is that people might go to the doctors less. That is my real fear: that people will attend the doctor less because they have not got money in their pocket.

(Time expired)

Senator Ryan (Victoria—Parliamentary Secretary to the Minister for Education) (15:34): Mr Deputy President Marshall, may I join others in congratulating you upon your election. I am now no longer required to refer to you as Mr Acting Deputy President! It is good to see a Victorian in the chair after the earlier comments about Tasmanians, even though we are of different persuasions.
What we have seen today and what Senator McLucas referred to in a series of questions is a contrived and confected scare campaign by an opposition that is desperate to find a cause. As Senator Abetz outlined in an answer to a different question, the Labor Party have misled the Australian people by telling them they terminated the carbon tax, by putting out brochures saying that they removed the carbon tax. They do not want to talk about that. They do everything they can to prevent those matters being brought to a vote in the Senate. They do everything they can to prevent the government implementing its agenda, so they try this confected campaign and this confected outrage about changes to Medicare that were announced in the budget.

What is the truth about Australia's health budget? Ten years ago, we spent $8 billion on the Medicare Benefits Schedule. MBS payments cost about $8 billion. Today they are $19 billion and, in a decade, they will be $34 billion. We all know that, as we get better with medical science and, as over the last 10, 20 and 30 years there have been medical treatments for conditions that were not available, our PBS and our medical system costs more because we are treating conditions we previously could not. But we also know that when something in terms of its spending increases by more than the government revenue base or by more than the annual inflation rate, as health spending has done year on year for as long as I have been in this place and indeed much longer under the previous coalition government, it requires each and every year billions of dollars to be reallocated from one government area to another. Because, if spending on health is growing faster than the government revenue base, you need to reduce spending elsewhere in order to maintain that rate of growth or restrain that rate of growth. Or you do what Labor did, which is simply borrow the money.

Growth in health spending per se is not a problem. For the same reason that the Hawke government introduced a co-payment for pharmaceutical benefits for those who had previously had free and unlimited prescriptions, introducing a small contribution from patients to access a service will actually make the health system more sustainable over time. From the confected outrage of those opposite, you would think we were introducing an American-style system where there were serious barriers to access. We have all had the tragedy of cancer in our families, but there are treatments for that that were not available a decade ago, let alone two or three decades ago. Asking people to make a small contribution to access public subsidies in the order of thousands of dollars that can extend and improve the quality of life is not unreasonable. It is done with safety nets.

I do not understand why it is with this most intimate of things, our own health, this thing that is most important to all of us—and I do believe those opposite share that view, although I do not share their confected outrage at these changes—we should say that we should never ask someone to make a contribution to their own health care. Why is it that when we talk about people going to see a doctor—for example, to access treatment, as in the example earlier of breast cancer—there is moral outrage at a payment to access certain treatments, but when you access pharmaceuticals like Herceptin, if you access life-saving medical treatments, it is okay to ask the patient to make a small payment? Somehow there is moral outrage at a payment for another purpose that will actually treat the same condition.

The Labor Party are in a desperate search for a campaign. All this government are doing is making the system sustainable in the long term. All this government are doing is saying that
we think it is reasonable that people make a small, modest contribution to their own health care—after all, like all Australians, we agree it is so important to all of us.

Senator O’NEILL (New South Wales) (15:39): Deputy President Marshall, congratulations on your elevation. I rise to take note of the responses of the Assistant Minister for Health to questions asked without notice today. I can inform the Senate, particularly the Assistant Minister for Health, that her response today was once again completely uninformative. The responses we received were once again a repetition of tired and worn-out lines from a minister who seeks to hide from the scrutiny to which this government does not want to be exposed. The assistant minister seems to believe that, if she keeps repeating the same lines over and over, those lines, by the very uttering of them, will somehow protect her from the avalanche of outrage crashing down on this government. But the people of Australia are awake to this government. They have, in the nine months since Mr Abbott assumed the prime ministership, been exposed to the reality of the web of lies that those opposite repeated ad nauseam before the election. Any currency those lines ever had in that election has completely evaporated. Remember, Deputy President, the new Prime Minister Tony Abbott, only 24 hours before the last federal election, on 6 September 2013, said there would be ‘no cuts to education, no cuts to health, no change to pensions, no change to the GST and no cuts to the ABC or SBS’.

What we heard in the assistant minister’s response was weasel words certainly, but weasel words that reveal a determination to push forward with a budget of broken promises to tax the sick. Why are we being subjected to these weasel words? It is because more experts are coming out against this government’s policies, and weasel words are all the government have left to sell. They have nothing substantive to say, as each one of their key platforms is quickly being eroded by expert opinion and public sentiment. They keep on the offensive about the former Labor government, but they fail to realise the pain that they are set to cause everyday Australians. The questions addressed to the Assistant Minister for Health today were on that very topic—the pain they are causing, figuratively and literally in this instance.

What we are already seeing and being told by our local doctors all across this country, and indeed by the AMA, is that people are refusing to seek the medical attention that they may need. The fear of being unable to pay this GP tax has Australians running away from their doctors and doctors worried about their patients. Researchers from the University of Sydney are the most recent experts to come out against this tax. They have answered all the questions that the minister continues to refuse to answer. What do we know now? We know that the average patient with type 2 diabetes will be $121.49 worse off each year with this new tax. Patients with worse cases can expect to fork out an additional $150 per year. We can see these examples in other demographics too.

Some conservative estimates of what average Australian families will have to face include the following. A young family with two parents and two children under 16 years of age will pay $184 more per year on average for care and medications. Today, the minister refused to even acknowledge that fact, simply saying, 'I'm aware there are a range of opinions.' Being aware of a range of opinions does not absolve her of the responsibility for the policies that she wants to implement that are designed to hurt the sickest in our community. Self-funded retirees aged 65-plus years with no Commonwealth concession card will pay an additional $244 per year because of what this government wants to implement. An older couple with
concession cards will pay an additional $199 per year on average. The minister might call this a modest contribution, but to the people of New South Wales and in the region where I live that is no modest contribution, and it is a disincentive to seek health care.

This is not just a single hit on the sick but a sick tax, literally taxing the sickest people in our community every time they need to seek medical care, every time they have a blood test, every time they need some pathology test, every time they need an X-ray or every time they need any other form of diagnostic imaging. Breast cancer fears will be put aside by mothers trying to look after their kids and putting their needs first and the costs of their families ahead of their own care. The chronically ill must be feeling even worse now than they might expect from their illness, as they are subject to the punishments of this bruising and cruel government, punishing them for being sick, punishing them for having an illnesses, punishing them every time they seek health care or diagnosis, punishing them for acquiring a chronic disease or for failing to be born or remain healthy enough and perfect enough to avoid the need to go to the doctor. This is a sick government. It is a sick tax that they are proposing and Labor will be fighting it all the way, to preserve access to Medicare. That is part of the fabric of this country.

Senator SESELJA (Australian Capital Territory) (15:44): The fundamental question when we debate the GP co-payment, as we are this afternoon, is whether we want Medicare to be sustainable. Fundamentally, the contribution from those opposite, the modern Labor Party, is that they do not want Medicare to be sustainable. All of those who have looked at this in detail over the years, on both sides of politics, and taken the view that we need to make Medicare sustainable have come to the same conclusion. Bob Hawke wanted to make Medicare sustainable, Dr Andrew Leigh wanted to make Medicare sustainable and the coalition government wants to make Medicare sustainable.

We have heard from Senator Ryan and others about the massive blow-out in costs from 2004 to 2014 and the projected blow-out in costs in another decade from $8 billion to $19 billion to $34 billion. When Andrew Leigh made his comments we were spending around $8 billion. In 2003, he said:

As health researchers have shown, cost-less medical care means that people go to the doctor even when they don't need to, driving up the cost for all of us.

That was Dr Andrew Leigh's position when we were spending less than $8 billion. Dr Leigh had a prescription, and it was the right one. We wouldn't often say that about Dr Leigh, but on this he was correct. He was correct when he came to that conclusion, as was Bob Hawke. So, well before it was blowing out, Bob Hawke and his government identified that they needed to make Medicare sustainable.

The modern Labor Party are now arguing that in fact Bob Hawke did not support Medicare and they are not prepared to accept that he was trying to save Medicare. He was trying to improve Medicare. He was trying to ensure that the position that Andrew Leigh put—that all of us end up paying more and it becomes unsustainable—was the correct one.

Well before we saw these kinds of costs, Bob Hawke said: 'It is quite clear, and I understand there is a very significant blow-out with regard to the Medicare situation in terms of servicing. What needs to be done of course is to ensure that both on the supply side and the demand side that there be some restraint imposed because you can't have a situation, Ray, where you are just going have outlays growing as in the rate that they were.' That was true
then and it is truer now. What we have seen since then is massive blow-outs in cost—massive blow-outs when Dr Andrew Leigh said it in 2003 and came up with his prescription; and massive blow-outs since then: $8 billion in 2004, $19 billion now and $34 billion projected in 10 years time.

We hear those opposite, Labor senators, claiming that they support Medicare. That position is not sustainable if you do not have a way to make it financially sustainable. If you do not accept people being asked to make a small contribution to their own health care, with safeguards in place for the most vulnerable to a maximum of $70 per year, then you need an alternative prescription.

As Senator Ryan so eloquently put it, when these costs grow well above inflation and government revenue, then the money has to come from elsewhere, and you cannot just keep borrowing it. Eventually you will have to pay it back. So those of us who believe not in a sustainable budget for its own sake but in a budget that can deliver a sustainable Medicare system, a sustainable NDIS, a sustainable pension system and fund the infrastructure of the 21st century need to come up with ideas of how to fund these things and make them sustainable, and that is what the coalition has done.

Bob Hawke knew it to be true but eventually got rolled by his own party. Andrew Leigh knows it to be true but he has now had to pretend that he has had a lobotomy since coming into parliament and he no longer believes what he knew to be true just a few years ago. The position put by the Labor Party has no substance. It needs to be rejected. That is why things like a co-payment are important. (Time expired)

Senator DASTYARI (New South Wales) (15:51): I rise to take note of answers given by Senator Cormann during question time today—and what a day it has been! With apologies to President Obama, today we have seen the government in the Senate acting with the audacity of hope. Over the past few hours we have witnessed the government's audacity in trying to ram through the repeal of the carbon tax legislation without debate. During question time, we finally got to hear the Minister for Finance, Senator Cormann—the still acting Assistant Treasurer—admit that the government has audaciously introduced changes to Labor's Future of Financial Advice reforms to remove basic consumer protections, in the dead of the night, at the eleventh hour, in an audacious attempt to subvert the parliamentary process and avoid the scrutiny of the Senate. There has been an attempt to ram through changes making it easier for the likes of Storm, Trio, Timberrcorp, Great Southern and—as we heard again just 10 days ago—the Commonwealth Bank's shonky financial planning arm to rip off ordinary Australians. The government has the audacity to hope that they are going to get away with it.

On 30 June, hours before their own 1 July deadline, they promised the big banks, AMP and a handful of dodgy financial planners that give the good financial planners a bad name, that they would keep their promise to them. While they were prepared to break promises to working Australians—promises about the ABC, promises about Medicare and promises about SBS—they insisted that they needed to keep a promise to the big banks and to a handful of dodgy financial planners and audaciously introduced these changes by regulation, without the confidence or the guts to bring proper legislation into this place.

In today's Financial Review, Phil Coorey asked Mr Clive Palmer, the member for Fairfax, what he thought about Mr Cormann's audacious act. For the benefit of those opposite, I will quote the response the member for Fairfax gave Mr Coorey. The member for Fairfax said:
They can stick it up their arse—and you can quote me on that.
How can you have advisers not acting in people's best interests?

The DEPUTY PRESIDENT: Simply quoting unparliamentary language does not make it parliamentary, and I would ask you to withdraw. I would also ask you to be mindful of the standing orders.

Senator DASTYARI: I withdraw. I was of the opinion that I was quoting a member of the other place. But I could not agree more with the sentiment that was expressed earlier today by Mr Palmer, the member for Fairfax. I think he captured the sentiments of people who had been fleeced, who had been mugged and who had been ripped off before the FoFA changes were introduced.

Senator Cormann's audacious act in the dead of night will take Australia back to the bad old days. He has removed the best interests duty by removing the list of the steps a planner must take to legally meet the best interests duty. He has introduced new exemptions allowing for conflicted remuneration—allowing payment of conflicted remuneration and commissions for advice on complex products. These exemptions will see a return to the sales culture—and those across the chamber know it. These exemptions will see the return of conflicted remuneration, allowing payment of unlimited incentives and bonuses based on sales and revenue targets and removing any requirement to disclose these incentives.

Senator Cormann's reforms will allow commissions on execution services, extend grandfathering provisions so that these commissions can be traded, extend the already broad exemption for basic banking products so that it applies to all staff and remove the opt-in requirement, bringing back trailing fees. We will not allow Senator Cormann's audacity to roll back basic protections for Australian consumers, and nor should this Senate.

Question agreed to.

Climate Change

Senator MILNE (Tasmania—Leader of the Australian Greens) (15:55): I move:

That the Senate take note of the answer given by the Minister for Employment (Senator Abetz) to a question without notice asked by Senator Milne today relating to climate change policy.

The President of Kiribati, President Tong, has said that he needs to ensure that there is somewhere for his people to go. They have just purchased, for $8.7 million, 20 square kilometres of land in Fiji to which they will be able to move 100,000 people when the time comes.

Already in the Pacific Islands and the Indian Ocean we are seeing that the sea level is rising faster than the global average. It is rising by 1.2 centimetres a year. When you take into account storm surge, you are already seeing massive damage not only in Kiribati but also Tuvalu, the Maldives and the Marshall Islands. President Tong has said:
Whatever is agreed within the United States today and with China, it will not have a bearing on our future, because already, it's too late for us … And so we are the canary.
The Seychelles Ambassador to the United Nations has said about a mechanism for loss and damage:
When a population is forced to leave its country, it is no longer a matter of adaptation. Where will these countries find funds?
So for Senator Abetz, on behalf of the Prime Minister, to suggest that linking Australia's pathetic five per cent target to what is going on in Kiribati, Tuvalu, the Marshall Islands and the Maldives suggests complete ignorance. It is confected ignorance.

The reality is that, in global climate negotiations, the small island states are already negotiating a new mechanism—a loss and damage mechanism. That will be a priority for the global treaty being negotiated to be signed in Paris in December 2015. So already we are talking about whether the developed countries of the world are going to put up the funds to enable a loss and damage mechanism to be established so that we pay to assist those countries that are beyond adaptation and people are actually being driven out of their country. They are talking about migration with dignity. They do not want to be referred to as environmental refugees; they want to have migration with dignity—and so they should have migration with dignity.

It shines a light on the appalling state of politics in Australia. How are we going to cope with people who are forced to leave because of storm surge, saltwater incursion and the inability to feed themselves? Where are they going to go? Look at the fuss that is being caused now and the absolute bigotry that we are seeing when it comes to people seeking asylum here now. Well, let me tell you, Mr Deputy President: it will be nothing when compared with the displacement of millions around the world because of global warming. Look at Bangladesh and the people already living on the levy banks there who, every night when the tide comes in, do not know whether they are going to survive the experience. That is what this century is going to be about—and for Senator Abetz to try to pretend that the pathetic five per cent target has nothing to do with it is completely wrong.

When I asked Senator Abetz whether, even with the feeble five per cent target, the Direct Action Plan being introduced with the Carbon Farming Initiative Amendment Bill was going to achieve five per cent, he did not even know that that was the mechanism they were going to use. The department told me in the hearings last week that they cannot say how much of the five per cent is going to be achieved. They cannot say because they do not know—because it is such a poorly designed mechanism.

We have a situation where Australia is continuing to humiliate us in global negotiations. At CHOGM, the Commonwealth Heads of Government Meeting, Australia refused to sign on to a fund to finance climate change initiatives. There was our Prime Minister—knowing full well our Pacific island neighbours are already suffering in this way—refusing to sign on. Now, in this budget, he wants to forgo $20 billion from the big polluters and say to them, 'You keep your $20 billion and we will go out and tell the Pacific islanders and everyone at CHOGM, and everyone in the United Nations framework convention process, that we will not support a loss-and-damage clause.' In fact, at recent negotiations, Australia blocked progress on that clause. This is a shame to our nation and it is time this government started to take our global responsibilities on climate change seriously. We have an ethical and moral problem and we have to face up to it and move to do our fair share.

Question agreed to.

NOTICES

Presentation

Senator Smith to move:
That the Joint Committee of Public Accounts and Audit be authorised to hold private meetings otherwise than in accordance with standing order 33(1), during the sittings of the Senate, as follows:

(a) Monday, 14 July 2014, from 3.30 pm;
(b) Thursday, 17 July 2014, from 10.30 am, followed by a public meeting;
(c) Thursday, 28 August 2014, from 10.30 am, followed by a public meeting; and
(d) Thursday, 4 September 2014, from 10.30 am, followed by a public meeting.

Senator Fawcett to move:

That the Joint Standing Committee on Treaties be authorised to hold a public meeting during the sitting of the Senate on Monday, 14 July 2014, from 11 am to 1 pm.

Senator Brown to move:

That the Joint Standing Committee on the National Capital and External Territories be authorised to hold a private meeting otherwise than in accordance with standing order 33(1), followed by a public meeting, during the sitting of the Senate on Thursday, 17 July 2014.

Senator Hanson-Yong to move:

That the Senate—

(a) requests that the Government:

(i) update the chamber on operations undertaken on the high seas which relate to the two asylum seeker boats intercepted by Australian authorities in the past 2 weeks, and

(ii) disclose the whereabouts of the 153 people, including 37 children, who are believed to have left India over 3 weeks ago by boat; and

(b) calls on the Government to cease the current screening and transfer practices which fall short of Australia’s international protection obligations.

Senator Whish-Wilson to move:

That the Senate—

(a) notes the Japanese Government’s determination to continue its lethal scientific whaling in the Southern Ocean in the name of research;

(b) calls on the Prime Minister (Mr Abbott) to:

(i) raise concerns with the Japanese Prime Minister, Mr Abe, that Japan is moving to apply to reinstate a lethal scientific whaling program in the Southern Ocean Whale Sanctuary, and

(ii) personally invite the Japanese to cooperate with Australian scientists on Australia’s non-lethal scientific whaling program; and

(c) calls on the Government to publicly condemn the consumption of whale meat.

Senator Siewert to move:

That the Senate—

(a) notes that 305 senior scientists and experts have submitted their concerns about the shark cull to the Environment Protection Authority in a Letter of Expert Concern which clearly demonstrates the lack of any scientific basis for the Western Australian shark cull; and

(b) calls on the Federal Government to reject the Western Australian shark cull.

Senator Fifield to move:

That—
(a) the orders of the day for the second reading of the following bills be called on immediately, may be taken together through their remaining stages and have precedence over all government business until determined:

- Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2]
- True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2]
- True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2]
- Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
- Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
- Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
- Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
- Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No. 2];

(b) standing orders 120(3) and 122(1) and (2) not apply to the consideration of the bills listed in paragraph (a); and

(c) immediately after the bills listed in paragraph (a) have been finally determined, the Climate Change Authority (Abolition) Bill 2013 [No. 2] be called on immediately and considered through all stages until determined.

BUSINESS

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (16:01): I move:

That the following general business orders of the day be considered on Thursday, 10 July 2014 under the temporary order relating to the consideration of private senators' bills:

- No. 29 Environment Protection and Biodiversity Conservation Amendment Bill 2014.
- No. 30 Privacy Amendment (Privacy Alerts) Bill 2014.

Question agreed to.

Leave of Absence

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (16:01): by leave—I move:

That leave of absence be granted to Senator Bilyk for 7 and 8 July 2014 for personal reasons.

Question agreed to.

MOTIONS

First Speeches

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (16:02): I seek leave to amend government business notice of motion No. 1.

Leave granted.

Senator FIFIELD: I move the motion as amended:
That consideration of the business before the Senate on the following days be interrupted at approximately 5 pm, but not so as to interrupt a senator speaking, to enable senators to make their first speeches without any question before the chair, as follows:

(a) Wednesday, 9 July 2014—Senator Leyonhjelm;
(b) Tuesday, 15 July 2014—Senator Reynolds;
(c) Wednesday, 16 July 2014—Senators McGrath and Canavan; and
(d) Tuesday, 26 August 2014—Senators Ketter and Bullock.

Question agreed to.

Human Rights: Brunei Darussalam

Senator WHISH-WILSON (Tasmania) (16:03): I ask that general business notice of motion No. 31, standing in my name for today, relating to human rights be taken as a formal motion.

The DEPUTY PRESIDENT (16:03): Is there any objection to this motion being taken as formal.

Senator MOORE (Queensland) (16:03): Mr Deputy President, I take my chance to congratulate you as well. We are denying this particular motion being taken as formal. I believe that information has been provided to Senator Whish-Wilson on our reasons.

The DEPUTY PRESIDENT: If you wish to make a statement, you will need to seek leave.

Senator MOORE: I seek leave to make a short statement on our reasons for denying formality.

Leave granted.

Senator MOORE: I believe Senator Whish-Wilson has been made aware of this. For the sake of the record, I need to state the reasons. It is a standing position that we put on the record several times in the last sitting of the Senate—and we put it on record again. Consistent with the statement made by the Leader of the Opposition in the Senate, Senator Wong, on 25 March 2014, the opposition does not believe that complex and contested matters, including specifically matters that concern foreign affairs and relations, should be dealt with in the summary fashion by this chamber. Serious issues deserve serious consideration—not a vote take in summary form without a word of debate. This motion sought to be moved by Senator Whish-Wilson deals with matters related to serious human rights abuses and the interaction between foreign policy and trade policy. No-one should mistake our decision to deny formality with support for any discrimination under any legal system based on race, gender, religious belief or sexuality.

Suspension of Standing Orders

Senator WHISH-WILSON (Tasmania) (16:04): At the request of Senator Milne and pursuant to contingent notice, I move:

That so much of the standing orders be suspended as would prevent Senator Milne moving a motion relating to the conduct of the business of the Senate, namely a motion to give precedence to general business notice of motion no. 313.

This is about transparency. This is about parliament and parliamentarians making a very clear statement on an issue that is not only important to many Australians; it has gained
international attention. While I understand Labor have a longstanding policy of not discussing these issues, it is my belief that the people out there want to see transparency. They want to see their leaders standing up in a place like this, in parliament, making very clear statements relating to very serious issues. This motion does that today.

I put similar concerns to the Department of Foreign Affairs and Trade at estimates recently relating to the Trans-Pacific Partnership Agreement negotiations and what has been happening in Brunei. While I got acknowledgement from the DFAT officials that they knew this was an issue in the US, it had not crossed their brief at all and they would not comment at all about what was happening in the Trans-Pacific Partnership Agreement trade negotiations.

This is a secret trade deal that is being negotiated behind closed doors by negotiators. We do not know whose interests they are representing and we have no detail. I cannot help but say to the Labor Party that I am disappointed that you have not supported this motion today. I have had a very productive nine months working with Labor to try and expose details of the Trans-Pacific Partnership Agreement, including via an order for the production of documents from the Senate in both a Green-driven motion and a Labor-driven motion for the Korean free trade deal. We are trying to get information, at least a draft transcript, on what is in these negotiations and what is being traded in our name. It is the Greens’ firm belief that trade is good. Trade opens up opportunities, but it needs to be fair trade. We need to use trade as a vehicle to incorporate issues that are important to us—important social, ethical and environmental issues.

I would like to read a letter that was written to the honoured John Kerry in the US House of Representatives from over 100 congressmen in the US.

We write to express our concern over the Government of Brunei Darussalam’s recently adopted penal code, which threatens the human rights of minority groups including women, religious minorities, and lesbian, gay, bisexual, and transgender (LGBT) individuals, and urge you to insist that Brunei address these human rights violations as a condition of the United States participating with them in any further Trans-Pacific Partnership (TPP) trade negotiations.

... ... ...

Brunei's adoption of the revised penal code legalizes violence against its citizens, constituting torture or other cruel, inhumane or degrading treatment.

The most important issue there was:

As Members of Congress, we believe that protecting fundamental human rights is a cornerstone of American values and must always be a priority in our relations, both diplomatic and economic, with foreign countries.

That is exactly what we wrote in our motion, which should have been supported by the chamber here today. It was a very clear statement from US congress men and women that America has a leadership role to play in these negotiations in social, ethical and environmental issues.

Our government is very happy to go overseas to Korea, China and Japan—or, as we will see tomorrow, to have the Prime Minister of Japan come to Australia—and get a lot of headlines around trade deals. But these are not just trade deals; these are bilateral negotiations focusing on bilateral relations. That is not just trade; that is a whole range of factors that bring our countries closer together. With the Japanese Prime Minister's visit tomorrow, I certainly hope that the government will raise Japan's seeming insistence on going back to the Southern
Ocean to hunt whales next summer. This is an issue that concerns most Australians and is something we should be raising with the Japanese at the highest level.

The secret Trans-Pacific Partnership Agreement is no different. We need to use these trade deals as an opportunity to change the way we approach the relationships with our neighbours. We need to come together and incorporate such factors. We need to make sure that the Department of Foreign Affairs and Trade is well aware of the parliament's position on obvious human rights abuses in Brunei for the next time I, Senator Wong or any other senator asks it a question on this matter and takes these factors into consideration in our trade negotiations. We will show leadership in the Asia-Pacific region to make sure that Brunei gets the very clear message that this is not acceptable to us and we will not be doing business with people who violate the human rights of their citizens.

Senator Faulkner (New South Wales) (16:10): I will speak briefly on this motion moved by Senator Whish-Wilson to suspend the standing orders only because there is a new Senate in place since the Senate last canvassed the issue of formality of foreign affairs motions, so there are a number of senators in the chamber who have not had the benefit of debates around the appropriateness of foreign affairs motions being dealt with as formal motions. For the benefit of those senators, I commend a statement I made to the Senate a very long time ago—in fact, on 27 May 1998—as the then Leader of the Opposition in the Senate. This statement arose out of the concerns that the opposition had at the time that treating general business notices of motion on foreign affairs matters as formal notices was an inappropriate and extremely blunt way to deal with very complex and often contentious matters. The then opposition proposed that such matters be declared not formal and any subsequent proposal to amend standing orders not be supported, if such a proposal was moved.

It was never suggested that such matters were not important. The motion standing in the name of Senator Whish-Wilson is on an important matter. I have no problem with that matter being debated at the appropriate time. I am sure the opposition—and I would hope the government and other senators—would have no problem with this important matter being debated in the Senate, but there is an issue with using such a blunt instrument. If a motion is declared formal the only option for senators is to vote for such a motion or against it; no senator in the chamber has the opportunity to debate the motion and no senator in the chamber has an opportunity to move an amendment to the motion. It is an unsatisfactory way to deal with controversial matters, particularly relating to international and foreign policy.

There are motions where there is no controversy and it is proper to deal with them as formal notices of motion. Regardless of the nature of the motion, even though they may be supported by a clear majority in the chamber, we have to be consistent. We should be consistent with the process that we adopt. We should ensure that our procedures are properly used in the chamber. I have commended for a long time the Procedure Committee dealing with this issue so everyone is clear. It is, frankly, not possible to suggest that such a blunt instrument is appropriate to deal with these matters of complexity and controversy. So I commend the statement I made back in 1998 and subsequent statements I have made and Senator Wong has made since then in relation to dealing with these matters, but I stress again: no-one should be under any illusions that this does not mean the matter is important and serious and warrants debate in this chamber. Let us do it in a way that works.
Senator MILNE (Tasmania—Leader of the Australian Greens) (16:15): I wonder if Australians realise that the Australian government—in talking about participating in and signing up to the Trans-Pacific Partnership Agreement—understands that in Brunei, with its new criminal law regime, punishments include limb amputation for theft and stoning to death for adultery or homosexuality. Why would we want to be involved in a trade partnership with a country involved in human rights abuses like that? While I hear what Senator Faulkner is saying about complex foreign affairs matters, the Australian community has been absolutely in the dark about the extent of the negotiations on the Trans-Pacific Partnership and on exactly what is going to be sold out if Australia signs up to it. The sooner we shine a light on what Australia is signing up to, the better.

The Greens have always opposed the Trans-Pacific Partnership. It is a bad agreement. It has less to do with trade and a lot more to do with the geopolitics of the Americans pivoting back into the region; that is what it is about. It is also about big pharmaceuticals coming back to get what they did not get from the Australia-United States Free Trade Agreement.

This is a disaster for Australia in a range of matters, but giving the nod to—or ignoring the extent of—human rights abuses in Brunei is inexcusable. I am glad Senator Whish-Wilson has brought this before the Senate.

Senator LUDLAM (Western Australia) (16:16): I will just make some brief additional comments. I congratulate Senator Whish-Wilson for bringing this forward.

As Senator Whish-Wilson and Senator Milne have identified, going into trade agreements—or investors’ rights agreements, as the TPP should more properly be understood—and pretending that trade issues are entirely separate to environmental or human rights issues is a recipe for utterly amoral foreign and trade policy. That is what the government appears to be plunging us into.

As much as those on the other side of the chamber love to deride the work of the WikiLeaks publishing organisation and its beleaguered publisher and staff, we would know nothing about the progress of the Trans-Pacific Partnership agreement if it were not for whistleblowers from inside the trade agreement posting two of the chapters—the IP and environment draft chapters—on the WikiLeaks website. We would be operating completely in the dark.

Are we seriously proposing that we would put ourselves up to be sued by foreign corporations or foreign investors on unelected international tribunals from industry sectors in countries like Brunei? This agreement needs to come to an immediate halt, and the draft text should be made public by the Australian trade negotiators. We need to know exactly who is pulling the strings—whether, as it appears from the mark-up in the draft IP chapter, we are simply doing as the US trade negotiators are demanding and traipsing along behind them, or whether we can detect even faint traces of an independent foreign and trade policy inside the Trans-Pacific Partnership negotiations. We will not know, and we do not know, because the government is sitting on that text and refuses to make it public. I understand and acknowledge that other governments are doing exactly the same thing; that does not make it all right. We are blinding domestic politics and domestic populations to the consequences of deals that are not being done in our name—deals that are being done in the name of particular industry sectors and then given a kind of veneer of respectability through agreements such as this.
The idea that we would team up and allow elected Australian chambers and parliaments to be dictated to by unelected foreign tribunals, such as one the Trans-Pacific Partnership would set up, is unthinkable. These negotiations were started under the ALP, although they did, at least, have the grace to support our motion—which, I think, was introduced in joint names—to make the text of that document public. But how the Liberal and National coalition, which voted against that motion, can sleep at night is absolutely beyond me.

I am very interested to hear Senator Cory Bernardi's view on this. He is the one who is obsessed about creeping sharia law coming into Australia and wants all sorts of things done domestically as a result, but he does not seem to mind hopping into bed with a country that would be bringing—

_Senator Wright interjecting—_

_Senator LUDLAM:_ That is right, Senator Wright: as long as it is about other people. But you do not legitimise a country that appears to be bringing that about for its own domestic population; you do not legitimise obscenities like that by signing up to trade agreements, or investors' rights agreements, with them.

We can no longer pretend that trade agreements, or investors' rights agreements, are divorced from their human consequences. That is what the TPP effectively does. That is what this amoral foreign policy and trade policy does—it delinks trade and investors' rights agreements from their environmental, human and community consequences. On the day the Australian government is sued by foreign tobacco multinationals, the gas fracking industry, the atomic energy industry or forestry corporations from overseas for daring to pass laws to protect environmental values or public health and safety, it is going to be absolutely no pleasure whatsoever to stand up here and say, 'We told you so.'

The time for disclosure and transparency on this agreement is now. If you are not seeing the red flag put up about the kinds of countries we are proposing to get into bed with as a result of the motion Senator Whish-Wilson has brought forward today, then I have no idea what it would actually take.

With regard to Senator Faulkner's brief comments, I do not understand the distinction the Labor Party has started to draw between complex foreign policy matters and complex domestic policy matters. I do not understand it at all. We still bring motions forward in here that have life or death consequences for—

_Senator Faulkner interjecting—_

_Senator LUDLAM:_ I will go back to the original speech, Senator Faulkner. I suspect it will be worth the read. Nonetheless, we deal with complex and sensitive—

_Senator Faulkner:_ That's very generous of you!

_Senator LUDLAM:_ I am only half joking, Senator Faulkner. I suspect it is quite a valuable contribution.

_Senator Faulkner:_ I have heard similar things said of you.

_The DEPUTY PRESIDENT:_ Order!

_Senator LUDLAM:_ Thank you for calling the chamber to order, Mr Deputy President. I am in need of your protection from Senator Faulkner. We do deal with complex and sensitive matters—
The DEPUTY PRESIDENT: Unfortunately you cannot get any further protection from me because your time has expired. The question is that the motion moved by Senator Whish-Wilson to suspend standing orders be agreed to.

The Senate divided. [16:26]

(The Deputy President—Senator Marshall)

Ayes ...................... 10
Noes ...................... 47
Majority ................ 37

AYES

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

Hanson-Young, SC
Milne, C
Rice, J
Waters, LJ
Wright, PL

NOES

Back, CJ
Birmingham, SJ
Bullock, J.W.
Cameron, DN
Colbeck, R
Dastyari, S
Edwards, S
Fawcett, DJ
Gallacher, AM
Ketter, CR
Lazarus, GP
Lines, S
Lundy, KA
McEwen, A
McKenzie, B
Moore, CM
Nash, F
O'Sullivan, B
Polley, H
Ruston, A
Seselja, Z
Smith, D
Urquhart, AE (teller)
Williams, JR

Bernardi, C
Brown, CL
Bushby, DC
Collins, JMA
Day, R.J.
Faulkner, J
Fifield, MP
Heffernan, W
Lambie, J
Leyonhjelm, DE
Ludwig, JW
Macdonald, ID
McGrath, J
McLucas, J
Muir, R
O’Neill, DM
Peris, N
Reynolds, L
Ryan, SM
Sinodinos, A
Sterle, G
Wang, Z

Question negatived.

MATTERS OF URGENCY

Commonwealth Cleaning Services

The DEPUTY PRESIDENT (16:30): I inform the Senate that the President has received the following letter, dated Monday, 7 July 2014, from Senator Moore:

That, in the opinion of the Senate, the following is a matter of urgency:
The actions of the Minister for Employment in making the Commonwealth Cleaning Services Guidelines Repeal Instrument 2014 which repeal the Commonwealth Cleaning Services Guidelines 2012 and slash the wages of cleaners covered by Commonwealth contracts."

Is the proposal supported?

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

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

**Senator LINES** (Western Australia) (16:30): Thank you, Mr Deputy President, and congratulations on your appointment today. I move:

That, in the opinion of the Senate, the following is a matter of urgency:

The actions of the Minister for Employment in making the Commonwealth Cleaning Services Guidelines Repeal Instrument 2014 which repeal the Commonwealth Cleaning Services Guidelines 2012 and slash the wages of cleaners covered by Commonwealth contracts.

**Senator LINES:** I rise to speak about the plight of cleaners and the actual impact on cleaners of the guidelines that Senator Abetz refuses to take responsibility for in this place. In question time today Senator Abetz tried to put the responsibility for cutting cleaners wages by $5 an hour onto the Fair Work Commission. But the truth is Senator Abetz himself has cut the wages of cleaners. There is no way of getting around that; it is not Fair Work, it is not anyone else—it is Senator Abetz who has made the decision to cut the wages of cleaners, and he has done that very early on as the Minister for Employment. In fact, really, he is the 'minister for unemployment' for cutting the wages of cleaners in such a harsh and cruel way.

Senator Abetz has made this decision, saying it is something about red tape. There is no red tape involved in cutting cleaners' wages by $5 an hour. Clearly the minister does not understand what was put in place by Labor. The minister said on the *Insiders* that he wants a level playing field. That is exactly what Labor put in place—a level playing field. Labor said, if you are a contractor—and in this case a contractor cleaning company bidding for Commonwealth work—then there is a rate of pay that needs to be paid, there are a set of conditions that need to be adhered to, and there is a work rate which has been thoroughly investigated and set. What that did was ensure that cleaners, who might work in the same building for 30 years but have five or six different employers, did not go from contract to contract facing this uncertainty. What was happening before Labor put in place the level playing field was that, at contract change, cleaners did not know even if they had a job. So every time a contract changed—every couple of years—cleaners faced the prospect of having no employment and of finding themselves on the scrap heap of unemployment. Labor fixed that through the guidelines.

The second thing Labor did was take their wages out of competition, because one of the other things that contractors used to be able to compete around was whether they paid the award for cleaners, which is around $18 an hour, or whether there was an enterprise agreement in place. Labor said, 'No, if we are going to have an even playing field, then cleaners deserve to have the same hourly rate—not to have their wages go up or down or indeed be out of work every time somebody else, not the cleaners but a government bureaucrat, makes a decision to change a contract.'
Labor also put in place a fair work rate because, when cleaners were kept on by the contractor, they would be told suddenly that their cleaning area had doubled. Obviously that is not fair. Labor amended all of that and put into place a set of guidelines that said, 'If you are contracting for government work in government buildings there is a certain standard.' Minister Abetz has come along and just slashed that. There is no red tape about this. This is ideological hatred of workers in this country. He demonstrates it day after day in this chamber. Standing here today in response to questions put to him on behalf of Labor, asking him why he did that, he tried to shift the blame to the Fair Work Commission.

The Archbishop of Canberra and Goulburn is so concerned about this that yesterday he raised this in the media. In fact, he has called cleaners 'the new battlers'. Senator Abetz rubbed him as well and said that he did not know the full story. Well, the test is coming, Senator Abetz, because on 1 October the Garrison Support contract will change. Those cleaners currently have their rate of pay, their right to continue to work, their conditions of employment and their workload set by Labor under Labor's standards under those guidelines. Those guidelines were slashed and burned by Senator Abetz a couple of weeks ago. So Senator Abetz said to those 50-odd cleaners at Garrison Support: 'I don't care about you. I'm going to hide behind the Fair Work Commission and red tape and I'm going to slash your pay.' That is the detail underpinning that quick signature that Senator Abetz sneakily put on a piece of paper a couple of weeks ago. He has absolutely directly—no-one else is responsible for this but Senator Abetz—threatened the ongoing employment of those cleaners at Garrison Support.

So that is their first issue. Do they have a job on 2 October? If they have a job, will they have lost more than $100 a week in pay? The new contractor coming in under Senator Abetz's new guideline can just take their current pay and drop them back to the award, no questions asked—'If you want the job, this is the rate you sign for.' We have all been there before in the old Work Choices days. Senator Abetz has threatened their employment. If they are given a job, they could be asked to sign at the lower rate. In addition to that, they could have their hours cut, their conditions cut or their workload increased. For those cleaners at Garrison Support what the minister has done has absolutely guaranteed they have no certainty about the future.

And good on the Archbishop for Canberra and Goulburn for speaking out, because it is not okay to take $170-odd away from cleaners who work full time. They have bills to pay. They have families to feed. All of those 50-odd cleaners at Garrison Support are facing that real threat on 2 October.

The other person I would like to talk about is Chris Wagland, a long-term cleaner in government contracts. She has worked in a Defence building for about 30 years. She lost her job previously under John Howard and his harsh Work Choices laws. Chris, despite fronting up to work every day in the Commonwealth building and doing a great job raising a family with boys in high school and so on, refused to sign an Australian workplace agreement and—guess what—was sacked. Chris is back there now; but, again, once her contract comes up, she is facing uncertainty. Will she lose her job? Will her hourly rate be cut? What will happen to her workload? In the 30 years that Chris Wagland has worked at that Defence contract building she has had five or six different employers. It is the same building, same cleaning
and same staff she probably interacts with every day of the week, and yet on five occasions her job has been threatened, her livelihood has been threatened and she has also been sacked.

So Chris was one of the cleaners who was very excited when Labor signed these Fair Work principles, and what she is now seeing is same old, same old under this Abbott government. This is a Prime Minister who also on Fairfax radio promised no worker would be worse off under the government led by Mr Tony Abbott. Guess what? Here we have 50 low-paid cleaners—and, when you walk into a government building, they will be the lowest paid people there. Two weeks ago Senator Abetz sneakily—he did not tell anyone or signal he was going to do it—cut their rate of pay. There is no getting around this. There is no trying to blame Fair Work. The blame for this rests fairly and squarely with Senator Abetz. Those 50 cleaners at Garrison Support on 2 October will not know whether they have a job, what their hours of work will be, what their rate of pay will be or what their work rate will be, and that responsibility rests fairly and squarely with the ‘minister for unemployment’. That is what he is really doing. Responsibility for their welfare and their future rests with Senator Abetz.

Senator FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (16:41): I start by disabusing those listening: no-one has had a pay cut. This is a dishonest campaign being run by the ALP.

Senator Wong: It’s a future pay cut, so that makes it all okay! Tell the truth for a change, Connie.

Senator FIERRAVANTI-WELLS: True to form, Senator Lines, Senator Wong and all of you across there never let the facts get in the way of a false and misleading scare campaign that the ALP is running in this instance. So let me tell the Senate and remind those opposite of the facts.

These are the facts. As part of repeal day the coalition government revoked the Fair Work principles and the associated Commonwealth Cleaning Services Guidelines with effect from 1 July 2014—

Senator Lines: And cut cleaners’ pay. That’s what you did.

Senator FIERRAVANTI-WELLS: Senator Lines, if instead of trouting on you just sat there and listened, you might learn something.

The ACTING DEPUTY PRESIDENT (Senator Sterle): Order! Senator Fierravanti-Wells, direct your comments through the chair, please.

Senator FIERRAVANTI-WELLS: Every day, we are working to implement our economic action plan. That Australia is open for business is a key part of that economic action strategy. We are determined on this matter, and that is why we are cutting the regulatory burden. It is why on the first red tape repeal day we scrapped 10,500 unnecessary regulations and laws, saving $700 million a year. It is why we have taken the action we have in revoking the Commonwealth Cleaning Services Guidelines.

The former government created the Fair Work principles for cleaning service providers, which make them subject to additional workplace relations rules that are outside the mainstream workplace relations and procurement framework. These were created as a concession to United Voice—your former union, Senator Lines. United Voice, of course, is a trade union and an amalgam of the Federated Miscellaneous Workers’ Union. While the principles were initially brought in by an earlier minister, Bill Shorten as workplace relations
These ad hoc arrangements created by Labor create confusing and cumbersome red tape for suppliers. There is no reason to create different rules for businesses that want to supply the government. Workplace relations laws, the modern award system and the Fair Work Ombudsman—the government regulator—already provide strong safeguards. There is no reason to have different rules just because a cleaner is working in a certain type of government office in a specific location. As I have said, workplace relations laws, the modern award system and the Fair Work Ombudsman already provide strong safeguards for all cleaners, no matter where they work.

These guidelines were not about pay. They were about a leg-up to the union. We know this, because the guidelines were all about giving the unions access to the cleaning-room floors. The guidelines required employees to be provided with information by union officials about joining a union, contained a requirement that union delegates attend all staff inductions, and scheduled employee meetings with union officials.

The Cleaning Services Guidelines only applied to cleaners in some government buildings in some parts of capital cities. There is no immediate pay cut. Existing employment contracts continue to apply. Suppliers to government will continue to be required to certify that they comply with all the laws and policies of the Commonwealth, including the Fair Work Act. The guidelines do not impact on all the industry, as has been suggested.

As Senator Abetz has highlighted, there is unfairness in the current system, which was put in place by the former Labor government. How is it fair that cleaners who clean the Comcare building in Canberra are to be paid more than cleaners who clean the Comcare offices anywhere else in Australia? I understand that it does not stop there. In my own state of New South Wales, cleaners of Commonwealth offices in Penrith are paid a different rate than the cleaners in Parramatta. This is not fair and it is not reasonable. Nobody in the Labor Party can explain why the same class of worker is treated differently. This government has said quite clearly that there should be a level playing field.

Let me give another example. The guidelines create benefits for one subset of cleaners—those who happen to work in a building where the government is the contractor, in certain parts of capital cities—Chatswood, but not Campbelltown; Parramatta, but not Penrith. How is this fair? How is this equitable? Cleaners currently working in government offices will not be subject to a pay cut, and claims to the contrary are wrong. The terms and conditions of current employment contracts continue to apply by law until those contracts expire or are renegotiated, whether those contracts are enterprise agreements or other contracts for above-award rates of pay. Beyond that time, employers and employees have the flexibility to negotiate above-award pay rates in the future, should they so wish.

The present guidelines create inequitable benefits and obligations. A cleaner in the same building and in the same location, but occupied by the private sector, would have different rates and conditions. The general provisions of the fair work principles, which, for example, require a declaration of compliance with the Fair Work Act 2009 add no value. Government procurement policies and processes already require decision makers to ensure tenderers comply with the laws and policies of the Commonwealth.

The Fair Work Ombudsman is the correct regulator to ensure all workers receive their correct legal entitlements. The Fair Work Ombudsman will further increase its education and compliance activity in relation to the cleaning services. The guidelines did not impact on all
of the cleaning services industry, as may have been suggested. The guidelines created benefits for one subset of cleaners: those who happened to work in a building where the government is the contractor, in certain parts of capital cities. There were only ever around 25 cleaning contracts that were subject to the guidelines, representing a tiny proportion of the total industry and a very small proportion of total government cleaning contracts.

Prior to the introduction of the guidelines there were at least 65 contracts with government agencies that included the higher rates of pay and other conditions. Agencies continue to have that flexibility, and to consider a range of quality as well as price factors when awarding tenders. That is as it should be. We want to give business a leg-up, have less red tape in the way of doing business, and less intrusion into how they operate businesses. In that way we help business help Australia to build a strong and prosperous economy, to create more jobs and more growth for the betterment of all Australians—all Australians, not just the favoured few protected by the unions, like United Voice, that enjoyed the patronage of the previous government.

I reiterate that this is a dishonest campaign that is being run by the Labor Party. The facts should prevail, and not the scare campaign.

 Senator WRIGHT (South Australia) (16:49): Dishonesty is clearly in the eye of the beholder, it seems to me. It is hard to know who the Abbott government holds in more contempt—this parliament or the cleaners who clean it. No doubt the true answer is that the Prime Minister and the Minister for Employment, Senator Eric Abetz, hold them in equal contempt. How the Prime Minister and Senator Abetz have treated cleaners and the Senate has been widely described as shoddy, secretive, dishonest, sneaky, low and underhanded. In fact, it seems to me these descriptions perfectly apply to what we are seeing of the Abbott government as a whole when it comes to the budget and to the information available about asylum seekers. Now it is increasingly evident that this is how they are treating the Australian public and how they have treated the Senate in relation to this cleaning issue.

First the Prime Minister promised not to cut the pay of cleaners. Then, breaking his word, he and Senator Abetz sneaked through these changes, buried in the 9,500 regulations to go under Prime Minister Tony Abbott’s so-called ‘red tape repeal day’, on Wednesday. Buried in more than 50,000 pages of regulations and acts of parliament to be scrapped was the revelation that from 1 July the government would abolish the Commonwealth Cleaning Services Guidelines for cleaners employed on government contracts.

In the last sitting period the Senate rightly voted to protect the Commonwealth Cleaning Services Guidelines, which ensure fair pay and working conditions for cleaners working in Commonwealth buildings. However, in another low point for this government, Senator Abetz secretly moved to abolish the guidelines and rip away more than 20 per cent of the cleaners' wages by reducing their minimum wage from $22.02 per hour to $17.49 per hour, which can amount to $172 per week.

This appears to be a deliberate attempt by Senator Abetz to subvert the parliamentary process. While the parliament was debating this matter, the government was secretly subverting it. Secrecy and subversion is becoming a hallmark of this government, and so is rank dishonesty. The Prime Minister, Tony Abbott, told parliament on 16 June:

I want to make it absolutely crystal clear that no cleaner's pay is reduced.
But, as he and Senator Abetz know full well, that is not the case. These cleaners, some of the country's lowest paid workers, could lose almost a quarter of their weekly wages under these changes quietly introduced by the Abbott government. Thousands of workers will be hit by the changes, which will strip between $172 and $225 a week from the pockets of full-time contract cleaners who clean government buildings.

The guidelines are a form of collective bargaining that lift the wages of workers working for businesses that win government cleaning contracts by between $4.53 and $5.93 an hour above the minimum wage—and the minimum wage is very minimum. This brings their weekly wage from $664 to $836 for a 38-hour week for level-1 workers and from $724 to $950 a week for level-3 workers. These are not princely sums of money—with the wages we earn in this place we are very aware of that—and there can be no rationale for reducing them further. The Greens believe in fair work, we believe in a fair country and we believe in looking after those people who are on low incomes. Unlike this government, we do not believe in taking from the 'have-nots' and giving to the 'haves'.

The Commonwealth Cleaning Services Guidelines were established to ensure that the cleaners of government buildings are protected and receive fair pay and working conditions. This was because of the woeful and well-documented history of underpayment, exploitation and unsafe work practices in the cleaning industry. A 2010 Fair Work Ombudsman's audit of cleaning contractors found that 40 per cent of audited businesses did not comply with workplace laws and it recovered almost $500,000 for 934 underpaid workers. But, with those changes being scrapped, cleaners working on government jobs could again be reduced to being paid at the lowly award rate, thus reducing their already low pay of $836 for a 38-hour week to $664. Well, now, what do you know? Senator Abetz is dialling back the clock to reintroduce these conditions for some of the lowest paid people in Australia. In his perverse universe it is those who are already better off who are entitled to extra benefits, tax breaks and advantages, not those who are some of the lowest paid in the country.

All this is at a time when income and wealth inequality is growing globally and in Australia. The ABS statistics for 2011-12 reveal that the wealthiest 20 per cent of Australian households had a net worth that was 68 times as high as that of the least wealthy 20 per cent, yet we have a government that is intent on reducing those low-paid workers' wages even more.

The Prime Minister knows very well that the removal of the guidelines from 1 July this year will leave cleaners vulnerable to pay cuts when current cleaning contracts expire and government agencies go out to tender. So, in reality, the Prime Minister and Senator Abetz know very well that, despite the Prime Minister's assurance, the government will run open tenders for future cleaning service contracts, with absolutely no specification for above-award wages. It says a lot about the Abbott government that it is moving to cut the already low pay of the very cleaners who are cleaning the offices of the Prime Minister and Senator Abetz. We in this place know the work the cleaners do. We know they are the people we greet as we come in to work at the break of day. We know the value they provide in keeping our offices clean. This is yet another broken promise to add to the Prime Minister's growing list of untruths. The Prime Minister has deceived cleaners and he has deceived the public yet again.

The Commonwealth Cleaning Services Guidelines prescribed minimum hourly base rates of pay. They prevented Australian government agencies from accepting any new tender for
cleaning services unless the tenderer agreed to comply with the guidelines, including paying employees no less than the prescribed above-award wage rates. The Greens believe that the removal of the guidelines will encourage future tenderers to bid at only the award rate in order to secure the cleaning contract. This means a return to what always happens to exposed and low-paid workers: cheap is good. It will mean those on the lowest salaries will be exploited.

It is typical of the Abbott government—which only thinks in terms of, 'Is this good for the one per cent?—that, in trying to justify his sneaky repealing of this regulation, he reportedly said that it was costing suppliers $5 million a year. That additional cost put food on the table for some of the lowest paid people in the country. Senator Abetz calls that red tape. The cleaners and their families know that this helps them to make ends meet and makes the difference between living above the poverty line or falling below it. Just like the rest of the Abbott budget, these impending wage cuts will make life harder for the 'have-nots', while the Abbott government are helping make life much easier and better for the 'haves', their one per cent barrackers.

The workers at Parliament House now face the likelihood of a pay cut when the contract is up for renewal. I understand that, at a rally of the hard-pressed cleaners outside parliament to protest these cuts, the United Voice union rightly named the Prime Minister as the winner of its 2014 'golden toilet brush award', which recognises 'the individual, company or organisation that has done least in the past year to give cleaners a fair go'. Not a very meritorious award to win, I would have thought.

The Greens condemn the repealing of the Commonwealth Cleaning Services Guidelines 2012. The Greens condemn the way that these guidelines were repealed, which was low, dishonest and undemocratic. And the Greens condemn the Minister for Employment, Senator Eric Abetz, for doing both, because he was responsible for repealing these guidelines and he was responsible for the way they were repealed. The Greens stand with our cleaners and we will fight for fair pay for those on low incomes. Unlike the Abbott government, who look after their mates, the Greens stand for the 99 per cent in Australia.

Senator CAMERON (New South Wales) (16:59): I am absolutely appalled that we have to have a debate in this place about the exploitation of cleaners, some of the poorest workers in this country. They are some of the workers that do some of the dirtiest jobs around this place. They are the workers who keep this place looking fantastic for senators and members as they go about their business. They keep the toilets clean for the public, they keep the toilets clean for the senators, they keep the toilets clean for the Prime Minister and even for Minister Abetz, who is about cutting their wages and conditions.

I listened to Senator Fierravanti-Wells when she was giving her lame excuse for why some of the lowest-paid workers in this country should have their wages cut. She did say that at this moment no-one will have their wages cut. But I have been around industrial relations for many years in this country—27 years a full-time union official—and I know a bit of a con job when I hear it. And we had the con job of all con jobs from the coalition when they stood up here and said, 'No-one will lose out of what we are seeking to do. We are simply trying to remove red tape.'

The coalition's red tape is food on the table for cleaners and their families. The coalition's red tape will simply open up those cleaners to exploitation in the future. We know that because this is simply about opening up those cleaners to exploitation in government
establishments, where contractors will come in, try to undercut the rates, try to get the job at the lowest possible rate. Cleaners with any decent rates of pay and conditions at the moment, will have, at the next moment, when they sit down to negotiate their agreement, have their bosses say, ‘There is no floor under what we can pay you now; there are no conditions in place. We must cut your wages to remain competitive.’

I have seen it before, and the argument from Senator Fierravanti-Wells that this is about opening Australia up for business is code for opening cleaners up to exploitation. Why should workers on $17 an hour be the workers who are attacked in this parliament? We have seen all these unfair budget positions, where pensioners are getting belted up, where students are getting belted up and where schools and education are losing funding. We have seen all of these unfair government positions, but this has to rank as one of the most unfair positions I have ever seen.

Senator Fierravanti-Wells said that this was outside mainstream industrial relations. Well, I have news for Senator Fierravanti-Wells: for a major employer to say that he, she or that organisation wants a decent underpinning of wages and conditions for contractors who bring workers onto their site is nothing new—absolutely nothing new! There are many workers in weak bargaining positions and there are many workers who do not have the muscle, or the skill or the ability to get a decent rate of pay and conditions. But why should the cleaners in government establishments be amongst the lowest-paid workers in the country when most other workers in here are amongst the highest paid? Why should we create more differentiation between the high-paid people like me and the lowest-paid people, who come in here and clean up after we make the mess? Why should that happen? I just think it is absolutely outrageous—absolutely outrageous! And to run the argument that you cannot do this because it is really a front for the union to sign workers up is probably the worst argument you could put forward.

These are the workers who need union organisation; these are the workers who need support. These are the workers who need to act collectively because they are the workers with the least industrial muscle. It is okay for us, arriving in the big, white Comcar every day, getting chauffeur-driven up here. We get out of the Comcar, we waltz in, we do whatever we like in the office and it is clean the next day. It is cleaned up the next day, and who does that? It is the cleaners. And this government wants them to do that on 17 bucks an hour. I do not think that is fair and I do not think that is reasonable. Senator Fierravanti-Wells, again, used that baseline proposition that the coalition are using for everything, that we have to be economically responsible. Well, sure, you have to be economically responsible but not at the expense of the poorest, most exposed and weakest workers in the country—the cleaners in government establishments.

The government is entitled to put a floor under those payments. The government is entitled to say that cleaners need to be treated with some respect and that cleaners do an important job. If you simply leave it to the market and you let contractors bid against each other as to who can screw their workers to the lowest common denominator, then the wages and conditions of cleaners in government establishments will be amongst the poorest in the country. When you have advisers for the government amongst the highest-paid advisers in the country, when you have frontbenchers and Liberal politicians amongst the highest-paid people in the country and when you have me and Labor people highly paid for the work we do, how can you justify
taking away from the lowest-paid workers in the government establishments? There should be a clear and unequivocal position that anyone who works in government is entitled to some respect, some dignity and decent wages and decent conditions, because without decent wages and decent conditions there will be no respect and there will be no dignity.

I challenge any of the coalition members to survive on $17 an hour for two, three or four months—never mind your whole life, like some cleaners have to do! What is being proposed here is absolutely outrageous and is simply a clear message that WorkChoices is on its way back, because that is what this government is about. Many of the same senators who are voting to take away the rights of cleaners are the same senators who voted under John Howard to take away decent rights for workers in this country, to take away their penalty rates, to take away their annual leave loading, to take away all the conditions that they had. The workers were the ones who were left worse off. Those senators do not care about the low pay.

Government senators only want to look after their mates who are putting money into their election funds, these big, secret funds—the Free Enterprise Foundation and Eight By Five—that are set up by the coalition to finance their election campaigns. The slush funds that the coalition have are funded by some of these cleaning contractors that are going out there and screwing workers to the ground so they can make a profit to put money in the pockets of the coalition for the next election campaign.

This is just unacceptable. It is no wonder the archbishop of Canberra has come out and said that this is unacceptable. There is no economic crisis in this country. There were three AAA ratings in this country when the government took office. There is no crisis economically and there is no crisis that would mean that you treat workers like disposable pieces of paper and that you should not give them decent rates of pay, decent rights and some dignity. Twenty-odd bucks an hour is not a lot of money to look after the toilets of the senators across the other side of the chamber.

Senator McKenzie (Victoria) (17:09): Thank you for that instructive effort at class warfare, Senator Cameron. You stand in this place and attack this side of the chamber and the government as if we do not care about low-paid workers. You care more about the spin and the rhetoric, about union memberships and your own slush fund, Senator Cameron, than actually looking at and creating the reform agenda that this nation needs to ensure that our businesses can actually—

Senator Polley: Mr Acting Deputy President, I rise on a point of order. I ask that the senator retract those comments defaming the senator on this side. She knows very well what she said. I ask you to ask her to withdraw.

The ACTING DEPUTY PRESIDENT (Senator Bernardi): I was not aware that Senator McKenzie said—

Senator Polley: Well, calling, referring—

The ACTING DEPUTY PRESIDENT: Just a moment, Senator, you have asked me to make a ruling on words that I have not picked up and that you are refusing to repeat. If you care to—
Senator Polley: I am quite happy to repeat them. She accused the good senator of having a slush fund. I ask her to withdraw that.

Senator Birmingham: On the point of order, Mr Acting Deputy President, the words I heard were the words: 'and your own slush funds, Senator Cameron,' a reference that I took generically to be the Labor Party in general. Indeed, the use of slush funds by unions is being well documented in the media at present—unions that, of course, were run by many of those opposite over the years.

Senator Cameron: On the point of order, I am inclined to raise this point of order on exactly the position that Senator Birmingham's has just raised. The issue of slush funds is an issue that the coalition have lost a frontbencher over, in the last period of time.

The ACTING DEPUTY PRESIDENT: That is no point of order; that is a debating point.

Senator Cameron: The issue of slush funds is something that the coalition have—

The ACTING DEPUTY PRESIDENT: Senator Cameron, resume your seat. That is a debating point. I am inclined to go with the interpretation of Senator Birmingham that there was a generic reference.

Senator McKenzie: Thank you, very much, Mr Acting Deputy President. This government is about ensuring a reform agenda that allows businesses in Canberra and businesses right around our nation, indeed in regional Australia, to be unshackled to increase their productivity. Senator Cameron is quite happy to quote certain economists. I would like to refer the Senate to Chris Richardson from Deloitte Access Economics and Ross Garnaut who both made comments over the weekend about our lack of productivity and how that has the potential to almost halve the growth in our living standards in this nation. So the government is very, very seriously addressing this issue about increasing the productivity of our businesses. The repeal of red tape is a cornerstone of our approach to ensuring that businesses can hire more Australians so that more Australians can get off welfare and into a job and start providing for their families and contributing. It is not an argument about minimum wages; it is about reducing the regulatory burden to Australian businesses.

On our repeal day we did revoke the Fair Work principles and the associated Commonwealth Cleaning Service Guidelines with effect from 1 July 2014. Repeal day was a good day, and I am disappointed that those opposite are not celebrating the fact that we are unshackling businesses in this nation to ensure that they can hire more workers. The best form of welfare is a job, not just for the money it immediately puts into the back pocket of the workers but also for the example it provides for children and the whole family more generally. Repeal day is an important part of the government's deregulation agenda under which we are seeking to cut $1 billion worth of red and green tape each year. We have designated two parliamentary sitting days as repeal days.

Before I go into the benefits of getting rid of red tape to ensure that businesses, including cleaning contractors, can employ more, let us look at the Fair Work principles that were repealed. They were created by the former government to make cleaning service providers subject to additional workplace relations rules that were outside the mainstream workplace relations and procurement framework. They were created, in a sense, as a concession to United Voice. On so many occasions in this chamber in the recent past we have been
subjected to the tussle between the Greens and the left wing of the Labor Party for the hearts and minds of United Voice members.

We remember only too well the other concessions they were given to United Voice, including the $300 million for the Early Years Quality Fund for childcare workers. Who can forget that fabulous arrangement? It was spruiked out there by the then minister as a fund that was going to address the low income and low wages of the child-care workers throughout our nation. But so important were these workers—and the work that they do for families and in educating young people right throughout the nation—to the ALP, that they only set aside enough money for 30 per cent of those lowly paid child-care workers. Only 30 per cent of them could actually access that fund.

I notice that those on the other side of the chamber are quite quiet on that front. They are very happy to go out and grab the first day's headlines on the Early Years Quality Fund but not so happy to actually mop up the mess afterwards. Expectations were raised right throughout the sector with parents and, often, with young women, who were sold a pup. They were sold a pup that this fund was actually going to increase their wages. No-one told them that their membership pact with United Voice—their signing-up as part of their wage increase—was a farce. Only 30 per cent of those in long-day-care centres were ever going to be able to access that wage increase. If they want to come in and peddle the stories about broken dreams and promises, I think that those on the opposite side have more than enough game in this area.

It should come as no surprise that the sop to United Voice—I have spoken briefly about that particular slush fund and the ad hoc arrangements—were undone as part of our repeal day measures, which removed the confusing and cumbersome red tape that suppliers of cleaning contracts were subject to. As we know, the Fair Work Ombudsman already provides significant safeguards in the workplace. There is no reason to have different rules just because a cleaner is working in one government office in a specific location. We have a range of mechanisms in place that already provide strong safeguards. It is not fair that different rules should apply for those who are cleaning offices within a government office as opposed to a bank or private enterprise.

These guidelines were not about pay. As I said earlier, they were about a leg-up for United Voice. The guidelines required that employees be provided with information, by union officials, about joining a union—a free kick, there. The guidelines also had a requirement that union delegates be able to attend all staff inductions—another free kick. And finally, there was the scheduling of employee meetings with union officials. So that is three free kicks to United Voice. I hope it paid off for somebody's pre-selection—that is all I can say.

Senator O'Neill: That's so cynical, Senator.

Senator McKenzie: Oh, but so true, Senator O'Neill—so true!

The Acting Deputy President: Order! Ignore the interjections.

Opposition senators interjecting—

Senator McKenzie: I am happy to have that conversation with Senator Lines any time.

The Acting Deputy President: Senator McKenzie, ignore the interjections and address your comments to the chair.
Senator McKENZIE: My apologies, Mr Acting Deputy President. As always, we do not want to let the truth get in the way of a good smear campaign. I think Labor, particularly, has some really great form in this area. They twist the truth. I would like to draw the chamber's attention to another area where the ALP has been out and about—indeed it may even be the same minister as previously, now the shadow minister Kate Ellis. We have seen the ABC's Fact Check on school funding. The smear campaign that the ALP has been conducting about this particular aspect of policy, right throughout the nation, is erroneous. I would like to point Senator O'Neill particularly to check out the ABC Fact Check of Wednesday, 2 July 2014. It is free to a good home. There is some good reading in there. I think she will appreciate being availed of the facts of the smear campaign that the ALP has been conducting on behalf of the AEU over a number of months.

But I have digressed significantly from my outlining of the importance of removing regulatory burden for Australian businesses so they can get on with the business of hiring more Australians and addressing the productivity—the almost bankruptcy—of this country. Why is a deregulation agenda important? It is important because, in the five years from mid-2007, Australia's multifactor productivity declined by nearly three per cent. As I mentioned earlier, Chris Richardson and Ross Garnaut have already made reference to the importance of addressing the productivity issues throughout our economy.

The Productivity Commission has estimated that regulation compliance costs could amount to as much as four per cent of Australia's GDP. We heard so often through the carbon tax debates over the past few years, 'Oh, it is only one per cent', but add all that up and it is people's jobs on the line. To those opposite who deal in vagaries and ideologies, and who do not actually understand the real impact of one per cent on a business's bottom line, it means that it is fewer people that they can employ. At the end of the day, the difference between those on this side of the chamber and those on the other side of the chamber in our views on how best to address the challenges for our nation is that those on this side of the chamber will ensure that we have an economic system that ensures our egalitarian principles—and the principles of equity and fairness that have underpinned this nation for over 100 years—continue, because we will have a sustainable economic position on which to base those policy decisions, unlike the recklessness of those opposite.

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Senator Polley interjecting—

Senator McKENZIE: Senator Polley, go for it. I am happy to entertain, at any time!

Senator O'Neill (New South Wales) (17:21): We have just had a senator extolling the virtues of this incredible victory that she is claiming. I want to put on the record the words of James Campbell who, in describing this victory, from the point of view of those in government, said:

The consequences of his victory for the people who clean Commonwealth offices is that from now on instead of having to pay them $22.02 an hour, their bosses will only have to pay them the award of $17.49.

The reality is that it is going to make one awfully big difference to the people that we see cleaning this building.

I am sure that the people sitting up in the gallery today—if it is their first time to come to the parliament—would understand the symbolic power of this place. There are many people who come here and expect this place to be in great shape. And our cleaners do that. They do
an amazing job. In all the places I have worked—including in schools, where the symbolic power of having a clean place for people to work in is important as well—it matters that we have people who do the very important work of cleaning and that we pay them a fair and decent wage.

We believe that we do important work in this place, and the cleaners who work here are proud to work here. It is my pleasure when arriving at parliament—often early in the morning—to see the cleaners out at the front gallery, the marble hall, cleaning it and preparing it for people to come and visit this great place, our parliament. They deserve a fair wage for the work they do.

We think we are doing important work in this place, but it may not always be of interest to the media or public. One of the important things being discussed here today relates to 'repeal day'. It was the government's position on repeal day to try to make cutting red tape much more interesting than it really is. They say there are 8,000 unnecessary regulations. This is the work of government. Normal governments get on and do that kind of careful cleaning up of regulations. We got rid of about 16,000 of them while we were in government, last time, but we did not create a media circus. We did not create a day of stunts. We got on with the important job of repealing things that needed to go. But Tony Abbott's repeal day—

The ACTING DEPUTY PRESIDENT: Senator O'Neill, I would ask you to refer to the Prime Minister by his appropriate title.

Senator O'Neill: Sorry, the Prime Minister's repeal day hurt many more people than it helped. We are seeing the consequences of it in this matter of public importance being discussed this afternoon. Included in the 10,000 proposed regulations to be removed by the Liberal government is one in the Australian Jobs Act that requires firms to source local goods and services for major construction projects. Another is in the Therapeutic Goods Act, with the removal of a clause requiring companies to release health warnings about their products. Caught up in this, among many other important pieces of legislation and regulation, was the Commonwealth Cleaning Services Guidelines. This is really about a fair day's pay for a fair day's work, and those opposite will attack it at every single turn.

These cuts that have been sneakily pushed through mean that Commonwealth cleaners will lose up to $172 per week. One cleaner is on the record as saying that the loss of money will mean that she will not be able to drive to work. So we have this mantra about creating jobs when the government is actually making it impossible for people to get to work, because of the savage cuts coming in through this legislation. It is good that Archbishop Prowse has gone on the record saying that there is a moral dimension here and that a wage is an important part of a job. It is not just having a job, it is being able to live with that job, being able to live on a decent wage.

The sneaky, disgraceful way in which this regulation has been brought into effect is documented in the paper—the Herald Sun—today. It explains:

But Labor and the Greens were not counting on the Abetz cunning. The Employment Minister accepted the Labor/Greens amendment but before it could come into effect he revoked the regulations. This is the type of hidden agenda and sneaky process that we are seeing from this government. It does not want any transparency. It wants to cut cleaners' wages. It wants to hide the fact that it has done it. It wants to hide the fact that it has taken away important
legislation and regulation at the cost of ordinary Australians. It is a government that wants to tax people. It is cutting education, it is cutting health and it is cutting wages. The worst days of Work Choices are signalled very clearly by this disgraceful cunning piece of powerful, political play and the people who pay the cost for it are our good cleaners. (Time expired)

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (17:26): Here we go again. Another own goal from United Voice. Another exit from the World Cup. Once again they have been exposed for what they are really all about. What has also been exposed is the pandering of the then Labor government to United Voice. There were several other unions, but on this occasion it was United Voice.

Anybody listening to Senator O'Neill in the last few minutes was invited to think that there has been a reduction in wages. Let me make this clear: cleaners currently working in government offices will not be subject to a pay cut. Claims to the contrary, Senator O'Neill, are wrong. Let me say that to you again: there is no difference in the salaries or wages that these people will enjoy. There is no immediate pay cut. Existing employment contracts will continue to apply. Let me make sure people listening to this exchange, this afternoon, understand this.

Why do I say it is another own goal for United Voice? I go back to the committee upon which I sat when we looked at the Early Years Quality Fund. This was a time when the then Labor government threw the figure of some $300 million at United Voice to provide some sort of improved wages and conditions—for some people only—in the long-day-care centres. I believe those employed in that sector are entitled to a higher remuneration. But what did we see in the case of United Voice, twisting the arm of the Labor government to spend and waste yet more Australian taxpayers' money? We saw a situation in which $300 million was supplied—but only for a two-year period.

When I said to the union: 'Should this be successful, who is going to tell this limited number of people who enjoy the increase in wages that it is only for a two-year period?' In their embarrassment they could not and would not answer that question. So we were going to have a scenario in which only those people whose employers had an enterprise bargaining agreement could apply. Remember that most participants in the early-years long-day-care sector were small employers, often families, so they were excluded immediately. We know that only a third of those people were to enjoy any benefit at all, for a limited two-year period.

What has the coalition done in government? It has taken what remains of those Labor funds squandered on United Voice and it has allocated those funds for further training, for everybody in the sector not just for the privileged few who joined up to United Voice. The subject we are discussing today is nothing other than a United Voice membership drive.

There is no occasion where there will be cuts to wages. There is no occasion where there will be a change in the conditions of employment. But what are we seeing? We are seeing the most unusual set of circumstances, promoted by the now Labor opposition, then the government, in which different workers working for the same employer in different cities of Australia will be earning different sums of money. Let me give you a few examples. In the employment portfolio we have examples of confusion in the application of the guidelines. The Department of Employment, and indeed the Fair Work Ombudsman itself, are applying the guidelines in their offices through their cleaning contracts, but they are
technically not required to in non-CBD locations. The Fair Work Building and Construction must apply the guidelines in its Melbourne office but not in the Sydney office because in Sydney the building owner provides cleaning services. The last time I looked, I did not think the cost of living in Melbourne was all that much higher than it is in Sydney. Safe Work Australia applies the guidelines only in the Canberra office. The Workplace Gender Equality Agency is located in the CBD, but it does not have to supply these conditions because, again, the structure is serviced by the building owner.

The problem that occurs here is the complete and utter lack of synchrony between workers and members and senators from the Labor side. By that I mean that less than 15 per cent of private sector workers in Australia are members of unions. If the information available to me is correct, more than 90 per cent of federal members and/or senators from the Labor side come from union backgrounds. Less than 15 per cent of workers out there are members of unions and greater than 90 per cent are influencing policy here in this place. That is where the difficulty comes from. It is absolutely and utterly duplicitous for those on the other side to come into this place to talk about pay cuts and the so-called actions of the Minister for Employment. All he has done is apply exactly the same principles that Labor did in government in this particular circumstance. With these inequitable benefits and obligations—circumstances that some cleaners enjoy and others do not—we have a situation where a cleaner in the same building and location, on this occasion is occupied by a private sector company, would receive a different rate of pay and conditions.

Let me remind those listening again that the coalition inherited a $193 billion deficit, racing to that figure again if Labor had continued in government, with $1,000 million a month interest on the debt. That is $100 per working person per month in this country. It is two new primary schools every day. A new primary school every 12 hours is forgone because of the interest we are paying on a debt that Labor created when they had inherited a surplus. You would think that Labor would be embarrassed. You would think that they would never, ever put up such an urgency motion.

Question agreed to.

DOCUMENTS
Tabling

The ACTING DEPUTY PRESIDENT (Senator Bernardi) (17:33): I present documents listed on today's Order of Business at item 20 presented since the Senate last met.

The list read as follows—

GOVERNMENT RESPONSE TO PARLIAMENTARY COMMITTEE REPORTS (pursuant to Senate standing order 166)
Foreign Affairs, Defence and Trade References Committee—Report—Breaches of Indonesian territorial waters, dated June 2014. [Received 27 June 2014]

GOVERNMENT DOCUMENTS (pursuant to Senate standing order 166)
Institutional Responses to Child Sexual Abuse—Royal Commission—
Interim report—Volumes 1 and 2, dated 30 June 2014. [Received 30 June 2014]

Report of Case Study No. 2—YMCA NSW's response to the conduct of Jonathan Lord, dated June 2014. [Received 30 June 2014]
Australian Government response to the Foreign Affairs, Defence and Trade References Committee report: Breach of Indonesian Territorial Waters

Introduction and Background

The Government welcomes the opportunity to respond to the Foreign Affairs, Defence and Trade References Committee's (the Committee) recommendations from the report investigating the Breach of Indonesian Territorial Waters.

As reported by the Minister for Immigration and Border Protection and the Commander Joint Agency Task Force (JATF) on 17 January 2014; during operations conducted in association with Operation Sovereign Borders, Australian vessels entered Indonesian waters in breach of Australian Government policy.

On 17 January 2014, the Minister for Immigration and Border Protection and the Commander JATF also announced a joint review would be undertaken by the Australian Defence Force (ADF) and the Australian Customs and Border Protection Service (ACBPS). On 21 January 2014, the Chief Executive Officer (CEO), ACBPS and the Acting Chief of the ADF initiated the internal review into the actions of the ADF and ACBPS, including identifying facts and circumstances and any operational or procedural weaknesses, with a view to recommending necessary remedial actions.

The Review, entitled the Joint Review of Operation Sovereign Borders Vessel Positioning: December 2013—January 2014 (the Review), was completed on 10 February 2014, with an executive summary including findings and recommendations made publicly available on 19 February 2014. A redacted version of the Review was also later made publicly available.

The Review made five recommendations, all of which have either been implemented or are in the process of being implemented.

The Government has full confidence that no such breach will occur in future.

The Government has accepted, partially accepted or noted six of the seven Committee report recommendations.

The Government's response to the recommendations made by the Committee follows.

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<th>Summary of Government Response to Recommendations</th>
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<td>Not accepted</td>
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<td>4 The committee recommends that the Minister for Immigration table, as soon as possible, a redacted copy of the joint review report outlined in his letter of 20 March 2014.</td>
<td>Accepted (and implemented)</td>
<td>8</td>
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In the interests of accountability and transparency of Operation Sovereign Borders, the committee recommends that the Minister for Immigration table, as soon as possible after April 2014, a report regarding the implementation of recommendation four of the joint review report.

Partially accepted

In the interests of accountability and transparency of Operation Sovereign Borders, the committee recommends that the Minister for Immigration table, as soon as possible after June 2014, a report regarding the implementation of the revised force preparation training and the revised UNCLOS training.

Partially accepted

The committee recommends that such a review be undertaken and that the Minister for Immigration table a report with the review findings by September 2014.

Noted

Recommendations by the Australian Greens Senators

<table>
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<td>That Australia act at all times within the law.</td>
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Addressing the Recommendations of the Committee

Recommendation One
The committee recommends that the government consider the apparent conflict between its key policy constraints, especially in light of the difficult decisions that Navy and Customs captains are required to make as part of OSB.

Not Accepted

The Government does not accept the premise that there is a conflict between the policy constraints.

The Review found the incursions occurred as a consequence of the incorrect calculation of the archipelagic baselines.

Relevant and experienced operational authorities have determined that Operation Sovereign Borders activities can be achieved consistent with Government policy. This is consistent with the findings of the Review.

Recommendation Two
The Committee recommends that the government review the evidence provided to the committee in relation to Australia's obligations under international law, including the encoding of UNCLOS in Australian domestic law.

Noted

The Australian Government takes seriously its international legal obligations, including those under United Nations Convention on the Law of the Sea (UNCLOS). Relevant obligations are implemented in a variety of ways. Operation Sovereign Borders Joint Agency Task Force (JATF) has sought and continues to seek legal advice on an ongoing basis from the Australian Government Solicitor and the Attorney-General's Department on matters relating to the implementation and execution of Operation Sovereign Borders. Consistent with the past practice of all Governments in relation to legal advice, it would not be appropriate to reveal the content of this advice.
Recommendation Three
That the committee recommends that public interest immunity claim relating to activities that led to the breach of Indonesian territorial waters be referred to the Minister of Immigration and Border Protection for justification.

Noted
The Minister and Assistant Minister for Immigration and Border Protection have made public interest immunity claims in relation to on-water and operational activities relating to Operation Sovereign Borders.

On 20 March 2014, the Minister for Immigration and Border Protection wrote to the Committee outlining the reasons for which the public interest immunity claim was made. In the letter, the Minister states:

I remain of the view that the disclosure of information pertaining to on-water activities and certain other operational matters would not be in the public interest where such disclosures:

- could reasonably be expected to cause damage to national security, defence, or international relations;
- would, or could reasonably be expected to:
  i. Prejudice the investigation of a possible breach of the law or the enforcement of the law in a particular instance;
  ii. Disclose, or enable a person to ascertain the existence or identity of a confidential source or information, in relation to the enforcement or administration of the law;
  iii. Endanger the life or physical safety of any person;
  iv. Prejudice the fair trial of a person or the impartial adjudication of a particular case;
  v. Disclose lawful methods or procedures for preventing, detecting, investigation, or dealing with matters arising out of, breaches or evasions of the law the disclosure of which would, or would be reasonably likely to, prejudice the effectiveness of those methods or procedures; or
  vi. Prejudice the maintenance or enforcement of lawful methods for the protection of public safety;
- disclose privileged legal advice.

Recommendation Four
The committee recommends that the Minister for Immigration table, as soon as possible, a redacted copy of the joint review report outlined in his letter of 20 March 2014.

Accepted
The redacted copy of the Review report was publically released under Freedom of Information on 4 April 2014. A copy was also tabled in the Senate on 21 May 2014 in response to Question on Notice AE14-312 received from Senator Conroy during the 2013/14 Additional Budget Estimates.

A copy of the redacted Review report is also attached to this response.

Recommendation Five
In the interests of accountability and transparency of Operation Sovereign Borders, the committee recommends that the Minister for Immigration table, as soon as possible after April 2014, a report regarding the implementation of recommendation four of the joint review report.

Partially accepted
Recommendation Four of the Review states:

It is recommended that a range of policies procedures and operational documents be reviewed as a result of the incursions by Australian vessels into Indonesian waters.
This recommendation has been finalised, with all relevant operational documents reviewed by Border Protection Command in consultation with the Department of Defence and where appropriate, amended to include additional advice regarding the conduct of operations and the application of internal control measures.

The principal changes that have been made to the policies, procedures and operational documents are:

- Updating all relevant navigational charts and systems to include additional operational information;
- Enhancing the guidance in relation to the Indonesian maritime boundaries within all operational policy and planning documents; and
- Implementation of a new procedure for the approval and oversight of operational activities specific to Operation Sovereign Borders.

The Government does not intend to table a further report.

**Recommendation Six**

In the interests of accountability and transparency of Operation Sovereign Borders, the committee recommends that the Minister for Immigration table, as soon as possible after June 2014, a report regarding the implementation of the revised force preparation training and the revised UNCLOS training.

**Partially accepted**

Recommendation Five of the Review states:

It is recommended that Border Force Capability Division review operational training provided to ACBPS Commanding Officers and Enforcement Commanders to ensure a tactical appreciation of UNCLOS.

A comprehensive review of operational training has been initiated. Remedial training for Commanding Officers and Enforcement Commanders has been implemented as an interim measure. Permanent measures will be in place by the end of June 2014. Restrictions on entering foreign territorial waters are articulated in current operational documents and will be re-iterated in future operational documents. Commanding Officers and Enforcement Commanders have also been appropriately briefed.

The Government does not intend to table a further report.

**Recommendation Seven**

The committee recommends that such a review be undertaken and that the Minister for Immigration table a report with the review findings by September 2014.

**Noted**

The Review did not find that issues in the chain of command contributed to the incursions into Indonesian waters and accordingly an additional review is not warranted.

The ADF and ACBPS have completed administrative inquiries into the conduct of headquarters personnel assigned to Joint Task Force 639, Border Protection Command, the Australian Maritime Security Operations Centre and Headquarters Joint Operations Command.

The former Chief of Joint Operations, Lieutenant General Ash Power, and Deputy CEO Border Enforcement, Roman Quaedvlieg accepted the findings of professional conduct inquiries that none of the headquarters officers involved deliberately contravened orders not to enter Indonesian waters. However, both authorities determined that there were individual lapses in professional conduct that warranted further action.

As a result of the inquiries, administrative action has been implemented against three Defence and one ACBPS personnel attached to headquarters elements. Relevant administrative action includes administrative sanctions and formal counselling.
The Chief of Navy also concluded his inquiries into individual lapses in professional conduct and in addition to his action against seven Commanding Officers in April 2014, has completed administrative action which has resulted in informal counselling of a further six officers in non-command roles.

During the course of administrative inquiries into the actions of headquarters personnel it became evident that the conduct of ACBPS officers serving on Australian Customs Vessels also required further investigation.

Further investigation revealed that during the course of Operation Sovereign Borders, a member of the crew serving on board an Australian Customs and Border Protection Vessel identified potential issues with the methodology being used to calculate the Indonesian archipelagic baseline which might lead to the vessel entering Indonesian waters. Although this was brought to the attention of the ACBPS officer in charge of the vessel, he failed to adequately report and escalate this information to his chain of command and continued with the operation, resulting in a breach of Indonesian waters. Code of conduct action has been initiated in relation to this officer and is yet to be finalised.

All professional conduct inquiries conducted by the ADF and ACBPS have yielded findings consistent with those of the Review. That is, that the incursions were inadvertent, and occurred as a consequence of incorrect calculations of Indonesian Maritime Boundaries by Australian crews.

**Dissenting Report—Coalition Senators**
The Government notes the dissenting report of Senators Eggleston and Fawcett.

**Additional Comments—Australian Greens Senators**

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**Not Accepted**
The Government's policy is that any persons who seek to travel by boat to Australia without a visa will be turned back where safe to do so.

Safety of life at sea is, and will remain, the first priority of the Government.

The Government is confident in the measures put in place to prevent further breaches.

**Australian Greens Senators Recommendation Two**

That Australia act at all times within the law.

**Accepted**
The Government is confident there is a sound legal basis for the conduct of Operation Sovereign Borders.

*The following attachment can be obtained from:*


**Senator FAWCETT** (South Australia—Deputy Government Whip in the Senate) (17:34): by leave—I move:

That the consideration of the document be listed on the Notice Paper as an order of the day.
Question agreed to.

The ACTING DEPUTY PRESIDENT (17:34): I present volume 17 of Rulings of the President of the Senate, which covers Senator Hogg's time as President.

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

Membership

The ACTING DEPUTY PRESIDENT (17:35): The President has received letters from party leaders requesting changes to the membership of committees.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (17:35): by leave—I move:

That senators be discharged from and appointed to committees as follows:

Abbott Government's Budget Cuts—Select Committee—

Appointed—

Senator Di Natale


Community Affairs Legislation and References Committees—

Appointed—Participating member: Senator Ó'Neil

Economics Legislation and References Committees—

Appointed—Participating member: Senator Ó'Neil

Education and Employment Legislation Committee—

Appointed—Senator Ó'Neil

Education and Employment References Committee—

Discharged—Senator Urquhart

Appointed—

Senator Ó'Neil

Participating member: Senator Urquhart

Electoral Matters—Joint Standing Committee—

Appointed—Participating members: Senators Bullock and Ó'Neil

Environment and Communications Legislation Committee—

Appointed—Participating member: Senator Ó'Neil

Environment and Communications References Committee—

Appointed—

Senator Urquhart

Participating member: Senator Ó'Neil

Finance and Public Administration Legislation Committee—

Discharged—Senator Rhiannon
Appointed—
Senator Rice
Participating members: Senators O’Neill and Rhiannon

Finance and Public Administration References Committee—
Discharged—Senators Gallacher and Rhiannon
Appointed—
Senator Rice
Participating member: Senators Gallacher and O’Neill

Foreign Affairs, Defence and Trade—Joint Standing Committee—
Appointed—Senator O’Neill

Foreign Affairs, Defence and Trade Legislation Committee—
Discharged—Senator Whish-Wilson
Appointed—
Senator Ludlam
Participating members: Senators O’Neill and Whish-Wilson

Foreign Affairs, Defence and Trade References Committee—
Discharged—Senator Whish-Wilson
Appointed—
Senator Ludlam
Participating members: Senators O’Neill and Whish-Wilson

Health—Select Committee—
Appointed—
Senators Di Natale and O’Neill

Legal and Constitutional Affairs Legislation and References Committees—
Appointed—Participating member: Senator O’Neill

Rural and Regional Affairs and Transport Legislation Committee—
Appointed—Participating members: Senators Leyonhjelm and O’Neill

Rural and Regional Affairs and Transport References Committee—
Appointed—Participating members: Senator O’Neill

Senators’ Interests—Standing Committee—
Appointed—Senator O’Neill

Treaties—Joint Standing Committee—
Discharged—Senator Ludlam
Appointed—Senator Whish-Wilson.
Question agreed to.

BILLS
Income Tax (Bearer Debentures) Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax (First Home Saver Accounts Misuse Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax Rates Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax (TFN Withholding Tax (ESS)) Amendment (Temporary Budget Repair Levy) Bill 2014
Tax Laws Amendment (Interest on Non-Resident Trust Distributions) (Temporary Budget Repair Levy) Bill 2014
Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014
Tax Laws Amendment (Untainting Tax) (Temporary Budget Repair Levy) Bill 2014
Trust Recoupment Tax Amendment (Temporary Budget Repair Levy) Bill 2014
Superannuation (Departing Australia Superannuation Payments Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Superannuation (Excess Non-concessional Contributions Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Superannuation (Excess Untaxed Roll-over Amounts Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Taxation (Trustee Beneficiary Non-disclosure Tax) (No. 1) Amendment (Temporary Budget Repair Levy) Bill 2014
Taxation (Trustee Beneficiary Non-disclosure Tax) (No. 2) Amendment (Temporary Budget Repair Levy) Bill 2014
Appropriation Bill (No. 5) 2013-2014
Appropriation Bill (No. 6) 2013-2014
Public Governance, Performance and Accountability Amendment Bill 2014
Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (Parliamentary Departments)) Bill 2014
Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (No. 1), (No. 3) and (No. 5)) Bill 2014
Public Governance, Performance and Accountability (Consequential Modifications of Appropriation Acts (No. 2), (No. 4) and (No. 6)) Bill 2014
Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Bill 2014
Appropriation Bill (No. 1) 2014-2015
Appropriation Bill (No. 2) 2014-2015
Appropriation (Parliamentary Departments) Bill (No. 1) 2014-2015
Family Assistance Legislation Amendment (Child Care Measures) Bill 2014
Tax Laws Amendment (Implementation of the FATCA Agreement) Bill 2014
Tax and Superannuation Laws Amendment (2014 Measures No. 2) Bill 2014
Tax and Superannuation Laws Amendment (2014 Measures No. 3) Bill 2014
Customs Tariff Amendment (Product Stewardship for Oil) Bill 2014
Excise Tariff Amendment (Product Stewardship for Oil) Bill 2014
Railway Agreement (Western Australia) Amendment Bill 2014
Social Security Legislation Amendment (Green Army Programme) Bill 2014
Veterans’ Affairs Legislation Amendment (Mental Health and Other Measures) Bill 2014
Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014
Australian Workforce and Productivity Agency Repeal Bill 2014

Assent
Messages from the Governor-General reported informing the Senate of assent to the bills.

Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Bill 2014
Returned from the House of Representatives
Message received from the House of Representatives agreeing to the amendment made by the Senate to the bill.

Climate Change Authority (Abolition) Bill 2013 [No. 2]
First Reading
Bill received from the House of Representatives.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (17:36): I move:
That this bill may proceed without formalities and be now read a first time.
Question agreed to.
Bill read a first time.

Second Reading

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (17:37): I move:
That this bill be now read a second time.
I seek leave to have the second reading speech incorporated in Hansard.
Leave granted.
The speech read as follows—
The Australian people delivered a clear message on 7 September 2013 that they do not want a carbon tax.

The government is meeting this promise to the Australian people by repealing the carbon tax. Repealing the carbon tax will boost Australia's economic growth, increase jobs and enhance Australia's international competitiveness by removing an unnecessary tax which hurts businesses and families.

Repealing the carbon tax will reduce annual ongoing compliance costs for around 370 liable entities by almost $90 million per annum.

Repealing the carbon tax will lower retail electricity by around nine per cent and retail gas prices by around seven per cent, as opposed to what they would otherwise be in 2014-15 with the carbon tax.

Repealing the carbon tax will remove over 1,000 pages of primary and subordinate legislation.

This bill is part of a package of bills which contribute to the government's delivery of its commitment to repeal the carbon tax, reduce cost of living pressures and remove unnecessary bureaucracy.

This Government is working to repair the budget, to lower taxes, to lessen regulation and build stronger businesses. We face an economic environment that demands greater rigour in the spending of public money.

The government has a longstanding commitment to abolish the Climate Change Authority, because it is not needed. I say this again with no disrespect to the members or staff of the Climate Change Authority. We will simply bring its relevant functions in house: into the Department of the Environment. Our pledge to abolish the Climate Change Authority will make a contribution to improving the budget.

The government is already well placed to receive authoritative advice on climate change matters from existing government bodies.

We have the Bureau of Meteorology to advise on climate trends and climate science. We have the CSIRO to advise on the environmental effects of climate change, climate science and the most appropriate and effective technological and scientific responses to climate change. We have an entire department of state—in the Department of the Environment—dedicated to providing the government authoritative advice on environment and climate change policy.

The government is clear—evidenced by our reintroduction of the carbon tax repeal bills today—that the carbon tax will be repealed and replaced with a more environmentally and economically responsible means of reducing our emissions.

We are abolishing the carbon tax to reduce cost pressures on households and businesses, boost economic growth, increase jobs and enhance Australia's international competitiveness.

The government is also abolishing the carbon tax because it does not work. It does not work because, at its heart, the carbon tax is an electricity tax. It relies upon the assumption that people will either change demand for or supply of electricity.

The carbon tax has been a $15 billion burden on the Australian economy, yet in its first year Australia's emissions fell by less than 0.1 per cent.

This scheme, simply does not work to reduce our emissions. Instead it reduces economic activity, reduces jobs and brings pain to Australian households and small businesses.

Let us be clear. Climate Change is a serious issue. The government accepts the science of climate change. The government is committed to our unconditional emissions reduction target to reduce emissions by 5 per cent below 2000 levels by the year 2020.
This target is significant, representing 17 per cent below business as usual emissions. Over 30 years from 1990 to 2020, Australia and the United States are projected to achieve an almost identical net reduction over 30 years.

The government has said it will consider further actions and targets in 2015, as has been our policy, on the basis of comparable real global action, in particular by major economies and trading partners.

The government believes there is a fundamentally better way to reduce emissions than through a carbon tax.

The government will reach its target through Direct Action with the Emissions Reduction Fund at its centre-piece. Our plan is to efficiently and effectively source low-cost emissions reductions and improve Australia's environment.

Through the Emissions Reduction Fund we will provide incentives for abatement activities across the Australian economy, rather than pushing up prices.

Last week I introduced the Carbon Farming Initiative Amendment Bill 2014 into the House. This House and the Senate will soon have the opportunity to vote on this bill, to expand the Carbon Farming Initiative and make a real difference to the environment and boost businesses’ productivity.

The Emissions Reduction Fund will support projects such as upgrading commercial buildings, improving energy efficiency of homes and industrial facilities, reducing electricity generator emissions, capturing landfill gas, reducing waste coal mine gas, reforesting and revegetating marginal lands, improving Australia’s agricultural soils, upgrading vehicles and improving transport logistics and managing fires in savannah grasslands.

Countries around the world are implementing scheme which work best for them. In Australia we will introduce a scheme that works best for Australia. One which will reduce emissions, while not pushing up prices and shut down Australian businesses.

I will now turn to the details of the bill. The bill repeals the Climate Change Authority Act 2011 in order to abolish the Climate Change Authority.

The bill makes consequential changes to other legislation to reflect the fact that the authority will no longer exist. To this end, references to the authority in other legislation will be removed, including references which allow for the sharing of information with the authority or concerning the authority’s financial management.

The bill provides that the limited functions of the authority that are required in the future will continue. The bill amends relevant acts to provide that the legislated reviews of the Carbon Farming Initiative, the National Greenhouse and Energy Reporting Scheme and the Renewable Energy Target will be undertaken at the direction of the minister.

It is my intention that these reviews should be undertaken by the Department of the Environment, which has the requisite skills and expertise to do them. The review of the Renewable Energy Target is currently being progressed.

Lastly, the bill transfers any assets and liabilities of the authority to the Commonwealth and makes arrangements for the winding up of the authority's activities.

The abolition of the authority is expected to result in a saving of $21 million over the forward estimates, further improving the budget bottom line.

Debate adjourned.

**Minerals Resource Rent Tax Repeal and Other Measures Bill 2013 [No. 2]**

First Reading

Bill received from the House of Representatives.
Senator FIFFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (17:38): I move:
That this bill may proceed without formalities and be now read a first time.
Question agreed to.
Bill read a first time.

Second Reading
Senator FIFFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (17:38): I move:
That this bill be now read a second time.
I seek leave to have the second reading speech incorporated in Hansard.
Leave granted.
The speech read as follows—
This Bill repeals the Minerals Resource Rent Tax (MRRT), as well as discontinuing or re-phasing those measures that were introduced by the former Government on the expectation that their cost would be met by mining tax revenues.
These related measures came at a very significant cost to the Budget, and the failure of the MRRT to return any meaningful revenue meant the former Government had to borrow money to pay for these unsustainable commitments.
By repealing or re-phasing the measures related to the mining tax, this Bill seeks to make a start on repairing the damage caused to the nation’s finances and put the Budget on a more sustainable footing going forward.
Together, the measures contained in this Bill will improve the Budget position by over $12.6 billion by 30 June 2017.

Schedule 1—Repeal of the MRRT
Schedule 1 of the Bill repeals the Minerals Resource Rent Tax with effect from 1 July 2014.
The repeal date for the MRRT of 1 July 2014 simplifies administration by aligning the repeal with the financial year reporting period. Taxpayers will not accrue any further MRRT liabilities from this date.
Australia's mining tax has had a long and tortured journey.
It was of course borne out of the Henry Tax Review, which was commissioned by the first Rudd Government.

One of the key recommendations was for a Resource Super Profits Tax (the RSPT). The original RSPT was forecast to raise $49.5 billion over a five year period from 1 July 2012.
This was to be a big hit to one of Australia's most successful industries. At the time, the reaction from those in the resources sector could only have been expected.
Ultimately the announcement, consultation, and handling of the RSPT, was a large contributing factor to the downfall of former Prime Minister Rudd.
In taking over the Prime Ministership, former Prime Minister Gillard made it a key benchmark of her leadership to resolve the impasse with the resource sector which had enveloped her predecessor.
The former Gillard Government struck a deal with three of Australia's biggest miners, RIO, BHP Billiton and Xstrata, and from this the Minerals Resource Rent Tax was born. The new version of the mining tax also included an extension of Petroleum Resource Rent Tax to onshore projects.
Forecast revenue on the new version of the mining tax was significantly revised down when compared to the original Resource Super Profits Tax. It was forecast to raise $26.5 billion compared to $49.5 billion over the five year period from 1 July 2012.

Following the second version of the mining tax, there were three further variations, and forecast mining tax revenue has been written down in nearly every subsequent Budget and MYEFO update.

In February last year, the former Treasurer and current Member for Lilley was forced to release just how much the mining tax had raised to that date – after being in place for 6 months it had raised just $126 million.

Since its inception from 1 July 2012, the mining tax has raised only $340 million in net terms.

The mining tax has many design flaws which will preclude it from raising meaningful revenue, particularly when Government administrative costs are taken into account.

We persistently called on the former Government to explain how key details of their mining tax worked, particularly in relation to the upfront tax deduction from the market valuation method which is used to calculate tax liabilities for the Minerals Resource Rent Tax.

The mining tax is a flawed tax.

And what is worse, it imposes large administrative costs on operators in the resources sector trying to comply with the complex tax.

The repeal of the Minerals Resource Rent Tax will save millions of dollars in compliance expenses for small, medium and large entities.

So far, in the almost two years of its existence less than 20 taxpayers have contributed to paying the net $340 million raised by the MRRT but around 115 miners have been required to submit MRRT instalment notices while making no net payments.

That is around 115 taxpayers all complying with the MRRT legislation, but not actually paying any tax.

Therefore, not only is the MRRT a complex and unnecessary tax which has failed to raise the substantial revenue predicted by the former Government, it imposes a significant regulatory and compliance burden on the iron ore and coal mining industries, and damage business confidence which is critical to future investment and jobs.

The repeal of the MRRT will restore confidence and promote activity in the mining industry, creating jobs and contributing to the prosperity of all Australians. It sends a clear signal that Australia is determined to remain a premier destination for mining investment, and is once again open for business.

Mining companies in Australia will continue to pay their fair share of tax through State royalties and company tax.

The mining tax is also a fiscal disaster.

The former Government had linked over $16.5 billion of expenditure to this tax over the four year period to 30 June 2017.

The repeal of the mining tax and associated measures will improve the Budget's bottom line by over $12.6 billion by 30 June 2017.

The benefits to the Budget would have been larger if the Bill hadn't been blocked by the Opposition in March.

Australia can no longer continue to borrow money to pay for these measures.

We need to do what is responsible and repair the Budget, and the removal of the mining tax and its associated expenditure is a step in the right direction.
Schedule 2—Loss carry back

Schedule 2 of the Bill repeals the MRRT related loss carry-back provisions that enable companies making a tax loss of up to $1 million in the 2012-13 income year and subsequent years to recoup taxes paid on an equivalent amount of taxable income in a prior income year.

The Bill provides that, from the 2013-14 income year, companies can only carry their tax losses forward to use as a deduction for a future year, consistent with arrangements prior to the MRRT-related amendments.

The removal of this measure will improve the budget position by $950 million by 30 June 2017.

Schedule 3—Small business instant asset write-off threshold

Schedule 3 of the Bill amends the instant asset write-off threshold provisions.

The instant asset write-off amount was increased to $6,500 in two stages as part of both the Mining and Carbon Tax packages.

The MRRT package dealt with the increase from $1,000 to $5,000, whilst the Carbon Tax package dealt with the increase from $5,000 to $6,500.

This legislation before the House returns the write-off amount back from $6,500 to $1,000, effective from 1 January 2014.

From that time, small business entities will be able to immediately deduct the value of a depreciating asset that costs less than $1,000 in the income year the asset is first used or installed ready for use. This is consistent with arrangements that existed prior to the MRRT related amendments.

However, the single small business pool arrangements will be preserved to maintain lower business compliance costs.

Under these arrangements, assets costing $1,000 or more will be allocated to the existing general small business pool and depreciated at a rate of 15 per cent in the first year and 30 per cent in subsequent years.

If the value of a small businesses' general small business pool is less than $1,000 at the end of the income year, the small business can claim a deduction for the entire value of the pool.

The improvement in the budget position from reducing the instant asset write-off from $6,500 to $1,000 will be $2.6 billion by 30 June 2017.

Schedule 4—Deductions for motor vehicles

The Bill also provides that from 1 January 2014, motor vehicle purchases made by small business entities will no longer be eligible for an accelerated deduction of $5,000.

Motor vehicle purchases by small business entities using the simplified depreciation rules will instead be treated as normal business assets under the concessional capital arrangements available under Subdivision 328-D of the Income Tax Assessment Act 1997. Under these arrangements they will be depreciated at a rate of 15 per cent in the year which the asset is first used or installed for use and then 30 per cent for all subsequent years.

The removal of this measure will improve the budget position by $450 million by 30 June 2017.

Schedule 5—Geothermal energy

The Bill will repeal the extension of the income tax exploration provisions to geothermal energy exploration so that geothermal energy exploration and prospecting expenditure is not immediately deductible.

Amendments are included to provide a capital gains tax (CGT) roll-over in cases where a geothermal exploration right is merely exchanged for a geothermal extraction right relating to the same area. This ensures that a capital gains tax liability will not be inappropriately incurred, consistent with the treatment of other mining rights.
This measure was announced by the former Gillard Government as part of the final design of the mining tax. It was raised in discussions between the former Gillard Government and the Policy Transition Group, which was set up to advise on the technical design of the Minerals Resource Rent Tax.

The Policy Transition Group did not include this change as a specific recommendation but, rather, made an observation about the anomaly of the inconsistent treatment for geothermal exploration, noting that the issue was outside the parameters of the terms of reference.

The removal of this measure will improve the Budget position by $10 million by 30 June 2017.

**Schedule 6—Superannuation Guarantee Charge percentage**

Schedule 6 of the Bill delays further increases in the superannuation guarantee rate by two years. The super guarantee rate remains at 9.25 per cent until 30 June 2016 and then rises to 9.5 per cent on 1 July 2016. It then increases in increments of half a per cent a year until it reaches 12 per cent on 1 July 2021.

Further changes to the superannuation guarantee schedule, announced in the Budget, will be introduced as an amendment to this Bill.

These changes would not have been required if the Bill hadn't been blocked by the Opposition in March.

**Schedule 7—Low Income Superannuation Contribution**

Schedule 7 of the Bill abolishes the Low Income Superannuation Contribution (LISC).

The Bill ensures that the LISC is not payable in respect of concessional contributions made on or after 1 July 2013.

The Government will revisit concessional contribution caps and incentives for lower income earners once the Budget is back in a strong surplus.

Low to middle income earners may be eligible for the superannuation co-contribution to boost their retirement savings.

The removal of the low income superannuation contribution will improve the Budget position by $2.7 billion in cash terms by 30 June 2017.

**Schedule 8—Repeal of income support bonus**

The Bill repeals the income support bonus. The bonus was funded from the anticipated revenue from the MRRT.

Participation in the workforce is the best way to ensure economic stability and the payment system is geared to promote this while ensuring that a safety net exists for those requiring help.

This Bill will abolish all future payments of the Income Support Bonus from Royal Assent of the legislation.

The removal of this measure will improve the Budget position by over $900 million by 30 June 2017.

**Schedule 9—Repeal of schoolkids bonus**

The Bill also repeals the schoolkids bonus. The Government intends to offer a more efficient, targeted approach to improving education outcomes for students through effective education policies, rather than bonus payments to individuals.

The removal of this measure will improve the Budget position by almost $4 billion by 30 June 2017.

**Conclusion**

The Government has consulted with key industry stakeholders since the repeal of the MRRT was announced as a priority election commitment of the Government, including a round of public consultation on the exposure draft legislation.
Full details of the measures are contained in the explanatory memorandum.
Debate adjourned.
Ordered that the resumption of the debate be made an order of the day for a later hour.

COMMITTEES
Environment and Communications Legislation Committee
Economics Legislation Committee
Report
Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (17:39): Pursuant to order and at the request of the chairs of the respective committees, I present reports on legislation from the Senate Environment and Communications Legislation Committee and the Senate Economics Legislation Committee, together with the Hansard record of proceedings and documents presented to the committees.
Ordered that the reports be printed.

BUSINESS
Consideration of Legislation
Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (17:39): I seek leave to move a motion relating to the order of government business.
Leave not granted.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (17:40): At the request of the Leader of the Government in the Senate (Senator Abetz) and pursuant to contingent notice, Senator Abetz, I move:

That so much of the standing orders be suspended as would prevent Senator Abetz moving a motion to provide for the consideration of a matter, namely a motion to give precedence to a motion relating to the consideration of the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] and related bills, and the Climate Change Authority (Abolition) Bill 2013 [No. 2].

There is a sense of deja vu here tonight. It seems that the opposition and the Australian Greens combine together to thwart every opportunity the government seeks to afford the chamber to commence debate on the package of legislation that seeks to repeal the carbon tax.

Earlier today Senator Abetz, the Leader of the Government in the Senate, sought leave to move a similar motion. Leave was denied. Senator Abetz then sought to suspend the standing orders in order to be able to move the motion which the denied leave prevented him from doing.

The purpose of the government here is in no way nefarious. It is simply, at long last—more than nine months after the last federal election—to give effect to the will of the Australian people in this Senate chamber. All we are seeking to do with this procedural motion is to allow a substantive motion to be moved to facilitate the bringing on of the debate on the package of carbon tax repeal legislation. I would have thought that was the single most uncontroversial thing that this government could possibly do.
Is it not enough that the Australian people spoke through the ballot box? They made clear their desire for the carbon tax to be repealed. Is it not enough that the Australian people comprehensively repudiated the broken promise of those opposite not to introduce a carbon tax? For those of us on this side of the chamber and for many crossbenchers that is enough. The will of the Australian people expressed through the ballot box is enough, but it is not for the Australian Greens and for the Australian Labor Party. They take every opportunity, by fair means and foul, to deny and delay this chamber considering the package of carbon tax repeal bills.

We canvassed briefly earlier today the failure on a number of occasions of opposition senators to provide a quorum for the Senate Environment and Communications Legislation Committee, chaired by Senator Ruston. That is something you do not see every day in this place—senators consciously absenting themselves from committees of the parliament so that those committees cannot do their work. The committee were ready to report. They had concluded their work. They wanted to report and those opposite sought to deny them that opportunity.

By seeking to suspend the standing orders we are again giving the Australian Labor Party and the Australian Greens the opportunity, at the very least, to say: 'We might not have liked the verdict of the Australian people. We did not like them voting us out of office. We did not like them repudiating our carbon tax. We are still going to vote to keep the carbon tax.' You would think, at the very least, they could bring themselves to support the facilitation of the debate. They say they want to have a comprehensive debate and they want to canvass the issues. Well, let the debate begin. Let it start in this place, let it start here, and let it start now.

That would be the very least you would expect the Australian Labor Party to do. You might be a little more hopeful or optimistic—I know you are an optimist, Mr Acting Deputy President—and hope or think that the Australian Labor Party would go one step further and say: 'We've got the message from the Australian people. Not only will we vote to suspend standing orders to facilitate the bringing on of the debate but we have had a Damascus moment. We now recognise that we should change our position and vote to support the repeal of the carbon tax.' I am an optimist—a legislative optimist—and I guess, as Manager of Government Business in the Senate, you have to be, but that hope is probably a bridge too far at this stage. At the very least, the Australian Labor Party should support this motion, which seeks to suspend standing orders, so we can get on with the job of debating the carbon tax repeal legislation and get to a position where we can vote to repeal it.

Senator WONG (South Australia—Leader of the Opposition in the Senate (17:45)): This is the second time today the government has sought to up-end the Senate's rules. On the first sitting day of the new Senate, they sought to up-end the rules so they could bring on debate a week early. For all the huffing and puffing, and for all the chest-beating—I saw Senator Fifield thumping the table in an act of great strength—what we are talking about is the government demanding that the Senate overturn its own rules and suspend standing orders simply so the government can debate the bills a week early.

Let us recall: the Labor Party previously did not agree with the proposition that this bill be put off forever. We did not agree with the proposition that this bill be put off for months. We agreed with a very simple proposition, and I say to crossbench senators that it is a proposition which has served this Senate well: where a party or parties, or a senator or senators, want a
bill to go to a committee for a report, the convention—the default position—is that we agree to do so. That is because committee reports are key to ensuring there is good debate and good scrutiny of legislation before the chamber. It is the job the Senate is elected to do. The standing orders very sensibly provide that, if you do send a bill or bills to a committee for a report, the bills not be debated until after the date that the Senate has set for that report—which, in this case, is 14 July.

Senator Fifield: They can report early!

Senator WONG: I will take the interjection from Senator Fifield. He says they want to report early. No—a majority of government senators have worked out that the government wants the debate on and have slammed through an early report. That does not change the operation of the standing orders, which require that further consideration of a bill referred to a standing or select committee shall be an order of the day where a day is fixed for the report of the committee that day—in other words, next week. The only reason we are having this debate, for the second time today, about up-ending the rules of the Senate is that the government wants to have a debate on the first day as opposed to a debate next week, when, let us be frank, senators will have had a far better opportunity to consider the committee report and the new senators—the crossbenchers—will have had an opportunity to settle into their job rather than being asked to vote on their first day.

We all know what the politics of this are. This is about the government wanting to talk about something other than the budget. They do not want to talk about the things for which they clearly do not have a mandate. There is a lot of talk in this chamber about mandates. Where is the mandate for this budget? Where is the mandate for a tax on the sick? Where is the mandate for a cut to pensions? Where is the mandate for a cut to hospitals and the closure of hospital beds? Where is the mandate for the fuel excise et cetera?

I assume the government has had discussions and is likely to get majority support for the up-ending of standing orders. I would also say this to senators on the crossbench: the standing orders protect all senators, and particularly senators who are in a minority, against the oppressive behaviour of those who have the majority in this place. That is what they do: they ensure that every senator can do their job. They ensure that just having the numbers in this chamber does not mean you can ride roughshod over Senate processes, the scrutiny of legislation and the work of committees.

Senator Seselja: That is how a suspension works!

Senator WONG: Do you know why you are shouting? Because you do not like the truth. That is why you are shouting and interjecting.

Senator Seselja: You're the only one who is shouting! You're the one who's upset!

The ACTING DEPUTY PRESIDENT: Order! Senator Wong, ignore the interjections and address your comments to the chair.

Senator WONG: Those opposite do not like the truth. The standing orders are there to protect the role of the Senate and the rights of every senator to initiate inquiries and refer bills to committee. They are there to ensure that the government cannot override the key role of the Senate in scrutinising legislation simply because the government of the day might be able to cobble together a majority.
I say to crossbench senators: it is unfortunate that a suspension of standing orders is something you are being asked to vote on, on your first day. I say to you: these standing orders will protect you. I may not agree with many of the views some of the crossbench have, but what I do agree with is ensuring that this Senate functions as the Australian people expect it to, which is as a chamber that properly scrutinises legislation. That is what Labor will continue to vote for.

Senator MILNE (Tasmania—Leader of the Australian Greens) (17:50): I rise today to note that this is the second time we have had the suspension of standing orders brought on. Senator Abetz tried it earlier. Twice the Senate voted not to support what the government wanted to do in bringing on the debate on the repeal of the carbon price bills today; now we are seeing it brought back on. As Senator Wong has just speculated, one can only assume that it is being brought back on now to defy the will of the Senate because some deal has been stitched together; it is being brought back on to get the government a majority to suspend standing orders in order to thwart the rules of the Senate in relation to Senate committees.

This Senate committee process has been a farce and it really disappoints me. I say that because the Greens moved to have this Senate committee report on 2 October. The reason is that we wanted to have a series of hearings, proper hearings, and to hear from a number of stakeholders—including some of the 59 economists who are out today saying, 'Keep emissions trading.' It would have been a useful exercise to explore some of the options through the Senate committee process.

I was disappointed when Labor would not support a decent period of time for that committee to report. In fact, it only supported it to 14 July. It would have been sensible to have a proper process. Nevertheless, I still expected there would have been at least one day of hearings, so I was shocked to learn that the government used its numbers on the legislative committee, where it has a majority, to prevent any hearings being held. I just want to say that again: the government used its numbers on the Senate legislative committee to prevent any hearings being held. That is oppressive; that is the wrong way to treat the Senate. How can you think it was appropriate to block any hearings at all from being held? How can you think it is appropriate now to come in here to suspend standing orders to try to ram this through on the first day, having blocked any committee hearings being held?

The Senate is a house of review. The thing it is best known for in the community is Senate committee inquiries and reports into matters of concern to the Australian community. If we are now going to be in a position where the Senate committee process is abused and where you have governments using their numbers to prevent hearings being held, then we are going to have much poorer levels of debate. It is through those Senate committee inquiries that people raise particular issues, which you bring to the Senate—you make amendments and change recommendations—and it actually helps you form a determination on some legislation where you may not have appreciated the complexities of it in the first place.

I condemn the government for refusing to have any hearings into the whole clean energy package of bills. It is appalling that we now have a situation where the Senate, having expressed its view earlier today that it did not want to deal with this but wanted to stick with the 14 July reporting date as had been agreed, has now seen the government go away and cobble together some deal—we will soon see what the deal is—to bring on the suspension of standing orders. It would be very disappointing if senators, on their very first day, took a
decision that essentially up-ends a longstanding Senate procedural process. It is all very well to do a deal on this today, but there will be other matters where senators in this chamber will want to have hearings and serious investigations. If the government gets away with this today—using its numbers to block hearings and to bring forward dates when committees report and to bring on legislation before it has even been looked at by senators in this chamber—then we are not doing democracy in Australia a service. We are undermining democracy and going down the path of the government ramming things through the Senate. That is a very bad way for us to proceed and that is why I do not think it is appropriate that this is going on, especially since the Senate had already expressed its view earlier today in relation to these matters.

Senator LUDWIG (Queensland) (17:55): The government, for its part, seems to have missed the entire point of this short debate. This is a procedural motion. It is an opportunity for the government to argue cogently why its motion to suspend the Senate should get up—that is, because it wants these bills to come on. That is the argument. It is not a climate change argument—we can have that argument very shortly—but the procedural motion is even farcical when you look at the circumstances. Earlier today the Senate agreed to a motion under standing order 113, which was effectively that the bills may not proceed with formality. The effect of that would be, effectively, for the stages to take place on different days for notices of motion. So the earliest the government could do it would be tomorrow.

What the government has also done is put a notice of motion in to bring the debate on tomorrow. The government is taking a belt and braces approach to this. It is choosing to suspend standing orders this evening when it could actually have a substantive motion on the books tomorrow and, in accordance with standing order 113, have the debate start then without the need to suspend. So the government is going through this farcical process of seeking to suspend standing orders, to up-end the Senate, this evening for what can only be a political point. It is certainly not one that is a substantive point about why we should now take all of the processes out of the Senate and allow the bills to be dealt with at that point, rather than take the executive's action. The risk for the crossbenchers and for the government backbenchers in taking the executive course is to allow the government to set the agenda in the Senate through a process of suspension—through a process of whatever whim or fancy it might take to allow this debate to occur.

Senators, I have been involved in my fair share of procedural motions in the Senate, both for and against the executive. Executive government, especially when it is in a majority situation, will do what it can to bend the rules of this place to suit its policy and political ends. I do not even begrudge it that fact. Executives want to enact their agenda, even if, as I believe it to be for this executive, in this case their agenda is wrong. That said, this chamber does not have to conform to the will of the executive. To do so would then suborn the opportunity of the Senate to be the master of its own destiny.
There will come a time when you will not want the executive to rule the Senate—when you will not want the executive to demand what bills will be dealt with and in what manner. The executive will want, as it has done in the past, to ram things through at breakneck pace, which will not allow proper scrutiny and review by the Senate. When I was manager for the executive, of course, I tried and played hard. But in this instance you have to have the votes to be able to win it, and if the crossbenchers allow the government to win this debate then you will be poorer for it because it will mean effectively that the executive can control the Senate. This is a Senate that is the master of its own destiny by the votes in this house. For every procedural motion that is moved there are countless others that may have got up or may have wanted to be moved, but the chamber imposes its own will. (Time expired)

Senator SINGH (Tasmania) (18:00): I rise to speak to this suspension motion. Following on from Senator Ludwig's comments in relation to the fact that the Senate did agree to a motion under standing order 113, it does surprise me about the need to suspend yet again. It is, indeed, farcical. We know already that the government has filed for tomorrow a notice of motion to bring on the debate of the carbon tax repeal package of bills, so why this is happening now is certainly of a farcical nature. It is about scoring a political point and nothing more than that.

What is disappointing, though, is the fact that the process of Senate committee inquiry, of Senate committee public hearings and of listening to evidence from experts in the field, has not been able to occur. It has not been able to occur because government senators did not want it to occur; they wanted to silence the voices of experts and scientists in this field. That has been the approach, unfortunately, of this government across a range of portfolio areas—to silence the voices and not have those voices heard because it does not want to hear the answers. That is what has happened in relation to these bills that were before a Senate committee. There was a call by opposition senators for there to be public hearings and an inquiry. That is the nature of Senate committees—to have inquiries into legislation. Yet that has not been granted by those government senators because they did not want to hear from climate experts. They did not want to hear from economists who do not regard the repeal of these bills and having no price on carbon pollution—having no legal cap on carbon pollution—as the right way to go. Instead, what we have is this farcical situation where we now find ourselves debating this suspension motion all in the name of the government trying to gain a political point—not a substantive point, a political point—in relation to the coming together of the new Senate today.

It is a shame because the reason the government is bringing on the suspension motion is something that is fundamentally important to this nation. It something that I joined with my Senate colleagues on this side and some from the Greens this morning to support outside Parliament House with so many young Australians. There were some 200 young Australians who care deeply about Australia's future actions when it comes to climate change, who want to see this parliament take action on climate change, who support an emissions trading scheme, who know what is going on across the globe in relation to legal caps on carbon pollution and who also know that the direction that this government is taking by removing a legal cap on carbon pollution, which is what a substantive component of the government's repeal legislation does, is a backward step for our nation. It puts us leaps and bounds behind so many other developed and developing nations across the globe and is not the way that they
want to see their future as young Australians. They were calling on all of us to take action. That is what Labor is all about. It is about taking action on climate change. It is something we did when we were in government; it is something we still aim to do when next in government and also while we are in opposition. We aim to hold this government to account on something that is a fundamental part of our future as a nation—in fact, our future as a planet. Introducing an emissions trading scheme has the support of economists, scientists and all the experts that have been silenced through the Senate committee process because government senators did not want to hear from them because it did not fit with the political point-scoring that they are now attempting. That is shameful. *(Time expired)*

Senator BERNARDI (South Australia) (18:06): I have sat here through a debate which seems entirely irrational, given that the government of the day is perfectly entitled to put forward its agenda for this Senate to consider. The simple fact that Senator Wong denied leave when the Manager of Government Business sought to rearrange the Senate procedure for this evening shows how intractable, intransigent and stubborn those on the opposition benches are. Let me remind you, Mr Acting Deputy President, and the Australian people: at the last election not only did the coalition go to the Australian people and say, 'We will abolish the carbon tax,' but so did the Labor Party then in government. They went and said: 'We've abolished it. We've finished the carbon tax. It's no longer there.'

They might try to hide the facts, but they cannot hide from their own dysfunctional rhetoric. Now here they are after promising the Australian people the carbon tax was gone, abolished, mothballed, extinguished, dead, buried and cremated—whatever you want to call it. The fact is that it was not. It was just another falsehood and another bunch of nonsense that was peddled by the Labor Party just like in the election before, when they promised through their Prime Minister there was going to be no carbon tax under a government she led.

The Australian people are mightily sick of this. They are heartily sick of the hypocrisy that we have seen from the Labor Party and their associates in the Greens. We know the Greens are wedded to bigger taxes. We know the Greens are wedded to this climate change religion, if I can call it that. But what we do not know is why they will not allow the government of the day to put forward their legislative agenda. What is wrong with having the debate about it? What is wrong with having the second reading discussions about it?

Senator Singh: It's called process, Cory.

Senator BERNARDI: What is wrong with having an appropriate process? This is the point, Senator Singh. The point is we are asking for a debate on it, and then we can have a discussion and a vote, and the democracy of this Senate can rule accordingly.

But what I have heard tonight is that we are undermining democracy—this from Senator Milne, the person who helped the government guillotine hundreds of bills in the last parliament. We had 56 bills that went through this place in a week with not one ounce of debate on them, and that was to the eternal shame of the Labor Party and the Greens. And now what do we have? We want to have a substantive debate about the most significant issue that the Australian people voted on at the last election. No, it was not Ms Gillard. No, it was not about her nonsense or the failings and dysfunction of the government. It was about the carbon tax. That was the seminal issue at the last election, and I dare anyone to challenge us on that. The Australian people understand perfectly that they were voting to get rid of a
carbon tax. When they did, what do we have? We have the opposition, who want to stand in the road of democracy.

I have heard Senator Wong argue before about Senate committees and things like that. You know what? When something goes to a legislative committee, the numbers are there with the government. The government senators of the day are perfectly entitled to rule accordingly, just like on the references committees, where the opposition have the numbers and they use those to effect. On the committee system: we try to do the right thing. We try to be fair. I am chair of a committee and I try to do the right thing, but we cannot stand in the way of the will of the Australian people simply because the bleating forces on the other side demand to be heard. I am heartily sick of the hypocrisy of the other side, and so are the Australian people.

**Senator Singh:** You should have come out and talked with the 200 young people this morning.

**Senator BERNARDI:** Senator Singh, thank you for your interjections. I know you are new to this whole climate change passion you have picked up from your frontbench portfolio, but might I say—

**The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson):** Senator Bernardi, direct your comments through the chair, please.

**Senator BERNARDI:** Indeed I will. Might I say to you—so that Senator Singh might remind herself—that at the last election she was part of the gang that said the carbon tax was already gone. They can deny that. They can deny their own advertising, but to do so is denying any integrity that I thought might have resided on that side. The opportunity is there for them to prove it right now. Prove they are people of their word. Let them say: 'The Australian people voted for this. I'm going to stand up and I'm going to vote in accordance with our policy at the last election.'

**The PRESIDENT:** The question is that the motion moved by Senator Fifield to suspend standing orders be agreed to.

The Senate divided. [18:15]

(The President—Senator Parry)

<table>
<thead>
<tr>
<th>Ayes</th>
<th>Noes</th>
<th>Majority</th>
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**AYES**

Abetz, E  Back, CJ
Bernardi, C  Birmingham, SJ
Bushby, DC  Canavan, M.J.
Colbeck, R  Day, R.J.
Edwards, S  Fawcett, DJ (teller)
Ferraravanti-Wells, C  Fifield, MP
Heffernan, W  Lambie, J
Lazarus, GP  Leyonhjelm, DE
Macdonald, ID  Mason, B
McGrath, J  McKenzie, B
Muir, R  Nash, F
O'Sullivan, B  Parry, S
Payne, MA  Reynolds, L.
Monday, 7 July 2014

SENATE

AYES

Ronaldson, M
Ryan, SM
Sinodinos, A
Wang, Z

Ruston, A
Seselja, Z
Smith, D
Williams, JR

NOES

Bullock, J.W.
Carr, KJ
Di Natale, R
Gallacher, AM
Ketter, CR
Ludlam, S
Lundy, KA
McLucas, J
Moore, CM
Peris, N
Rhiannon, L
Siewert, R
Sterle, G
Waters, LJ
Wong, P
Xenophon, N

Cameron, DN
Dastyari, S
Faulkner, J
Hanson-Young, SC
Lines, S
Ludwig, JW
McEwen, A (teller)
Milne, C
O'Neill, DM
Polley, H
Rice, J
Singh, LM
Urquhart, AE
Whish-Wilson, PS
Wright, PL

PAIRS

Brandis, GH
Cash, MC
Cormann, M
Johnston, D
Sullion, NG

Conroy, SM
Bilyk, CL
Marshall, GM
Brown, CL
Collins, JMA

Question agreed to.

Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (18:19): I move:

That a motion relating to the consideration of the Clean Energy Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2], and related bills and the Climate Change Authority (Abolition) Bill 2013 [No. 2] may be moved immediately and have precedence over all other business today until determined.

The Australian Labor Party have a choice right here, right now to get out of the way and allow this bill to be debated, to allow this package to be traversed so that the carbon tax can be repealed once and for all.

The will of this chamber is clear through the support of the motion to suspend standing orders. The Australian Labor Party and the Greens have at every turn used every opportunity to seek to delay and to seek to deny this chamber the opportunity to debate the package of carbon tax repeal legislation. We saw their behaviour by withholding quorum in the Environment and Communications Committee, chaired by Senator Ruston—that outrageous behaviour, that trade union tactic, to seek to deny a quorum for a duly constituted committee
of the Australian parliament. Through its support for the suspension of standing orders, this chamber has made it clear that the Senate wishes to move rapidly onto a substantive motion that will allow the carbon tax repeal package to be brought on.

I spoke on the earlier procedural motion and I will not detain the Senate chamber any longer. I say to the Australian Labor Party and to the Australian Greens: get out of the way and allow the package of carbon tax repeal bills to be debated so that the carbon tax can be repealed and Australian families can get on average $550 of relief. I commend this motion to the chamber.

Senator SINGH (Tasmania) (18:22): As the chamber knows very well, there was a process in place and that process started with the Senate Environment and Communications Legislation Committee having a reporting date of 14 July, next Monday, for the tabling of their report into this package of carbon tax repeal bills. What we have today is a farcical attempt by government senators to change that entire process, all for their own political advantage. This Senate knew its business and it set the dates according to its order of business. Yet the government has come in and, for the purposes of some political stunt, tried to change the process in order to allow these bills to be debated forthwith. The opposition and the majority of senators in this place—as we know because we had this debate earlier today—agreed that the process should stand.

We believe in proper process. We know that, through the committee process, which is an important part of being in the Senate because this is the house of review, there would be a review of the legislation that was before it. What we are talking about here is substantial legislation on what has been described by many, including world leaders, as the most important and compelling issue facing our globe at this time. But this legislation was not even allowed to be put through the process of an inquiry, with public hearings to hear from experts as to its merits, to inform the senators in this place whether it was decent legislation to pass. We were not allowed to have that process occur, despite the opposition senators asking for it and despite its being custom and practice, time and time again, for the Senate committee process of an inquiry, to call for submissions and to have dates when hearings are held.

The government senators would not allow that to happen. Through that process, or lack of process, they were silencing climate scientists, economists, professionals and experts in the field. What did they get in return? They had 59 economists, including John Hewson, coming out today and stating clearly that there needs to be a price on carbon and legal limits on carbon pollution. Those kinds of voices were silenced in the Senate committee process. Labor does not stand for this. We stand very clearly for an emissions trading scheme. The government did not want to hear experts that agree with Labor, experts that agree with an emissions trading scheme, experts that agree that the carbon repeal bills are wrong as they stand and that there does need to be an amendment to allow for an emissions trading scheme to be introduced. I feel very frustrated by the fact that this government has not allowed proper process to be carried out through the Senate committee structure.

Senator Ian Macdonald: Well, why don't you just move your amendments?

Senator SINGH: We know that, despite that, the voices of so many experts in the field have not been silenced. They have come out very strongly in support of what they believe is the right stance. It is a stance based on science, Senator Macdonald, which I encourage you to take up. Take up reading the CSIRO's annual report. Take up reading some of the peer
reviewed work by the climate commission that you shut down. Take up reading some of the expert reports by Professor Ross Garnaut—

Senator Ian Macdonald: A real independent fellow, that guy!

Senator SINGH: and from the Academy of Science. The list I could give you could be quite long. I would not be surprised that you have not read one iota from some of those scientific experts.

The thing about science is that is based on evidence, it is based on experiment, it is based on fact. You cannot deny it. On top of that, the type of science we are talking about, climate science, has all been peer reviewed. How can the government completely ignore the umpteen number of scientists that have made it very clear that global warming is occurring, that climate change is real, that we just had the warmest May ever, that we just had the hottest summer ever, that there is a link between natural disasters occurring and changes in our climate? How can you deny it when there is so much scientific evidence in this space? That is why Labor acted when we were in government. That is why we stand by an emissions trading scheme now. And that is why I joined with my Labor colleagues this morning, outside in the cold at the front of Parliament House, with some 200 young Australians who want us to act on climate change. They do not want to see the government's approach of burying their heads in the sand, ignoring scientists and denying them the ability to contribute to Senate committee processes. They want to see our democracy working as it should. For it to work as it should, there should have been an inquiry, with some public hearings and a submissions process, and we should have heard from those experts in the field.

But, of course, the government senators did not want that. It does not fit with their agenda. What fits with their agenda is spending billions of dollars on direct action, on a wing and a prayer that some abatement by the biggest polluters might occur. Throw them some taxpayers' money and hope that they change their behaviour—no legal cap on pollution, just sitting back and saying, 'Here, have some taxpayer money, and let's just hope you might change your behaviour.' That has been thrown out of the water by so many economists and scientists, which is exactly what the government did not want to hear through a Senate public inquiry process. That is why those voices have been silenced. And that, I believe, is a threat to our democracy. If we have a government that is not going to stand by the proper processes of Senate committee structures, what does that mean for our democracy? This is supposed to be the government that is about freedom of speech.

Debate interrupted.

Sitting suspended from 18:30 to 19:30

Senator SINGH: As I said earlier, there have been some 59 economists today who were united in support for a price and a limit on carbon pollution. I raise this issue today because it is pertinent to what has been debated today here in the Senate—or, at least, the shenanigans that have been carried out by government senators in this place today in trying to stymie the process of a Senate committee in relation to these bills.

I raise the fact that these economists have made this statement today because one of them is the former Liberal leader, Dr John Hewson. He, along with the economist, Geoff Weir, and Australian professors from universities right across the globe have made it very clear today that we need to support a price on carbon and that we need a legal limit on carbon pollution.
And that is exactly what Labor's policy is. It is to have an emissions trading scheme where you have a legal limit on carbon pollution.

What is most concerning here is the fact that the government does not seem to understand that, nor care about doing anything about that. This is despite these 59 economists and despite the number of scientists that have also made it very clear that this is the most efficient and effective way to reduce carbon pollution in this nation. Of course, we also know these things are being put in place right across the globe.

But in relation to the bills, Labor's position has been very consistent. I know that Senator Abetz—and Senator Cormann, I think it was—and others on that side of the chamber today tried to make out that that has not been the case. It is certainly a furphy for them to try to drum that up now as some way of saving some credibility in their own situation, knowing that they have their own former Liberal leader coming out against their current position. Labor's position was consistent with the position that it took to the federal election last year, and that is that for these bills, yes, we do think that we need to move from a carbon tax to an emissions trading scheme. Unfortunately, these bills that are before us do much more than that.

If passed by the parliament these bills will also abolish any chance of Australia having a formal legal cap on carbon pollution and any chance of us moving to an emissions trading scheme. Therein lies the problem and therein lies the issue before this Senate: the fact that if these bills are passed that is what we will end up with. We will end up with no legal cap, and Australia will go far back in its credibility in tackling global warming. You have President Obama, China, South Korea, Germany and umpteen countries acting to put a legal cap on carbon pollution and then you have Australia just wanting to rip it up completely. That is something that Labor certainly will not stand for. We want to tackle climate change in the most cost-effective way possible and that is why we support terminating the carbon tax if it is replaced with an emissions trading scheme that puts a legal cap on pollution and lets business work out the cheapest and most effective way to operate within that cap.

You would think that that kind of market based mechanism to deal with carbon pollution would be something that the Liberal Party would support. We know, in fact, that the Liberal Party actually did support it. John Howard, when Prime Minister, supported it. Malcolm Turnbull, when Leader of the Opposition, supported it. Christopher Pyne is on the public record supporting it. There are probably umpteen others within the Liberal Party that do support an emissions trading scheme because, let's face it, the vote was very close when they rolled Malcolm Turnbull.

I call on those government senators to let their voices be heard, because this debate is something that is going to affect our nation not only today but for years to come. And that is what I heard today from those young Australians—those young climate action Australians—who gave me this badge when I joined with my Labor colleagues to meet them this morning. Those young Australians wanted us to act on climate change. They do not want to see us end up with nothing, nor do they want to see some farcical policy where we give taxpayer funds to big polluters in the hope that they may change their behaviour, which will lead to some kind of abatement. It is a laughable policy and something without any credibility.

In the time left to me I want to talk a little bit about my home state of Tasmania, because I do come from one of the most renewable-energy-driven states in the country. Something that my new Senate colleague, Senator Lambie, and I have in common is our passion for
Tasmania. That is something shared by my Tasmanian Labor Senate colleagues as well. One of those passions is about ensuring we have jobs growth and ensuring that Tasmania has economic advantages into the future. And if there is one area where there has been growth and which could continue to have growth it is in the renewable energy sector. But will all be lost—all lost!—with these bills if they are passed by this Senate.

That is something that the Palmer United Party and the government senators need to take heed of. It was only a week ago that Hydro Tasmania, our energy supplier in Tasmania, made it clear that the repeal of the carbon tax, as well as the uncertainty about the renewable energy target, would mean that they will cut nearly 100 jobs in Tasmania. That is to the detriment not only of Tasmania but of the rest of Australia, to which Hydro Tasmania sells its power through the grid. It is the long-term effect that will continue to affect all the other renewable energy businesses and the investors who want to invest into this space. Hydro Tasmania is a key one for my state of Tasmania.

What we have from the government if the carbon tax is repealed is nothing. There will be no emissions trading scheme in its place; there will be absolutely nothing. That is not good enough for Labor senators. That is not good enough for the Labor opposition. We stand for renewable energy. We stand for the renewable energy target, which will lead to investment into renewable energy jobs and innovation and to the growth of wind energy, solar energy and all the good things that come from ensuring that we create clean energy. That is why we stand for the renewable energy target and for an emissions trading scheme. We want to ensure that there is a legal cap on pollution and that there are incentives that drive change in our economy for the creation of clean energy. That outcome will be achieved only through the architecture that is provided in the emissions trading scheme and by keeping the renewable energy target. I highlight the fact that Tasmania certainly will be disadvantaged by the loss of any legal cap on pollution and of any price mechanism.

I go back to what those 59 leading economists highlighted today in their open letter. We highlighted earlier that Senator Macdonald was not very au fait with some of the science and what some of the experts in this field had said. These peer reviewed experts in their field highlighted evidence that there is global warming, that there is a need to act on climate change, that we did just experience the hottest summer and the hottest May on record and that we need to do something about it, especially in relation to natural disasters but also for the sake of our children into the future. I refer to their open letter because they refer to the Intergovernmental Panel on Climate Change, which has made very clear that human influence:

… through activities such as accelerated and large scale burning of fossil fuels and clearing of forests, is warming the globe and that the impacts of climate change are being felt across the world. These findings are supported by the leading scientific bodies of the world, including the CSIRO and the Australian Academy of Science.

They are two key bodies in this debate that were not able to share their research with the Senate Environment and Communications Legislation Committee, which considered these bills before they came into this chamber for debate. I raise that because those are economists highlighting the work of scientists. There is a link here between the environment and the economy. The link is the real risk and shame that ending a legal cap on pollution, ending a
price on carbon pollution, will lead to a real deficit in our economy, a deficit in the sense of
the lack of renewables— *(Time expired)*

**Senator IAN MACDONALD** (Queensland) (19:41): I support the motion moved by
Senator Fifield. I will not keep the Senate for long because I, like I think most other senators,
want to get on with the actual debate; what we are debating now is a procedural motion. I
have been in this chamber too long to allow the hypocrisy and humbug that we hear coming
from Labor Party senators and which we will hear next from Greens senators about this
procedural motion. I have been sitting in this chamber for the last six years, and for a few
years before that too, and have seen the Labor Party and the Greens guillotine more than 200
important bills with absolutely no discussion in this chamber, yet we hear from them the sort
of rhetoric we have heard from the previous speaker about the debate on this motion.

I say to the newer senators: I am a liberal and, regardless of what the executive government
may say, I am always one who will allow proper discussion on any bill before the chamber.
Having said that, I would gladly move a guillotine on this bill right away, because we have
debated this full-time for the last six years. For the last six years we have debated this
particular subject. We went to the 2010 election, with Mr Abbott and Ms Gillard promising
the same thing: not to have a carbon tax. So why are we debating it today? Why do we have
Senator Singh wasting 20 minutes of the Senate's time in a classic filibuster? I say to new
senators: have a look, because this is what you going to see a lot of—Labor senator after
Labor senator getting up and speaking for 20 minutes on a subject that we have debated ad
infinitum for the last six years. I could repeat every speech that is going to be made by
Labor and the Greens because I have heard them so often.

We do not need to worry particularly about what various senators in this chamber say; we
have to listen to what the people of Australia say. There would not be an Australian who did
not know that the last election was to be 'a referendum on the carbon tax'. Who won the last
election? Was it the Labor Party, who dropped five senators here? Was it the Greens political
party, who, in the first election in Western Australia—before some votes mysteriously went
missing—did not even get a senator elected in Western Australia? It was the parties who
indicated a preference to get rid of the carbon tax who were successful at the last election.
And why? Because that is what the people of Australia wanted.

This is a procedural motion. If Senator Singh is so keen about the debate, let's get on with
it. Why did we have a 20-minute filibuster from her to prevent us from getting on with the
debate? I hope that the new senators will quickly understand the humbug and hypocrisy that
they will hear from the Labor Party and from the Greens.

I do not want to refute some of the comments that Senator Singh made, but I want to raise
very briefly a couple of issues. I refer any senator who is interested, to go way back to 12
May 2009 to a question that I asked on notice of the then science minister, Senator Carr. I
asked him for a list of all research grants from the Labor government to universities and
researchers dealing with climate change. It is on the record at question 1507 on 12 May, 2009.
Have a look at that, Mr Acting Deputy President. These are the research grants that have gone
to researchers who want to promote the Labor-Greens view on climate change.

I just want to make it clear to anyone who might be listening that I am not a climate change
denier. I have long said that the climate is changing. I remember—and I was not around
then!—when the earth was covered in ice. I remember that the centre of Australia was an
inland sea, and I also remember that it was a tropical rainforest. So, clearly, the climate is changing. I am the first to admit that. I have known that all along. But is it man’s emissions of carbon that has caused it? As I have often said, ‘I do not know.’ I have heard equally from qualified scientists who say no as those who say yes. You do not hear a lot from Australian scientists who say no because Professor Bob Carter could never get a grant because all the grants were going to those who were supported by the Greens and the Labor Party. The list is five years old now, but here are just some of the grants that went to those who wanted to promote the Greens and the Labor Party view on climate change.

Mr Acting Deputy President, I am not a scientist—you know that—but I just happened to be glancing through the Weekend Australian on 21 June and saw the headline ‘Coral comes back from the dead’. Yet, if you listen to the Greens and the Labor Party you would think that the Barrier Reef is doomed and that every coral reef in the world is doomed because of climate change. There is an article quoting a respected member of the Australian Institute of Marine Science, based in Townsville, who indicates that there are different arguments about climate change.

If the new senators want an indication they just have to hear what is coming from the Greens. If you do not happen to hold their views—and the same can be said for Senator Wong—you are pilloried.

Opposition senators interjecting—

Senator IAN MACDONALD: I can give you a list of scientists, but you dismiss them because those scientists do not hold your views, and therefore you say are not proper scientists. It is only the scientists who agree with you that you say are proper scientists. Totalitarian regimes of the 1930s had the same sort of view—

Senator Di Natale: They are called scientists—

The ACTING DEPUTY PRESIDENT: Order! Senator Di Natale, Senator Macdonald will be heard in silence. Direct your comments through the chair, Senator Macdonald.

Senator IAN MACDONALD: Thank you, Mr Acting Deputy Speaker, but I really do not need protection from the Greens. Heaven forbid that that day should ever arrive!

Back in the 1930s, we had the same sort of thing: if you did not agree, you were pilloried.

Senator Siewert interjecting—

Senator IAN MACDONALD: Work it out for yourself. You would know. You are from the ultra-left wing of the political spectrum. You know about the totalitarian regimes of the 1920s and 1930s: if you did not agree with the government, you were ostracised. The Greens and the Labor leadership here have indulged themselves in the same sort of thing.

A scientist from the Australian Institute of Marine Science has had a look at this. There are some questions about it. It is not as clear-cut as that ‘reputable’ body of the UN, the United Nations climate change commission, would have you believe. Have a look at who is on that. I retain an open mind; I always have.

Senator Di Natale: An empty mind.

Senator IAN MACDONALD: Yes, okay; have a good debate! If you do not agree with them you get the sort of abuse, the personal abuse, that is typical of the Greens. As I said, I want to get on with the actual debate. We will see how it turns out. But why do we have to put
up with, over the whole night, Labor and Greens people filibustering 20 minutes each to prevent us from getting on with the debate?

Senator Di Natale: Spare us.

Senator IAN MACDONALD: Well, Senator Di Natale, are you not going to speak? Is your leader not going to speak? Can we can get on with the debate; will you vote for it? We have tried twice today to get on with the debate. If the Greens are confident in their arguments, then they will put them to the Senate and we will have a vote on it. Let's get on with the debate and finish with these procedural motions. The Greens and the Labor Party have put impediments before this chamber to prevent us from debating the issue that they feel so passionate about. I urge the Senate to support Senator Fifield's motion.

Senator CAMERON (New South Wales) (19:52): If the previous speaker is a believer in climate change, can you imagine the debates that take place in the party room of the coalition? They must be absolutely hilarious. There is an argument that the coalition have a mandate on climate change. The mandate they got from the public was a mandate based on lies, a mandate based on misrepresentation, a mandate based on fear and loathing. That is the mandate the coalition went to the election on. They ran fear campaigns on climate change, they ran fear campaigns against refugees and they ran fear campaigns against taxing the mining companies. And now they come in here and say, 'I'm a believer in climate change.' Senator Macdonald said he could remember when the planet was iced over. I am one of the oldest senators here and I have to rely on the TV to see that! I did not know Senator Macdonald was that old.

The other issue that came through in Senator Macdonald's speech was this Greens-Labor alliance about some kind of terrible conspiracy against humanity. When Senator Macdonald was talking, I had a look at that well-known group of communist conspirators, the National Aeronautics and Space Administration, NASA. This is one of the pre-eminent scientific groups in the world. They say, 'Here is the evidence for climate change.' They do not go on with the nonsense that Senator Macdonald went on with. They go through the scientific analysis of why you need to deal with climate change and what is happening. They indicate that certain facts about the earth's climate are not in dispute.

They say that the heat-trapping nature of carbon dioxide and other gases was demonstrated in the 19th century. Here we are in the 21st century and the coalition is not able to understand the signs that were there in the 19th century. NASA goes on to say that the evidence for rapid climate change is compelling: global sea levels rose by about 17 centimetres—6.7 inches—in the last century. The rate of rise in the last decade, however, is nearly double that of the last century. It is not Senator Milne arguing that, it is not Senator Cameron arguing that; it is NASA—the heartland of the United States' technology and science—saying that this is a fact. NASA says that global temperatures are rising and that most of the warming has occurred since the 1970s, with 20 of the warmest years having occurred after 1981.

NASA says that the oceans are warming and that they have absorbed much of this increased heat. So the heat is not actually out there in the air; it is being sunk into the oceans, with the top 700 metres—2,300 feet—of ocean showing warming of 0.302 degrees Fahrenheit since 1969. NASA is tracking the increase in temperatures of the ocean, the sea-level rise and the shrinking ice sheets. It says the Greenland and Antarctic ice sheets have decreased in mass. Data from NASA's Gravity Recovery and Climate Experiment shows Greenland lost
between 150 and 250 cubic kilometres of ice between 2002 and 2006, while Antarctica lost about 152 cubic kilometres of ice between 2002 and 2005. This is something that is happening now. These are issues we have to deal with now.

NASA also says that Arctic sea ice has declined rapidly over the last several decades. The glaciers are in retreat. The glaciers are retreating almost everywhere in the world, including in the Alps, the Himalayas, the Andes, the Rockies, Alaska and Africa. Senator Macdonald, it is the NASA website saying this. This is what the top scientific and technological organisation in the United States is saying. It is saying these are extreme events. The number of record high-temperature events in the US has been increasing while the number of record low-temperature events has been decreasing since 1950. The US has also witnessed an increased number of intense rainfall events.

Then there is the issue Senator Macdonald raised about the Great Barrier Reef. It is ocean acidification that is killing the Great Barrier Reef. Since the beginning of the industrial revolution, the acidity of surface ocean waters has increased by 30 per cent. This increase is the result of humans emitting more carbon dioxide into the atmosphere, hence more is being absorbed into the oceans.

This is not some loony-left organisation that does not deal with the scientific facts; this is NASA. And this analysis is replicated by scientists all around the world, including Australia. If you go to the Australian Academy of Science's website you will find the same facts. If you go to the Bureau of Meteorology's website you will find the same facts. If you go to the CSIRO's website you will find the same facts. We are dealing with factual issues here, not whether there is some climate change akin to the changes in climate that have taken place over many years. This climate change can be put down to human centred activities. It can be put down to us pouring carbon into the atmosphere. It really is about big business, over the years, not having to worry about polluting the atmosphere—they have been simply getting on with their production, not worrying about what is happening in the atmosphere. Now they are being called to account, because there is a need for us to put a stop to carbon pollution in the atmosphere.

We heard much discussion earlier about the coalition's mandate. I repeat: I have a mandate as well. I made it quite clear, when I was standing for election, that I recognised climate change was an issue and I supported a price on carbon. Millions of Australians voted for the Australian Labor Party and the Greens because they wanted action on climate change. They do not want us to walk away from climate change.

I have a personal interest in this. I live in the Blue Mountains. My house was evacuated twice last summer because it was unsafe for me to be at home. It was unsafe for me and it was unsafe for hundreds of families—thousands of families, actually. We were told that we had to leave. There were 80-kilometre-an-hour winds in the Blue Mountains and fires raging. If you were in Penrith and you looked up to the Blue Mountains, it looked as if somebody had let off an atom bomb. There was a mushroom plume of smoke near Springwood and the Blue Mountains. I was there. I had heard all these things about protecting your house and what you could do and what you could not do. We had radiant heat jumping 80 metres across the Nepean River. Everybody thought, 'The fires are on the other side of the river; we're going to be okay.' Tell the people in Yellow Rock that. The radiant heat—not embers but radiant heat—from the fire started the fires in Yellow Rock. It was so intense. What was the point of
me standing out there with my garden hose in 80 kilometre-an-hour winds with the trees bending over around me? I had to get out. Families all around us had to get out. Why? Because the climate is changing. There is more and more of this happening around the country. If we do not take action on climate change, this is what we will be faced with. Do not take my word for it. Listen to NASA, listen to the CSIRO, listen to the Bureau of Meteorology, listen to the science academy and listen to all the experts that tell you this. And yet we are not going to do anything about it.

I think a lot of this is about the coalition’s one-liner—they have lots of them—’We’re open for business.’ Business can do what they like. Business can just go on and keep polluting. In fact, what the coalition is going to do is spend billions of Australian taxpayer dollars paying the polluters to stop polluting. What is the sense in this? There is not an economist in the country who would argue that that is a sensible approach. This was, as Malcolm Turnbull said, a ‘fig leaf’ for the coalition. It was a fig leaf. They were throwing the fig leaf in because they were on the fear campaign on climate change and the fear campaign that jobs would be lost. Yet every economic analysis said that jobs would continue to grow. I was chair of the environment committee in the last Senate for a number of years. Every expert, whether they were an economist or an environmentalist, would say that job numbers will grow—the sooner you take the steps to embrace the decarbonisation of our economy, the quicker you change our economy, the cheaper you do it and the more jobs you create by that approach. I think it is pretty simple.

I heard Senator Macdonald asking Senator Singh if she was a scientist and how she knows these things. I will tell you how Senator Singh knows these things: the same way I know them, and I am not a scientist. Experts come and tell senators, day in and day out, that this is a huge problem. This is a problem that is not going away and we have to deal with it. The environmental scientists come in and tell you that this is just physics. Physics will determine what happens with more carbon dioxide getting pumped into the atmosphere. It means more wild winds, more bushfires, more acidification of the ocean, higher temperatures, fewer cold days and more warm days. Now we have environmental health experts telling us that diseases only found in tropical areas will be slowly coming down the east coast of Queensland because the heat is coming in and those diseases will thrive in it. This is not us coming up with a scare campaign. It is not Labor saying there is a scare campaign. This is us listening to the environmental experts—the environmental health experts and the scientists.

What do the economists say? The economists say, ‘You have to deal with this. The sooner you deal with it the better it is for the economy. The sooner you deal with it, the better it is for employment. The sooner you deal with it, the better it is for you to engage in green manufacturing jobs.’ I have no compunction about saying I am not an expert in this area, but I defy anyone in this place to say that the evidence is not in on this issue.

I suppose I could do the same as many of the coalition senators. I could head off to the United States, sit down with the Tea Party cranks, listen to them and get a lecture about how this is all some big conspiracy. I could come back here and say, ‘This is all nonsense,’ and run these agendas that they have been running—fear and smear campaigns from the coalition. But I take a different view. Who knows how long I am going to be here, either in the Senate or on this planet. I am over 60 now. I have two grandkids. One of them is eight and one of them is six—Amy and Scott. They are dear to me, dear to my wife and dear to our family. What we
want for them is a future—not a future with warming of two, three or four degrees higher than temperatures are now, with all the problems that that will create. We do not want them to live in an environment where they cannot go out and enjoy what I have enjoyed for most of my adult life in Australia. From my own personal perspective, I want my grandkids to have a future that is not threatened by global warming. When the coalition senators really look at this and push aside the partisan politics of this I think there will be a few who will be worried about their grandkids' future. You cannot easily dismiss this. If there is an issue, you have to take steps to deal with it.

I want to now briefly come back to the Blue Mountains experience. Saying we are 'open for business' and blaming everything on Labor's economic record is just so much nonsense. Everyone knows that Australia is a wealthy country. Everybody knows that we have three AAA credit ratings. Everybody knows that, compared to every other country in the world, we are miles ahead on economic issues. We are just so far ahead that the coalition create a lie and say we are in bad economic times. We hear time and time again that people cannot go to the doctor without paying a $7 tax because the economy is in such a bad state, but they do not tell us that the $7 tax is going to go to some health research fund. If the economy were so bad, the $7 would not be going to that; the $7 would be going to get the deficit down.

The deficit does not need to come down. We are in a far better position than any other comparable country in the world. This is a lie that is being peddled. Everything that comes from the coalition comes from a lie. Their victory in the last election was based on a lie. It was based on deceit. It was based on fear campaigns. So I do not accept this mandate. No mandate based on a lie is a mandate that you can claim.

What do we have now? The Productivity Commission has submissions from Treasury, the finance department and Attorney-General's—all on the instructions of Liberal ministers. Those submissions are basically saying to the Productivity Commission—and the inquiry is about how you deal with disasters—that they want out: 'We don't want to do this anymore. The states have to take responsibility for disaster funding and individuals have to take responsibility through their insurance premiums.' The argument that you have small government so you cannot deal with climate change, you cannot deal with natural disasters, you cannot deal with the health of the Australian community, you cannot deal with the education of the Australian community and you have to cripple the university system on the basis of a lie is just unacceptable to me and unacceptable to the Labor Party.

You have to be called out on your lies. You have to be called out on the fear campaigns you have been running. We will continue to call you out on these issues because I want a future for my grandkids. I want a future for all the kids in this country. That future is only guaranteed if there is an approach by this country to deal with climate change and show leadership. Even John Howard recognised that he had to show leadership, because John Howard was going to the election with a climate change policy based on a market price for pollution.

So these are the issues we have before us here. I know this is a procedural motion and we will deal with all these issues again, but this procedural motion is based on the lie that the coalition went to the last election on. They lied to the community on pensions. They lied to the community on welfare. They lied to them on education. They lied to them on health. Do not come here claiming a mandate based on lies, because we will not wear it. We have to deal
with climate change. It is about time you woke up to yourselves because you are the modern-day Luddites. (Time expired)

Senator MILNE (Tasmania—Leader of the Australian Greens) (20:12): I rise tonight to address the motion that is before the Senate—and I remind the Senate that the motion is:

That—

(a) the orders of the day for the second reading of the following bills be called on immediately, may be taken together through their remaining stages and have precedence over all government business until determined…

And the list of bills is the entire clean energy package. I rise today to make that point because—

The ACTING DEPUTY PRESIDENT (Senator Back): Senator Milne, I remind the chamber and you that we are dealing with a procedural motion; we are not dealing with the substantial motion.

Senator MILNE: Yes, I understand.

Senator Cameron: Mr Acting Deputy President, I would like to discuss your intervention for a second. This has been a very wide ranging debate on both sides—

The ACTING DEPUTY PRESIDENT: Thank you, Senator Cameron. I accept what you are telling me. At the same time we are dealing with the procedural motion. Senator Milne, direct your comments to the procedural motion, thank you.

Senator MILNE: That was what I was about to do, Mr Acting Deputy President. Earlier today when the motion to give precedence and have the bills taken together was put to the chamber it was defeated—it was defeated on both counts. In fact, the decision of the Senate was that they not be dealt with together and that they not be given precedence. At that point the Palmer United Party agreed that they ought not to be given precedence and they ought not to be dealt with together. Now we have had a change of heart and no explanation at all as to why, within a matter of hours, that change occurred. According to the media reports, it is because the government has now agreed to bring the Climate Change Authority (Abolition) Bill into the Senate. As a result of a deal that has been done on that there has been a change of heart.

We deserve to know exactly what this deal, or this arrangement, has been. The reason I say that is that this is a hugely significant moment in Australian political history. What we are dealing with here, with this substantive package of bills, will determine the life chances of every generation that comes after us. Why would you, at one point during the day, say you wanted more time to consider these bills and then, at a later point in the day, say that you are prepared to abandon the 17 July reporting date and bring on the debate tonight? What has occurred or been negotiated in the last few hours that would lead to that change of heart? The Senate and the Australian people deserve some kind of explanation.

Senators need an explanation because what we are being asked to do with this package of bills is repeal an emissions trading scheme which is working. It is currently operating with a fixed price and due to go to a flexible price on 1 July next year. This Senate will be asked to repeal those bills, and we are told there is going to be an amendment to the Climate Change Authority bill from the Palmer United Party which inserts some kind of emissions trading
scheme—but those amendments have not been circulated, so nobody knows what it is that is being proposed for the future.

The thing is: we have a scheme now. That is the important thing. It is working. It is bringing down emissions, particularly in the electricity sector; it is bringing down emissions as we speak. We need to know if we are being asked to exchange the scheme we have now which is working, which is bringing down emissions and which has an 18 per cent emission reduction target attached to it, because that is the default setting. That is what is currently in place as of 31 May. Are we being asked to exchange that for something which may or may not come into effect at some point in the future? That is all we have to go on at this point because we have not seen the specifics of the legislation. If that amendment is contingent upon all of our trading partners being involved in a global emissions trading scheme, then we are talking about the never-never. We are talking about a period so far away there would be a megagap between what we now have, which is bringing down emissions, and what may or may not happen at some point in the future.

If you are determined to bring on a debate on the abolition of a scheme which is working and legislated now, then it is incumbent on you to know exactly what is being proposed as an alternative. If you say you are supportive of emissions trading, then why would you not maintain the emissions trading scheme you have? I make these points because we have heard a lot of debate about what is, or may be, going to be proposed, but none of it has been circulated. No-one in the Senate has been able to make a judgement or have a look at it.

I, for one, will not be supporting in any shape or form the abolition of the clean energy package, because climate change is not only real; it is an emergency. We are living in the emergency now. That is the fact. You only have to look at the science.

We have heard some discussion of the science. Senator Macdonald cites Bob Carter. I cite the Intergovernmental Panel on Climate Change. One is a scientist whose field is not climate science; the Intergovernmental Panel on Climate Change is the overwhelming consensus of the world's leading scientists—and there are thousands of them, from one end of the planet to the other. I can tell you: most of them live in a state of despair about how rapidly global warming is occurring. The question for them is not whether climate change is real or not; the question for them is whether we have already gone beyond the tipping point from which there is no return.

One of the big questions they are thinking about and asking themselves at the moment relates to a potential huge release of methane long-frozen in the Arctic permafrost. There is a 50-gigaton reservoir of methane stored in the form of hydrates in the East Siberian Arctic Shelf. That could be emitted gradually or it could be emitted suddenly. If there were such a melt of the permafrost that it was emitted suddenly, it would be a megacatastrophe on the climate front. It would tip us over. That is the problem here.

The same goes for ocean acidification. Research at my own university, the University of Tasmania, has demonstrated that ocean acidification is such that it is already thinning the shells of creatures in the marine food chain. Once they lose their shells, they lose their reproductive ability and that is going to lead to a simplification of the marine environment. Newsweek have a fantastic series of articles this week about the oceans. They make it clear that, when scientists look at the fish in the Barcelona fish market, they do not just see a fish market like most people see and think, 'How fantastic!' They look at it and see it as a
museum—something that will not be there for very much longer—because what we are seeing is a loss of the complexity of marine life and a growing number of dead zones in the ocean, with jellyfish in much more prolific numbers and a loss of complexity. We saw, only a few weeks ago, 10 million scallops die off Vancouver Island because of ocean acidification—because in low pH waters they cannot form shells. You get to the point where you have wipe-out. Consider microscopic creatures, down to krill. Imagine what would happen if krill could not reproduce. You would see a collapse in the marine food chain and starvation—not only in the food chain but for millions, if not billions, of people around the world who depend on protein from the oceans. That is one thing in itself.

Who is to benefit from abandoning carbon pricing? I can tell you: it is the big polluters; it is the people who run coalmines and who want to develop coalmines; it is the coal seam gas industry; it is the big polluters, the coal fired generators. They are the ones who will benefit, but it is $18 billion that Australia will forgo. The Abbott government will forgo $18 billion in the next four years to allow the big polluters to keep that money. They will then stand up and say to the community, 'There is a budget emergency and, as a result, we need to take all this money out of the pockets of the community.' They stand up and say, 'We are going to return money to you in your power prices,' but at the same time they say, 'But we're going to take it out again as an even larger amount because we're going to take away from you universal health care, we're going to charge you co-payments, we're going to deregulate universities, we're going to have the HELP loans increase in cost and we're going to have insurance premiums go through the roof.' These are the kinds of costs that will happen.

People are going to recognise they are being incredibly short-changed and they are going to get especially angry when they discover that in fact the overwhelming drivers of increased power prices have been the poles and the wires and the complete failure of the national electricity market. What we have seen is disgraceful behaviour in the electricity market, with state governments in particular benefiting from more energy being transferred over massive networks. The result has been that communities have to pay for infrastructure they do not need because demand has fallen and renewable energy is coming on. We did not need this infrastructure that they have spent billions on, and now they are increasing power prices in order to pay for it.

Communities are going to come to realise all of this and they will get pretty upset. I asked the minister today about his response to extreme weather events, and I can tell the Senate that since this government has been in office it has changed the information on the Department of the Environment's website. It used to say that the intensity of extreme weather events was linked to climate change. Since the change of government, that has now gone. It has changed that; it has delinked it. There is now no reference to extreme and intense weather and intensity of weather events and climate change. It is as if we are living in a parallel universe from the real world that we actually inhabit.

As the old proverb says: time and tide wait for no man. It is true: time and tide are not going to wait for the coalition to catch up to the realities of global warming. It is happening now; we are living it now. This coming summer around Australia, and who knows where else, people are going to suffer from the extremes. They are going to suffer from more fires because we are going to have more hot days and more fire danger days. We are going to see areas that have dried out, and they are going to be subject to those fires. We are going to see
people die in heatwaves; we have seen that already and we are going to see more of it. We are going to see intense cyclones. We are going to see all of the floods that we have seen before, and they are going to come more frequently, but we are not going to be in a position to rebuild that infrastructure.

And who is going to foot the bill when that happens? Do you think that we are going to listen to a Prime Minister who says: 'Yes, you lost your entire infrastructure in this town and you can all pay for it, but, hey, I gave you $100 back on your power bill. You should be grateful.' I do not think so. People are actually changing their minds on this. People are now saying they want Australia to take a leadership role. They are saying that they want serious action on global warming. They are embarrassed that Australia is not doing what it needs to do in the international community, in a global context. We are going into September with Ban Ki Moon's summit and into November and the G20. Then there are the Lima talks for the United Nations Framework Convention on Climate Change in December. We will roll into 2015, the year that a global treaty is meant to be negotiated. How do you think Australians are going to feel when our Prime Minister will not even turn up to Secretary-General of the UN Ban Ki Moon's summit; that we sent officials to the climate talks last year; that we are trying to stop climate change being on the agenda of G20; and that we have already tried to stop Commonwealth heads of government from putting money into climate packages for the developing countries? Now we are going to Lima at the end of the year and will no doubt reject putting money into trying to help the small island states like Kiribati, which I mentioned today, adapt to climate change.

What is going on in this parliament is shocking. When I think about it I think: this is the first time in human history when one generation will impact what life is like for every single generation that comes after it. What sort of a responsibility is that? We have had it before in relation to individual regions or individual cultures. We have lost cultures before—we lost the Fertile Crescent, we have lost cultures in South America—but we have never lost on a planetary scale, and that is what we are doing. Can you imagine how future generations are going to look back and think that more than one-third of all species on the planet will be extinct by 2050—by 2050—because of global warming? That is what the prediction is, and we are already seeing it. Koalas are going locally extinct in Western Queensland. We have seen it with the white lemuroid possum in North Queensland. It will possibly be the first Australian animal to go extinct because of global warming—if indeed that is allowed to happen. But we are also seeing it all over the planet. There are species of plants and animals heading for extinction. Emperor penguins are set to be one-third of their number by 2050. We have polar bears drowning because they cannot get between the ice flows. We are seeing it everywhere, and we are going to end up with a genetically poor group of animals stuck in zoos around the world. That is the best we are going to be able to offer future generations, who are going to look back and say, 'How bad was that?'

And I know that, because in Tasmania we lost the thylacine. People now look back and say, 'How on earth did we let that happen?' People could have excused that then because people did not know any better. People did not know the extent of the thylacine's trouble; they did not understand what would actually happen. But we do know that now; we know it absolutely right now. And yet it seems we are, as a parliament, set to allow it to happen because Australia will not take its fair share of responsibility for constraining global warming.
to less than two degrees. It is as simple as that. It is an issue of intergenerational justice and of intergenerational equity. It is stealing from the future to repeal the clean energy package and leave Australia without a climate strategy to reduce emissions.

Five per cent is a joke. We have to get to 40 to 50 per cent reduction in emissions by 2030 and zero net carbon by 2050. That is the extent of the challenge. To do that you are so much better off starting early. We have already missed the early years, but we need to do it in a steady way rather than leave it to the point where you have massive dislocation. That is why economists are out today with their open letter, saying that the economy requires certainty for climate policy—innovation, research, investment, and new jobs need that certainty. That has been backed up tonight in the United Kingdom, where the latest research there says that climate action, far from damaging the economy, actually sets them up well. We recognise that President Obama, China, UK and Europe are all entering into bilateral deals on climate finance, on green finance, on green investment and on green technology and that Australia will be bypassed. The revolution has occurred. Clean energy is happening. The world is moving. But the opportunity cost will be huge if Australia ties itself to the old fossil fuel past. And that is what is happening.

If you vote to lose the clean energy package you are voting for the old fossil fuel economy and to return massive profits to the coal fired generators, to the big polluters and to the coalminers. You are actually saying that you think the community should pay for the externalities of those activities rather than the people who caused the problem in the first place. You are shifting responsibility. That is wrong. It is wrong for coal billionaires to be benefiting from abandoning carbon pricing, because it is our children and every other generation henceforth who will pay. That is why people will be observing this debate. It is a tragedy that we have empty seats everywhere in this chamber. But I can tell you that in years to come people will look back at who was responsible for this and will ask the question: why did they do it when they knew? They cannot pretend they did not know. They absolutely went into it with their eyes open and that is what they voted for. But I do think that this Senate deserves an explanation as to why there has been a change of heart in the last few hours from the Palmer United Party.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (20:32): I move:

That the question be now put.

The PRESIDENT: The question is that the motion be now put.

The Senate divided. [20:37]

(The President—Senator Parry)

Ayes ...................... 37
Noes ...................... 32
Majority ............... 5

AYES

Abetz, E
Bernardi, C
Bushby, DC
Cash, MC
Cormann, M
Back, CJ
Birmingham, SJ
Canavan, M.J.
Colbeck, R
Day, R.J.
Question agreed to.

The PRESIDENT (20:42): The question now is that the motion relating to the consideration of the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] and related bills and the Climate Change Authority (Abolition) Bill 2013 [No. 2] may be moved immediately and have precedence over all other business until determined.

The Senate divided. [20:42]

(The President—Senator Parry)

Ayes ....................37
Noes ....................32
Majority ...............5
Question agreed to.

BUSINESS

Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (20:44): I move:
That—
(a) the orders of the day for the second reading of the following bills be called on immediately, may be
taken together through their remaining stages and have precedence over all government business until
determined:

Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2]
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No. 2];
(b) that standing orders 120(3) and 122(1) and (2) not apply to the consideration of the bills listed in
paragraph (a); and
(c) that immediately after the bills listed in paragraph (a) have been finally determined, the Climate
Change Authority (Abolition) Bill 2013 [No. 2] be called on immediately and considered through all
stages until determined.
I also move:
That the question be now put.

The PRESIDENT: The question is that the motion moved by Senator Fifield now be put.
The Senate divided. [20:45]

(The President—Senator Parry)

Ayes ......................37
Noes ......................32
Majority ............... 5

AYES

Abetz, E
Bernardi, C
Bushby, DC
Cash, MC
Cormann, M
Edwards, S
Fierravanti-Wells, C
Johnston, D
Lazarus, GP
Macdonald, ID
Mason, B
McKenzie, B
Nash, P
Parry, S
Reynolds, L

Back, CJ
Birmingham, SJ
Canavan, M.J.
Colbeck, R
Day, R.J.
Fawcett, DJ (teller)
Fifield, MP
Lambie, J
Leyonhjelm, DE
Madigan, JJ
McGrath, J
Muir, R
O’Sullivan, B
Payne, MA
Ronaldson, M
The question now is that the motion relating to rearrangement of business moved by Senator Fifield be agreed to.

The Senate divided. [20:49]

The President—Senator Parry

Ayes .................. 37
Noes .................. 32
Majority ............... 5

AYES
Abetz, E
Bernardi, C
Bushby, DC
Cash, MC
Cormann, M
Edwards, S
Fierravanti-Wells, C
Johnston, D
Lazarus, OP
Macdonald, ID

NOES
Ruston, A
Scullion, NG
Smith, D
Williams, JR

PAIRS
Brandis, GH
Heffernan, W
Sinodinos, A

Brown, CL
Cameron, DN
Dastyari, S
Faulkner, J
Hanson-Young, SC
Lines, S
Ludwig, JW
Marshall, GM
McLucas, J
Moore, CM
Peris, N
Rhiannon, L
Siewert, R
Sterle, G
Waters, LJ
Wong, P

NOES
Brown, CL
Bullock, J.W.
Cameron, DN
Conroy, SM
Dastyari, S
Di Natale, R
Gallacher, AM
Hanson-Young, SC
Ketter, CR
Lines, S
Ludlam, S
Lundy, KA
Marshall, GM
McEwen, A (teller)
McLucas, J
Milne, C
O’Neill, DM
Peris, N
Polley, H
Rhiannon, L
Rice, J
Siewert, R
Singh, LM
Sterle, G
Urquhart, AE
Waters, LJ
Whish-Wilson, PS
Wong, P

Question agreed to.

The PRESIDENT (20:49): The question now is that the motion relating to rearrangement of business moved by Senator Fifield be agreed to.
AYES

Mason, B
McKenzie, B
Nash, F
Parry, S
Reynolds, L
Ruston, A
Scullion, NG
Smith, D
Williams, JR

McGrath, J
Muir, R
O'Sullivan, B
Payne, MA
Ronaldson, M
Ryan, SM
Seselja, Z
Wang, Z

NOES

Brown, CL
Cameron, DN
Dastyari, S
Faulkner, J
Hanson-Young, SC
Lines, S
Ludwig, JW
Marshall, GM
McLucas, J
Moore, CM
Peris, N
Rhianmon, L
Siewert, R
Sterle, G
Waters, LJ
Wong, P

Bullock, J.W.
Conroy, SM
Di Natale, R
Gallacher, AM
Ketter, CR
Ludlam, S
Lundy, KA
McEwen, A (teller)
Milne, C
O'Neill, DM
Polley, H
Rice, J
Singh, LM
Urquhart, AE
Whish-Wilson, PS
Wright, PL

PAIRS

Brandis, GH
Heffernan, W
Sinodinos, A

Bilyk, CL
Carr, KJ
Collins, JMA

Question agreed to.
The Senate Chamber is in session.

**BILLS**

Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2]
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013
Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No. 2]

**Second Reading**

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (20:51): I move:

That these bills be now read a second time.

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

Leave granted.

_The speeches read as follows—_

**CLEAN ENERGY LEGISLATION (CARBON TAX REPEAL) BILL 2013 [No.2]**

Today the government reintroduces the _Clean Energy Legislation (Carbon Tax Repeal) Bill 2013_.

As I said on 12 November 2013, when I introduced this bill for the first time, the Australian people have already voted on this bill.

Now the parliament again gets its chance. The people have spoken.

Now, it's up to this Parliament to show that it's listened.

The Australian people pronounced their judgment against the Carbon Tax: they want it gone and this bill delivers.

It delivers on the Coalition's commitment to the Australian people to scrap this toxic tax.

Madam Speaker, the Budget we delivered recently was tough but visionary. It was about setting the country on a path to long-term structural change.

But, a cornerstone of the Government's plan for a stronger economy built on lower taxes, less regulation and stronger businesses is the repeal of the carbon tax.

The first impact of this bill will be on households whose overall costs will fall around $550 a year on average.

Because of this bill, household electricity bills will be around $200 lower next financial year without the Carbon Tax.

Household gas bills will be around $70 lower next financial year without the Carbon Tax.
Prices for groceries, for household items and for services will also fall because the price of power is embedded in every price in our economy.

This is a bill to reduce the bills of the people of Australia.
When the price of power comes down, Madam Speaker, the Australian Competition and Consumer Commission will be ready to ensure these price reductions are passed on to households and businesses.

But families and pensioners will keep the tax cuts and benefit increases already provided.
The Carbon Tax will go, but the carbon tax compensation will stay so that every Australian should be better off.
Repealing the Carbon Tax will reduce costs for all Australian businesses, every single one of them.

Madam Speaker the previous Government said and argued that only big business paid the Carbon Tax.

That simply wasn't true. Every small business paid the Carbon Tax through higher electricity and gas bills and higher costs for supplies.

As well, Madam Speaker, the Carbon Tax acts as a reverse tariff.

Not only does the Carbon Tax make it more difficult for Australian businesses to compete abroad, it makes it more difficult for domestic businesses to compete at home – because there is no Carbon Tax on imports.

Madam Speaker, repealing the Carbon Tax removes over 1,000 pages of primary and subordinate legislation.
Repealing the Carbon Tax cuts the size of the climate change bureaucracy.
So, repealing the Carbon Tax will reduce the cost of living, make jobs more secure and improve the competitive position of our country.

That's what it does: it reduces the cost of living, it makes jobs more secure and improves the competitive position of our country.

Why would anyone be against that, particularly when it's what the Australian people have voted for?

Madam Speaker, repealing the Carbon Tax is what the employers and what the jobs providers of our country want now.

The Business Council of Australia — supports the wind-up of the current carbon pricing mechanism because it places excessive costs on business and households and because (our) carbon charge...is now one of the highest in the world.

The carbon tax has ripped through the economy, hitting schools, hospitals, nursing homes, charities, churches, council swimming pools and community centres.

It has hit each and every group and each and every individual that uses power – and that was always its goal: to make electricity more expensive.

That was the intention of the previous government, to put power prices up because that was their way of reducing carbon emissions.

The intention of the new government is to put power prices down by axing this toxic tax and by using other means to reduce emissions.

By reducing the cost of electricity and gas, we will help to make households better off, workers more secure and our economy stronger.

No one should be in any doubt – the Government is repealing the Carbon Tax in full.

We are doing what we were elected to do.

Others have said they would terminate the Carbon Tax, but they were only renaming it.
Well, Madam Speaker, we are not renaming it. We are abolishing the Carbon Tax in full.

Madam Speaker, repealing the Carbon Tax at the end of the financial year provides certainty for business and it simplifies the transition.

It means that this Government will not be proceeding with the previous Government's legislated Carbon Tax increase that would have taken effect from the 1 July.

Madam Speaker, unfortunately, the new Government cannot undo the past, we can only make the future better – and that is what we intend to do.

Madam Speaker, under this Government, the Carbon Tax will not apply from 1 July so there will be no need for further compensation packages.

We will end the merry-go-round of Carbon Tax industry assistance that takes from one pocket and puts less back in the other.

Madam Speaker, we will ensure that the benefits of repealing the Carbon Tax are passed on to consumers.

The ACCC will have further powers to take action against any business that engages in price exploitation in relation to the Carbon Tax repeal.

Penalties of up to $1.1 million for corporations and $220,000 for individuals will apply.

Madam Speaker, it is prudent to do what we reasonably can to reduce carbon emissions.

But we don't believe in ostracising any particular fuel and we don't believe in harming economic growth.

Madam Speaker, climate change is a serious issue and we have strong policies to come into place so that we rest lightly on the planet.

The Government is repealing the Carbon Tax because there is a less complicated and less costly way to reduce greenhouse gas emissions—a way that will actually reduce emissions and won't damage the economy.

The Government will scrap the Carbon Tax and then proceed with its Direct Action Plan.

The centrepiece of the Direct Action Plan will be the Emissions Reduction Fund – a market-based mechanism for reducing carbon dioxide emissions; a Fund which provides a powerful and direct additional incentive for businesses to reduce their greenhouse gas emissions.

The $2.55 billion Fund will use positive incentives to reduce Australia's emissions and prioritise cost-effective, targeted means to reduce emissions.

It's an incentive-based approach which will support Australian businesses and households to lower their energy costs at the same time as reducing Australia's emissions.

It will see us plant more trees, get more carbon captured in soils, clean up power stations and use smarter technology.

We believe that by the time the 5 per cent reduction kicks in in 2020 we'll have an overall reduction in our emissions of some 22 per cent of 2000 levels off a business as usual model—serious action about a significant problem.

Madam Speaker, the carbon tax is a $9 billion hit on the economy this year alone.

It is a $9 billion hit on jobs, a $9 billion burden on investment and a $9 billion burden on Australia that we just don't need.

This bill gets rid of it.

This bill, Madam Speaker, is the Government's bill to reduce the Australian people's bills and so I commend this bill to the Senate.
TRUE-UP SHORTFALL LEVY (GENERAL) (CARBON TAX REPEAL) BILL 2013 [No.2]
Together, this bill, the True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013, and the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 ensure that final assistance allocations under the Jobs and Competitiveness Program are accurate so that businesses are not over- or under-allocated assistance in 2013-14.

This bill imposes a levy which recovers the value of over allocated free carbon units received under the Jobs and Competitiveness Program for the 2013-14 financial year.

For constitutional reasons, this bill imposes the levy to the extent that it is not a duty of customs or excise.

TRUE-UP SHORTFALL LEVY (EXCISE) (CARBON TAX REPEAL) BILL 2013[No.2]
Together, this bill, the True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013, and the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 will ensure that final assistance allocations under the Jobs and Competitiveness Program are accurate, so that businesses are not over- or under-allocated assistance in 2013-14.

For constitutional reasons, this bill imposes the levy to recover over allocations to the extent that it is a duty of excise.

CUSTOMS TARIFF AMENDMENT (CARBON TAX REPEAL) BILL 2013 [No.2]
The Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 amends the Customs Tariff Act 1995 to remove the elements of this act that were legislated by the former government to apply the carbon tax through the fuel tax and excise system.

Importantly, this will reduce the increase in excise-equivalent customs duty on aviation gasoline and aviation jet fuel that represents an equivalent to the carbon tax applied to Australian imports.

Currently, Qantas imposes a carbon price surcharge of between $1.93 and $7.25 per passenger on all domestic flights, depending on the distance travelled. Virgin Australia imposes similar surcharges.

The repeal of the carbon tax will reduce one of the major components of airline costs and enable airlines to pass on a significant saving to travellers.

EXCISE TARIFF AMENDMENT (CARBON TAX REPEAL) BILL 2013[No.2]
This bill, which amends the Excise Tariff Act 1921, reduces the increase in excise on aviation gasoline and aviation jet fuel that is applied when an equivalent carbon tax is applied to Australian manufactured fuels.

Around $200 million was raised in 2012-13 by applying the carbon charge to aviation fuel.

This bill will reduce one of the major components of airline costs, which can be passed on to travellers and consumers.

The bill also reduces the act's complexity by removing references and notes associated with the imposition of the carbon tax.

OZONE PROTECTION AND SYNTHETIC GREENHOUSE GAS (IMPORT LEVY) AMENDMENT (CARBON TAX REPEAL) BILL 2013 [No.2]
The Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 is one of two bills to repeal the equivalent carbon tax on synthetic greenhouse gases.

These bills are part of the broader legislative package to abolish the carbon tax. This bill amends the Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Act 1995 so that importers of synthetic greenhouse gases and products containing those gases will not incur a liability to pay the equivalent carbon tax for synthetic greenhouse gas and equipment imported after 1 July 2014. This will reduce costs for businesses using these gases, including for refrigeration and air conditioning.
OZONE PROTECTION AND SYNTHETIC GREENHOUSE GAS (IMPORT LEVY) (TRANSITIONAL PROVISIONS) BILL 2013 [No.2]

The Ozone Protection and Synthetic Greenhouse Gas (Import Levy) (Transitional Provisions) Bill 2013 provides for an exemption from the equivalent carbon price for the import of bulk synthetic greenhouse gases between 1 April and 30 June 2014 if certain conditions are met.

OZONE PROTECTION AND SYNTHETIC GREENHOUSE GAS (MANUFACTURE LEVY) AMENDMENT (CARBON TAX REPEAL) BILL 2013 [No.2]

The Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013 is one of two bills to repeal the equivalent carbon tax on synthetic greenhouse gases. These bills are part of the broader legislative package to abolish the carbon tax.

This bill amends the Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Act 1995 so that manufacturers of synthetic greenhouse gases will not incur a liability to pay the equivalent carbon tax for synthetic greenhouse gas manufactured after 1 July 2014. This will reduce costs for businesses using these greenhouse gases, including for refrigeration and air conditioning.

CLEAN ENERGY (INCOME TAX RATES AND OTHER AMENDMENTS) BILL 2013 [No.2]

The Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 is part of a package of bills to remove the carbon tax.

This bill amends elements of the Clean Energy (Income Tax Rates Amendments) Act 2011 to repeal the second round of personal income tax cuts due to start on 1 July 2015.

The government understands households will continue to face cost-of-living pressures.

That is why the government is keeping the current carbon tax related personal income tax thresholds and the fortnightly pension and benefit increases.

In its final budget handed down on 14 May 2013, the former government deferred a second round of personal income tax cuts and booked a $1.5 billion saving over the forward estimates.

But the former government never followed through by legislating this change.

This bill repeals legislated amendments to the Income Tax Rates Act 1986 so that the statutory personal income tax rates and thresholds do not change on 1 July 2015.

This bill also amends the Clean Energy (Tax Laws Amendments) Act 2011 to repeal related amendments to the low-income tax offset.

This bill also repeals legislated amendments to the Income Tax Assessment Act 1936 so that the related amendments to the low-income tax offset do not take effect on 1 July 2015.

Overall, the repeal of these amendments means that the tax-free threshold will remain at $18,200.

The second personal marginal tax rate will remain at 32.5 per cent. And the maximum value of the low-income tax offset will remain at $445.

This bill legislates the $1.5 billion saving that the former government announced during the 2013-14 budget but never legislated.

A first round of tax cuts to compensate for the introduction of the carbon tax has already been delivered. We will deliver further savings to Australian households of $550 next year with the removal of the carbon tax. In short this is our saving for the Australian people.

Senator SINGH (Tasmania) (20:52): I rise to contribute to this debate on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No.2] and related bills that are before the Senate. These bills are presented by the government as bills to abolish the carbon tax. However, these bills do much more than terminate the carbon tax. These bills destroy Australia's entire legislative framework for tackling climate change. These bills remove the
legislative cap on carbon pollution, an essential principle in ensuring that we meet our 2020 target to reduce Australia's emissions. The bills abolish the entire framework for an emissions trading scheme. It is hard to imagine a more complex national risk management issue than that posed by global warming, yet this government is removing from Australia's climate policy any trace of that world-leading model and replacing it with a token gesture, direct action, a widely criticised, underdeveloped and extremely expensive policy that is doomed to fail. This government cannot or will not deliver the policy solution required for the effective management of climate change. Direct action is a profoundly embarrassing and inadequate alternative to the economic common sense of an emissions trading scheme.

Labor will not support the government's carbon tax repeal bills. Labor's position on these bills is no surprise. It is the position we made clear to the electorate in September and which we have been advocating ever since. That position is to terminate the carbon tax now and move to an emissions trading scheme with a legal cap on carbon pollution, a cap that reduces over time and enables Australia's business community to work out the cheapest, most effective way to operate. At this point I foreshadow that I will be moving an amendment along those lines.

The most effective long-term response to climate change is an emissions trading scheme. It is the model in place or being introduced in Germany, the UK, California, South Africa, China, South Korea. This truth is self-evident and recognised right around the globe, except, it seems, on the Abbott government benches. Labor's amendment to these bills will remove the carbon tax and shift to an emissions trading scheme.

A carbon tax seeks to change behaviour by imposing a price signal that discourages polluters from carbon dioxide pollution without any legal discipline on that behaviour. An emissions trading scheme, however, changes behaviour through the discipline of a legislative cap on pollution. It gives business the ability to trade pollution permits and lets business work out the cheapest way to operate within that national pollution cap. An emissions trading scheme is the cheapest way to achieve this nation's emissions reductions objective because it creates a genuine market. That is why it is so surprising that the Liberal Party does not support a market based mechanism to address carbon pollution.

Labor is committed to putting a cap on pollution via this mechanism of an emissions trading scheme. This emissions trading scheme was what both major parties actually committed to back in 2007 when the Liberals accepted the science of climate change. But if these bills are passed unamended, an emissions trading scheme for Australia will disappear. The Prime Minister will truly get his way in throwing the baby out with the bathwater, with no legislated cap on carbon pollution and no market based mechanism for business to tap into.

The Intergovernmental Panel on Climate Change, the IPCC, issued its latest report—its fifth report—in September last year. In that report the 209 lead authors, supported by more than 600 contributing authors, lifted their level of certainty about the existence of climate change, and its cause by human activity, to 95 per cent. Maurice Newman, the Prime Minister's senior business adviser, tells us in regular opinion pieces in The Australian that the IPCC—those are several hundred leading climate scientists who authored the fifth report—are a fringe group who do not represent the mainstream of scientific opinion.

This government's suggestion that we should proceed to removing the carbon tax without any substantive policy beyond that is not only irresponsible but dangerous. It is dangerous not
only for Australia's economy but also for our international reputation because of the fact that we will not be acting on reducing our carbon pollution.

But let's look at some of the history. The member for Sturt, Christopher Pyne, once stated: The idea that somehow the Liberal Party is opposed to an emissions trading scheme is quite frankly ludicrous.

This highlights how ludicrous some of this debate is right now. The backflips that have occurred in the positions of coalition members are ludicrous. Those opposite have done an about-face for political reasons, but the emissions trading scheme model is still recognised as the cheapest and most effective way to tackle climate change, despite the about-face by government members and senators. The Liberal government is trashing Australia's effort to tackle climate change at exactly the same time as the scientific community is warning that climate change poses a real and serious risk to our precious Australian environment. Labor is committed to putting a cap on pollution through an emissions trading scheme. An emissions trading scheme was what both the major parties committed to, as I mentioned, when the Liberals accepted the science of climate change in 2007.

So, how swiftly things have changed. In July 2009 the now Prime Minister said, 'I am hugely unconvinced by the so-called settled science of climate change.' In October 2009 he famously described the science as 'absolute crap'—excuse my language, Mr Acting Deputy President Edwards! And in March 2010 he said:

Now, I don't believe that the science is settled.

In March 2011 he suggested, 'Whether carbon dioxide is quite the environmental villain that some people make it out to be is not yet proven.'

To suggest that climate scientists have not reached a settled view about global warming is simply misleading. The science is settled. It was settled years ago. There is no debate. The Intergovernmental Panel on Climate Change's most positive assessment of global warming expects the average temperature of the earth to be between 1.1 and 2.9 degrees hotter by the end of this century. A more realistic prediction in line with current levels of consumption is that the weather will be 2.4 to 6.4 degrees hotter, higher than at any time in recorded history.

Even a two-degree climb in average global temperatures could cause crop failures in parts of the world that can least afford to lose their nourishment. The size of deserts will increase, along with the frequency and intensity of wildfires. On average, in the past decade fossil fuel emissions grew at about three times the rate of growth in the 1990s. There is twice as much carbon dioxide trapped in the melting Arctic permafrost as there is already in the earth's atmosphere. It is being released, and its release is speeding up. The melting permafrost is also releasing enormous stores of methane, a greenhouse gas nearly 30 times more potent than carbon dioxide.

So we need to listen. We need to listen to these scientists. We need to look at their evidence based findings. We need to listen now not only to the scientists but to the economists who today united in support of a price and a limit on carbon pollution with the release of their open letter. Those economists included Dr Hewson, who said, 'The failure of our generation to act will cost future generations dearly.'

Economist and carbon price pioneer Ross Garnaut has also added his voice to the growing concern of Australia's position on an emissions trading scheme, stating:
Unless Australia moves from this place, it risks damaging the international effort to reduce the risks of dangerous climate change...

These economists stand in good company with President Obama, who stated that climate change is 'one of the most significant, long-term challenges that the United States and the planet face.' We must understand and then act on this scientific data: the overwhelming global evidence demonstrating that an emissions trading scheme is the cheapest and most effective way of achieving the outcomes we desire for our nation.

So, has Labor's carbon price mechanism been the wrecking ball through the Australian economy that the Prime Minister claimed it would be? Was it the cobra strike at the economy? Did the South Australian town of Whyalla disappear off the map? No, no! The truth is entirely different. The truth of the impact was exactly as Labor predicted. The economy did keep growing. More than 160,000 additional jobs were created in the first 12 months of the carbon price mechanism that, according to the now Prime Minister, was going to have a wrecking-ball impact on the national economy. Also, what Labor's comprehensive policy approach started to do, along with our renewable energy policies, was to drive down carbon pollution, particularly in the electricity market, which is the largest source of carbon pollution in Australia.

We saw a reduction in carbon pollution of around seven per cent in the National Electricity Market in the first 12 months alone. And, as we predicted, there was simply a modest impact on prices. That impact was more than covered through the household assistance package, particularly for low-income and fixed-income households like pensioners and middle-income households. The impact on power prices, again, was exactly as we predicted and, again, was covered by our household assistance package. It also achieved the trebling of Australia's wind capacity and saw solar panels being installed in more than a million households, up from fewer than 7,500 under the Howard years. Employment in the renewable energy industry more than doubled to over 24,000 people and around 150,000 jobs were created. In fact, the economy continues to grow at 2.5 per cent as inflation remains low and pollution in the National Electricity Market is decreasing by seven per cent. Renewable energy technologies are doing well, not only as a new innovative form of industry but also in providing a benefit to the environment, to the community, to our children and to future generations.

I understand that Kirsten Rose, the CEO of the Sustainable Energy Association of Australia, stated, 'We and many of our members believe that an emissions trading scheme—that market mechanism—gives them choices and flexibility in a different way to a direct action plan, which is, effectively, bidding for money to support specific projects.'

The bills also abolish the Climate Change Authority, an independent, strong voice set up to advise the parliament, the government and, perhaps most importantly, the Australian community about the very difficult and highly-contested issues associated with climate change. It is also on the chopping block through this government's approach to climate change. Also on the hit list is ARENA, the Australian Renewable Energy Agency, an independent agency funded to invest in projects that actually improve the competitiveness of renewable technologies and increase the supply of renewable energy in Australia. This continues as an emerging theme of this government: abolishing strong, independent voices and making sure that all advice to the Australian community and to the parliament is filtered, sanitized for political purposes, and fundamentally controlled by the Prime Minister.
As a rich country with a high level of carbon emissions we have a responsibility to reduce our pollution output. Labor has already demonstrated that the balance of sensible, positive actions necessary to reduce carbon pollution, tackle climate change and protect our environmental resources is such an important one. The case that has not been made is one for dismantling many of those measures that we know from the debates in the Senate and other sources have been working well.

This morning I joined my Labor Senate colleagues at the Australian Youth Climate Coalition event outside the front of parliament. There I was reminded about future generations and about the importance of these bills in creating a sustainable future for our young people and for their children to come. Their passion should be echoed right now in this chamber. They want action on climate change. Labor has been and continues to be dedicated to achieving the best possible policy to tackle one of the key challenges of this century. That policy is an emissions trading scheme. By tackling climate change in the most cost-effective way we can support the environment and we can support the renewable industry in Australia; we can see jobs grow; and we can, most importantly, continue to reduce our carbon dioxide pollution and play our part in this global problem that is facing our planet. I move:

At the end of the motion, add "but the Senate notes:

(a) the scientific and expert consensus regarding climate change;
(b) that, in its first year, the clean energy future package:
   (i) drove a 7 per cent reduction in carbon pollution from electricity generation in the national electricity market;
   (ii) saw renewable energy increase its share of the national electricity market by 25 per cent;
   (iii) delivered the household assistance package to compensate families and individuals for any impact of carbon pricing; and
   (iv) supported continued economic growth, with over 160,000 jobs created in 2012-13 across the economy, including clean energy jobs;
(c) that since the 2013 election Australia's international reputation on climate change action has been damaged by becoming the first nation to move backwards on climate change, while the rest of the world, including China and the US, is moving forward; and
(d) the need for the Government to pass an emissions trading scheme to place a cap on carbon pollution and drive a clean energy future for Australia.

Senator MILNE (Tasmania—Leader of the Australian Greens) (21:10): I rise to oppose the repeal of the clean energy legislation package that is currently the law in Australia. As I stand here I am reminded of TS Eliot's poem The Hollow Men, where he says:

This is the way the world ends
Not with a bang but a whimper.

He was asked some years later whether that was still his view. He said that he would not write that again because he was not sure that it would end in either way. As a result of the H-bomb, he said there were people whose houses were bombed who 'don't remember hearing anything'.

That is where we are in this debate. There is such denial of reality going on in this parliament, but that is not shared outside the parliament. The people actually get it. They know that we are living in a world of accelerating global warming and they know that we have to act on it. There is a level of anxiety in the back of the minds of most people, but the
people I particularly want to talk about tonight, and speak on behalf of, are our future generations—which are yet to be born. I want to speak on behalf of the voiceless, young people like those that I met outside the parliament today with the Australian Youth Climate Coalition, and others—young people around Australia who are marshalling and wanting action on climate change because they know it is about the future. I also want to speak on behalf of the ecosystems of the planet, which do not have a voice in this parliament. All we have heard are superficial and trite three-word slogans about axing the tax and about power prices, but nothing about the real impacts of what we are currently living through.

Many, many years ago I went to the Barrier Reef for the first time. Going back there in recent years, I have seen that it is much deteriorated from what it used to be. That is a result of many things, but global warming is accelerating the degradation of coral reefs around the planet—not only our own Great Barrier Reef but reefs elsewhere in the world.

Some years ago, I campaigned hard for a long time to have the coral reefs of New Caledonia listed as World Heritage areas. It was an eight-year campaign and a huge amount of work went into it. I am very pleased to say that they are now listed as World Heritage areas. But it is a pyrrhic victory, because you cannot protect the coral reefs of the planet—here in Australia, in New Caledonia or anywhere else in the world—unless you act on global warming. Acidification is weakening the structures of the corals. Warming is leading to the bleaching of corals, and cyclones around the world are leading to the destruction of those reefs. We have been seeing the melting around the West Antarctic ice sheet; we have been seeing the melting of the Arctic; and now we are seeing the ongoing release of methane from the permafrost.

We are seeing extreme weather events around the world. Those extreme weather events are already displacing people and destroying culture. On many of our Pacific Island neighbours' countries, burial grounds are next to the lagoon, next to the sea. Now, with sea-level rise and intensified storms, our neighbours are losing some of the fundamental parts of their culture, and they are being forced to move internally onto higher ground. The nation of Kiribati is buying land in Fiji, where ultimately it will move 100,000 people if it has to. The people of Tuvalu are saying that they are not going anywhere. I hate to think about the fear in the hearts of people in Tuvalu in the storms that come through there, the storm surges and the overwash of those very low-lying islands. Funafuti is already severely adversely impacted, and only a month or so ago in this parliament I had young people here from Kiribati and Tuvalu begging us to respond to the climate crisis because, as they see it, they are going to lose their homes, their country and their culture.

With extreme weather events around the world, we are going to see a loss of food security. That is why the Greens have campaigned so hard to look after agricultural land and water. We have already seen, with the global food crisis in 2008—which was caused by extreme weather events wiping out crops around the world through fire and drought—an incredible rise in prices for grains. Ultimately, that led to the Arab spring. The first marches in the Arab spring were in Tunisia and were because of the increase in the price of bread. People were marching in the streets with baguettes, protesting about the increase in the price of grain. That is the reality. It is why the Pentagon has recognised global warming as a major security risk. The
Pentagon says that future wars are not going to be planetary wars or global wars, they are going to be regional conflicts as a result of the displacement of people.

As I have said many times in this Senate over the years, if we think that the current issues that are driving the displacement of people are as far as it goes, we are wrong. We are going to see millions of people displaced in the coming years because of climate conflict, internal and external to various countries. This is the situation we find ourselves in: a four to six degrees trajectory of global warming and a loss of between a third and a quarter of all species on the planet by 2050. That is heartbreaking when you think about, in particular, alpine species that cannot go any higher—that is it for them. In Tasmania there is a cider gum which is heading for extinction because it is on the central plateau and it cannot go any higher. I mentioned earlier the white lemuroid possum in North Queensland: it cannot go any higher and it is likely to become extinct because of global warming. It is the same around the world. But it is not just global warming on its own; if you put that together with habitat loss and invasive species you will see an accelerated loss.

Just last week I heard the anguish from scientists who are talking about, for example, the Ebola virus. They are saying that they now have to consider trying experimental drugs et cetera on chimps and apes in zoos around the planet in order to try to save species in the wild. This is why we are going to hear increasingly asked: what do we do when we have reduced habitats so much that animals are in contact with humans and equally humans are spreading measles and the like into these ape populations in Africa?

Senator Ian Macdonald: Dear me!

Senator MILNE: Senator Macdonald can ridicule this, but the reality is that—

Senator Ian Macdonald: I am ridiculing, Senator Milne.

Senator MILNE: respiratory illness is being brought to the gorilla populations by humans and not the other way around. We are seeing planetary disaster because of global warming.

Australia had a framework to deal with this. When I came into the Senate, I came to address global warming. As an environmentalist I have campaigned all my life for the protection of the environment. But I realised that no amount of areas saved can survive global warming. Unless you deal with that, you will ultimately lose everything, from marine ecosystems through to terrestrial ecosystems, and you will also see impacts on people. That is exactly what we are seeing and that is why we developed a clean energy package.

We worked very hard. It was a condition that the Greens made with former Prime Minister Gillard, before she became Prime Minister, that we would have a legislated carbon price and that it would come into effect by 1 July, 2012. And that is exactly what happened. It was an incredibly well designed package that was recognised by the International Energy Agency as template legislation for developed countries. We should be really proud of that. Australia took a leading role in the development of legislation that other countries could look to, together with complementary measures—things like the Australian Renewable Energy Agency and the Clean Energy Finance Corporation.

It is an emissions trading scheme. The only reason it has a fixed price for three years—and I remind people that former Prime Minister Rudd's scheme also had a fixed price for one year—was that Labor and the Greens could not agree on the level of ambition that was required, and we still do not. The Greens are the only party in this parliament who are
prepared to say we have to get to a 40 to 60 per cent reduction by 2030 and zero net carbon by 2050 to give ourselves even a 50 per cent chance of avoiding two degrees. That is the reality of the level of ambition. Five per cent is so far from where it needs to be it is laughable. It was laughable in 2007 and it cannot be taken seriously as a target now, either to address the science or to address the global equity.

If you are trying to get to a 2015 treaty, it has to have a level of ambition that gives us a chance. That is absolutely the commitment the Greens will be making, from one end of the planet to the other—we are represented in parliaments of 70 countries around the world. We want a global treaty on global warming. As part of it, money needs to go to developing countries that, through no fault of their own, are now suffering the consequences of global warming. That is why we have to do that. It is immoral for Australia to stand up in a Commonwealth Heads of Government Meeting and block finance for developing countries to adapt to global warming.

It is not just the fact that we cannot agree on a level of ambition. The idea of setting up the Climate Change Authority came from the United Kingdom, where they have a high-level scientific panel that advises the British House of Commons on what the level of ambition should be. Climate policy has been depoliticised through that process, and that is as it should be. The Climate Change Authority should make recommendations to the parliament. To its credit, the Climate Change Authority here has made some very important reports and recommendations to the parliament, including the recommendation that we get to the 40 to 60 per cent trajectory of reductions by 2030. That is exactly what we should be doing. If you think about that, you know that we have to get on—now.

The other point I want to make is that the rest of the world is already moving. In many ways, the revolution has been won. Renewable energy around the world is expanding at a fast rate. The greatest level of investment in new electricity generation, around the planet, is in renewables. We are hearing that every progressive economy around the world is investing in education and training and decarbonising their electricity system, because they recognise that that is where the jobs, investment and growth are in this century. This is the century of transitioning to a low-carbon economy.

**Senator Ian Macdonald:** People should be made to listen to this!

**Senator MILNE:** If you do not get on board with it, you will be a left-behind rust bucket. I know that is where Senator Macdonald wants to be. That is where his comfort zone is—as a left-behind rust bucket. But the rest of us would like to see investment in education, innovation and cleverness.

Today, we heard the government trying to argue that companies had been driven offshore. That is wrong. There are big solar companies not making investments in Australia, because of the uncertainty the Abbott government has created about carbon policy. We are losing megainvestment, because there is no certainty that Australia is on the right track with climate change. If it were, we would be attracting more investment. Trillions of dollars are in the sidelines. The Investor Group on Climate Change has given evidence to that effect. That is why we need to keep our renewable energy target—and keep it at 41 gigawatt hours—but it needs to go beyond 2016. That is why the Greens are committed to 100 per cent renewable energy as quickly as possible and to at least 90 per cent by 2030.
If you put together 100 per cent renewable energy and a 40 to 60 per cent trajectory, you are putting together a really exciting plan for Australia. You are talking about redesigning our cities, thinking about the way we live—a huge investment in, retrospectively, looking at building renovations, the built environment, the urban environment, changing the way we do agriculture and looking at research and development, to see how we need to change in order to sustain ourselves into the future.

They are the kinds of exciting things that young people want to be involved in. And they are the one group—the best and brightest—we will drive out of this country, because you want to abandon carbon pricing. They will go overseas, as they did during the Howard years. We lost some of our best and brightest in solar technology at that time, because they realised that there was no hope in Australia. They went overseas. They have come home to Australia and are working in these fields. But they will go again. They want to be part of the future.

Senator Ian Macdonald interjecting—

Senator MILNE: They do not want to be stuck in a rust-bucket economy like Senator Macdonald does. They do not want to be in that place. They want to be where innovation takes place. I feel incredibly disappointed that this Senate appears to want to destroy an emissions trading scheme that is in place right now, and that the Senate wants to abandon carbon pricing and leave us with nothing in terms of a market mechanism that provides the cheapest and most effective abatement of greenhouse gas emissions.

To give hope to those young people who were outside today, who are no doubt despairing at the thought of this government abandoning carbon pricing and serious efforts on climate change, I say: 'This will galvanise a whole generation. You are not alone.' Around the world people are moving, and they want a 2015 treaty. That means people under the leadership of Present Obama, in the United States, are moving. People are moving in the United Kingdom, Europe and China—everywhere you look around the planet, except for Canada and Australia, which are in the rust-bucket category. They are over there in the umbrella group and they will do everything they can to rip down action on global warming at Secretary-General Ban Ki-moon's summit, in Lima, at the end of the year and into next year.

By imagining you are getting the climate-change issue off the agenda now, you are making it front and centre for the 2016 federal election campaign. Australians will not tolerate that kind of climate denial. That is why I am moving a second reading amendment in this debate. I want to make sure that we recognise the world is on track for four degrees of warming.

We are calling on the government to adopt 40 to 60 per cent below 2000 levels by 2030. I will move a second reading amendment because I want young people, future generations, to know that in this parliament every single one of us knew what was at stake, every single one of us knew we were on track for four to six degrees of warming and every single one of us knew what the consequences were, but only a few of us were prepared to act on it, including the Greens, who took a leadership role at that time and continued to do so. When the votes are taken, future generations will have the names to look back at of the people who sold out Australia—because they are selling us out in a global context. It is the opportunity cost to this nation, not only the physical cost of global warming and not only the trauma of global warming— *(Time expired)*
The ACTING DEPUTY PRESIDENT (Senator Smith): Senator Milne, you may, of course, only foreshadow your amendment, because there is an amendment already before the chair.

Senator IAN MACDONALD (Queensland) (21:31): The most exciting thing I heard in Senator Milne's speech is the guarantee that the election in 2016 will be on a carbon tax. Nothing has been sweeter music to my ears than to hear that. I hope the Labor Party will again follow their Greens colleagues in making this the issue in the 2016 election. I can assure senators that the Australian people will give it the same result as they gave it in the 2013 election.

I want to start, while Senator Milne is here, by talking about the global warming that we have heard about so often in her speeches and in this parliament from the Greens and the Labor Party over the years. I quote from an article:

The world stopped getting warmer almost 16 years ago, according to new data released last week. That was in 2012.

This means that the 'plateau' or 'pause' in global warming has now lasted for about the same time as the previous period when temperatures rose, 1980 to 1996. Before that, temperatures had been stable or declining for about 40 years.

Is this Ian Macdonald saying this or some ratbag scientist that is vilified by the Greens? No, sorry. This is the United Kingdom Met Office. They say:

The new data, compiled from more than 3,000 measuring points on land and sea, was issued quietly on the internet, without any media fanfare, and, until today, it has not been reported.

I suppose Professor Judith Curry, who is the head of the climate science department at America's prestigious Georgia tech university, will be one that the Greens and the Labor Party will say is not a real scientist, but from all research she seems to be a very real scientist to me.

She told this newspaper that it was clear:

… computer models used to predict future warming were 'deeply flawed'.

Senator Milne quoted the United Kingdom government. I understand that the new energy minister—or not quite so new now—promised:

The high-flown theories of bourgeois left-wing academics will not override the interests of ordinary people who need fuel for heat, light and transport—energy policies, you might say, for many, not the few.

Of course, that statement by the UK government bought fury from all those fearing reductions in huge subsidies given to wind farms.

I spoke earlier tonight on a related matter before the Senate. I quoted from an article in The Weekend Australian entitled 'Coral comes back from the dead'. It is an interesting article. I recommend that Senator Milne and her colleagues in the Greens have a read of it. I will quote one passage from this article and invite senators to have a look at the rest. The research was done by Dr Gilmour. The report says:

Gilmour’s boss at the Australian Institute of Marine Science, research director Jamie Oliver, concedes there's still no way of knowing whether powerful cyclones have struck before in clusters. 'I think all we can do at this point is say we are seeing a decline in the reef, and we are seeing that cyclones are playing a major role in that decline but we don't know for sure whether it has been as a result of human activities.'
If you listen to the Greens and the Labor Party, Dr Oliver would be pilloried as a climate change sceptic, simply because he says, as I say and as most sensible people say, the science is not settled. I do not know what Senator Milne thinks of the Australian Institute of Marine Science. I think it is a pretty good organisation. It is just one of many organisations, like the United Kingdom Meteorological Office, who say it is not quite as settled as some would have you believe. I said earlier that there is so much research done into trying to justify the Greens and Labor Party's view on climate change and, if you did not have that view—if you happened to be a scientist that had a different view—you would be pilloried. I mentioned many times Professor Bob Carter as being one that the Greens also pillory, but he is as well qualified as others who have a different view. I know, and I do not think I am giving away any confidences by saying, that he knows that he will never, under a Labor government, get any money for any research that is different to what the Labor government wants the results to be.

I mentioned an answer to a question on notice way back in 2009. I will have to get it updated. Over pages and pages it lists hundreds and hundreds of grants—grants of $250,000, $563,000, $255,000. There are pages and pages of them. All the grant money, all the research money, was going to those who would promote the Labor and Greens view on climate change. If you did not have that view, you got no research money. That is the way this whole debate has occurred in Australia.

I want those in the Labor Party to answer this one question: if the carbon tax is such a good thing, why is it that your leader, prior to the 2010 election, promised that there would never be a carbon tax under a government she led?

Senator O'Neill: Because an ETS is better, Senator Macdonald.

Senator IAN MACDONALD: I see. She promised it would not be there and then she introduced it. Tell me: why did she make that promise and then introduce it? It is a simple question. I am just waiting for the answer. Nobody has ever been able to tell me why, if it is such a good thing, the Labor leader promised not to introduce it. It just shows the hypocrisy, the absolute humbug, of the Labor Party and the Greens political party.

I thought the Labor Party would have learnt their lesson. I cannot talk about other states, but I can talk about Queensland. The Labor Party should have a look at the results of the last election in the seats that used to be traditionally Labor. Capricornia, which is based in Central Queensland and in the Bowen Basin coalfield, is as Labor a seat as you will get. I think we have held it a couple of times in the recorded political history of Australia. Who won it last time? Michelle Landry for the Liberal-National Party. Why? Because she opposed the carbon tax. Why? Because she knew that all of those workers the CFMEU is supposed to be representing understood that they would be losing their jobs. In fact, thousands of people in the Bowen Basin mining industry lost their jobs because of Labor and Green policies. And the Labor Party wonder why they did so poorly in the last election! Australians spoke. Nobody could deny the assertion by Tony Abbott before the last election that the last election would be a referendum on the carbon tax. Everybody knew that. What was the result? I do not need to tell the reduced Labor numbers in the Senate what the result was.

The duplicity and dishonesty of the Labor Party over the carbon tax is symptomatic of their approach to this whole question. The Labor scheme had carbon emissions going up by 2020. Those are their figures, not mine. They were all out there and published by the then
They showed that Labor's carbon tax would actually increase the emission of carbon. They also showed that the cost of living went up for all Australians. They also showed—and this is beyond doubt—that electricity costs went up and would continue to go up. The only thing that went down was the number of Australian jobs. You have seen a rush of manufacturing jobs from our country to overseas countries. We have all given examples of this before. Just recently the Joint Select Committee on Northern Australia was in Weipa—and I am pleased that Senator Waters was there. We heard firsthand how the aluminium industry in Australia is faltering because the bauxite now goes as a raw material straight across to China where they smelt it and make aluminium in far less conducive situations than we do in Australia. There are more carbon emissions when they do it in China than when we do it in Gladstone. This is the Labor Party's view on carbon reduction.

I think we have to keep in mind that Labor's promise with its carbon tax was to reduce Australia's emissions by five per cent. Do I need to remind senators that Australia's emissions of carbon in the world are less than 1.4 per cent? What Labor was going to do with this huge job-destroying carbon tax was reduce Australia's 1.4 per cent of world emissions by five per cent and that was going to save the world. All the biodiversity that Senator Milne talked about, all the forests and all the coral that are disappearing were going to stop if Australia reduced its 1.4 per cent of world carbon emissions by five per cent. How ludicrous! How absolutely ridiculous! How desperately defying logic is the argument of the Greens political party?

I have made my comments about the five per cent, but if that is what is good policy in Australia then I refer to the coalition's policy, which also had a five per cent reduction in carbon emissions but by direct action, things that encouraged people to reduce whatever it was that was causing pollution and particulates. Direct action would work. It is funding things like the wonderful algae project at James Cook University that will help in cleaning emissions from coal mines. They are the sorts of things that the Abbott government's Direct Action Plan would do.

The Labor Party particularly are quoting all of these economists. Have a look at what all the economists in business say about the carbon tax. The Labor Party have got 50 'economists' to sign a bit of paper. What about the thousands of economists in Australia who deal with real life and who demand that the carbon tax go? The Labor Party are quoting President Obama—and I am not quite sure they are quoting him correctly—but I am afraid they did not quote Al Gore, the white knight of the climate change industry. I wonder what the Greens, who used to worship Al Gore, might have thought when Mr Gore turned up with Mr Palmer as he announced he would be voting to remove the carbon tax. I have not heard too much about that at all. I am waiting for someone to give those glowing endorsements of Mr Gore they used to give. To my mind, Mr Gore's actions in relation to the whole climate change debate are circumspect at best, and other people have mentioned that far more relevantly.

They do not talk too much about global warming now because the UK Met Office has said, 'Sorry, it's not warming.' We hear that all of these events are happening more regularly. Remember Cyclone Yasi, up my way? That was the biggest cyclone that ever hit Queensland—since 1917, when there was a bigger one. We do not worry about that. We just think the original Australians must have been responsible for the carbon emissions, when they burnt off large tracts of land before 1917, that caused that much bigger cyclone. But we just
forget that; we put it aside; we only talk about Cyclone Yasi. We talk about those huge, destructive, life-taking floods in South-East Queensland a few years ago. They were the biggest floods ever to hit Queensland—that is, the biggest since the early 1950s. We have all of these outrageous claims by those who would have us believe that the science is settled.

I repeat: I am not a scientist. I retain an open mind. I know the climate is changing because, as I mentioned earlier, the world was covered in ice once. It is no longer, so clearly the climate has changed. There used to be a rainforest in the centre of Australia; it is not there anymore. Clearly, the climate has changed. I think every Australian accepts that the climate has changed. But is it man's emissions of carbon that have done that? I do not know. There are respectable scientists who say no, as there are respectable scientists who say yes.

That is why I think Australia has been very foolish in leading the world. Senator Milne would have us believe that China is suddenly going to impose a carbon tax, or that America is going to impose a carbon tax, or that Germany is going to do something serious; but we have all seen the carbon prices and the carbon market, which is fraudulent and subject to manipulation. And this is what the Greens and the Labor Party want us to adopt.

We do have a responsibility to look after our environment. Our Direct Action Plan will help in that regard, and I certainly hope that other parties in the Senate will support it. But we do not need a job-destroying tax to do that. I say that and I know many senators say that, but, more importantly—forget about me and forget about what people will say in this debate about getting rid of the carbon tax—we are a democracy and there could not be a clearer message from the people of Australia to the legislators in this building about what they think of a carbon tax. They want to get rid of it. They understand it destroys jobs. They understand it puts up their cost of living. That is why we must move as quickly as possible to get rid of that soul-destroying tax and all of the paraphernalia that grew up around it, which is the subject of the other bills in the package of bills before the Senate. I certainly urge the Senate to support the bills introduced in this chamber, which reflect the decision made in the lower house to rid Australia of this job-destroying carbon tax.

Debate interrupted.

**ADJOURNMENT**

The ACTING DEPUTY PRESIDENT (Senator Smith) (21:49): Order! I propose the question:

That the Senate do now adjourn.

**Financial Services**

Senator BERNARDI (South Australia) (21:49): As someone who spent 10 years, prior to entering this place, as a financial adviser, I am appalled at the recent conduct of financial planners within the Commonwealth Bank. I am not going to trawl over the respective facts, which have been canvassed quite thoroughly by the Senate committee and the media; however, I do want to make a few remarks about what did not protect the clients of these, or any other, crooked financial planners, and that is excessive regulation.

Far too often we are told that more and more regulation is required to protect individuals from rogue elements in our society. This is often heard in the arena of financial advice, where people are regularly dealing with their life's wealth—money that is meant to see them through their retirement and assist with a comfortable life. As someone who has spent 10 years in the
industry and as a keen investor and private trader on the financial markets for the best part of a decade before that, I have seen a lot and learned a lot along the way. Many things have changed in that time and yet, no matter how much regulation and red tape is implemented by government or industry bodies, there are some things that will never change.

One of those is that investors are ruled by one principle emotion. I suggest it is fear. It is the fear of losing their money or of not having enough of it in the future. Some might say this is two emotions, fear and greed, and that might indeed be the case. But it is from this raw emotional state that clients seek to visit a financial adviser. When a client consults a planner, they have every expectation that the advice they receive is going to be suitable for their circumstances. Alas, that is not always the case, and some advisors are driven by their own greed and see the commission to be received from the sale of investment products as their overarching concern. It is hardly surprising that this is the case given, as ABC journalist Emma Alberic noted recently, it is harder to gain a hairdressing qualification in this country than to qualify as a financial planner.

It goes without saying that these so-called advisors, many of whom are really just slick salesmen, need to be exposed and drummed out of the industry as quickly as possible. By requiring planners to substantially invest in their own education before they can invite others to invest in them, we would go some way to addressing the 'get rich at the client's expense' mentality of a small section of the planning community.

However, there is another group of people that no amount of education will ever stop. These are the criminal elements. The ones prepared to falsify documents, forge signatures and lie in order to enrich themselves. These types of people are in every industry, but few of these 'white-collar crooks'—as they are called sometimes—in other areas have the impact that creating financial ruin can have on the trusting client. Frankly, that is why I am appalled that the Commonwealth Bank still retains the services of some of the planners involved in this most recent scandal and that the Commonwealth Bank funds the stress leave of some of the individuals involved through one of its insurance policies.

I have spoken on a number of occasions in this place about the shonky operators who need to be rubbed out and not given soft passage by ASIC or the FPA or anyone else for that matter. Unfortunately, these warnings have too often fallen on deaf ears. The rogues in the industry were supposed to be cleaned up by the FSR reforms of the early 2000s. These reforms put new regulatory and compliance burdens on securities dealers, which virtually doubled the amount of paperwork overnight. Business overheads skyrocketed, which ultimately means the costs are passed on to clients. This made even simple financial advice prohibitively costly for those of modest means. At that time I was a director of a securities dealer's license holder, which struggled under the compliance burden of the new regime. My clients were a mix of retirees, sophisticated investors, high net worth individuals and regular mum and dad investors, but the new consumer protections did nothing to protect them. They only served to increase my paperwork, their paperwork and the associated costs. The only answer for me was to get big or get out. I chose to merge my business with another reputable, independent, client oriented organisation, but many in a similar position were forced to move to the corporatised product pushers like the Commonwealth Bank.

It is now a matter of record that 80 per cent of the country's financial planners are controlled by the big four banks and the AMP. This is purely and simply a product of a
regulatory regime that made the small, personalised advisory business too hard to be in. Clients are still being ripped off—perhaps even more so than ever before. To me it is a clear demonstration that all the rules and regulations in the world will not protect people from unethical or criminal advisers. So, if increased regulation is not the answer, how do we best resolve to protect consumers in the financial services marketplace? The answer can only be education—not just for the planning community but also for their clients and for every other member of the Australian community.

Throughout my time in the industry and since, I have sought to apply myself to helping people understand financial matters. I sought to document the difference between saving, investing and speculating because in many minds there is no real difference. And on that matter they could not be more wrong. If people understood the essential differences, fewer would fall for the slick sales patter. Saving is a skill based on habits that are most effectively learnt whilst young. So too is the discipline of investing. Time is the greatest advantage in the arsenal of the investor and patience one of the key elements of success. Speculation, on the other hand, may be done successfully, at least over the short term, through dumb luck, but success over the longer term requires highly specialised knowledge and enormous discipline. Unfortunately, too many supposed investors today are really only guessing on markets going either up or down. Thus they are speculators rather than investors.

In many ways speculating is just like having a bet, and those who provide the leveraged products for these punters are in reality financial bookmakers. Now some are very honest about this: those who provide financial spread services or contracts for difference describe themselves as such, while in other markets, like the futures markets, they provide a very similar service and marketplace but they require a much deeper capital pool with which to play. In the case of the former, it is interesting to note that the house usually bets against the client knowing that 80 per cent to 90 per cent of them will actually get it wrong. This is a highly simplified analysis, but the principle remains entirely true.

However, these sorts of speculative service providers have a place within our financial market, but they are not for the uneducated because they offer extreme leverage, which can be a wealth hazard. As I mentioned, most of the speculators in these markets will be wrong most of the time, but the truly successful ones have a plan on how to know they are wrong and what to do when they know it. Timing is absolutely everything. That is why I find it so frustrating to see people close to retirement being advised to use their home equity to invest in further leveraged instruments like margin lending, and then encouraged to punt on the market by outfits like Storm Financial and, more recently, the Queensland based Financial Technology Securities. The double leverage game is not investing; it is gambling of the highest order. The risk of loss is huge, and when risk became reality people do not know what to do and so they just hang on and hope. But hope is simply not a strategy.

The only strategy is ensuring the client knows what they are doing and why they are doing it and what action to take when it starts to go wrong. To me that means investor education is the key to ensure they understand the principles and differences attached to saving, investing and speculating. I have sought to do that over many, many years. When I was in the industry I presented seminars at ASX investor briefings, I wrote columns for newspapers, I presented financial reports for the media and I did talkback radio answering listeners' financial questions. I have written trading courses for finance markets; I have provided personalised
tuition on how to use leverage and speculate on global equity and commodities markets whilst limiting risk to clients across the world. I wrote a manual for parents on how to help ensure their children's financial future and education while also hopefully learning a few financial skills for themselves. There was a subsequent children's book based on these simple but wildly effective techniques. It was released in 2007 and thus far tens of thousands of copies have been downloaded or given away for free through schools and community organisations to families. I have spoken and provided trading seminars on multiple continents in an attempt to help transfer my experience and knowledge from managing equity portfolios and client accounts to as many people as possible.

It is a start, but I am only one person. Simple lessons are vital to ensure people understand the implications of leverage, volatility and human emotion in the finance world. And this is one area where successive governments have failed miserably. Almost every year I hear of new financial literacy initiatives designed to educate people about how to save and invest. And every year I hear more people demonstrate just how unknowledgeable they are when it comes to money. For all the millions spent by government, they would probably be better served by directing people to the many personal financial blog websites available on the internet. Having spent some weeks recently reviewing many of these sites, I found more wisdom and common sense residing there than in many so-called professional advisory firms.

These blogs are real people applying real principles to bettering their financial lives. Their successes, their failures and the lessons learnt are there for all to see. None of them blame the government for their failures; none of them rely on regulation to protect them. Instead, they rely on personal responsibility to educate themselves through the wisdom of others' experience. They use leverage sparingly and know the difference between investing and speculating. They have emergency savings. They use index funds instead of expensive managed funds and they keep cash buffers for a rainy day to protect them. Within these blogs resides a plethora of common sense. As someone who has produced, sold and promoted both free and expensive investment education products, as someone who has managed investor funds worth hundreds of millions of dollars, and as someone who has benefited from the prudent use of leveraged financial products to speculate, I can categorically state that these personal blogs may be the best financial education that anyone's money cannot buy.

**Budget**

**Senator URQUHART** (Tasmania—Deputy Opposition Whip in the Senate) (21:59): I rise to congratulate those that braved horizontal rain and high winds to attend the Protest on the Coast, a rally that took place in Burnie in Tasmania on Saturday, 28 June, against this cruellest and most dishonest budget in living memory. There were over 150 people at the rally, with many more, particularly pensioners, who expressed their desire to be there but due to the inclement weather could not attend. Those who attended the rally knew that waiting until the election to remind people of the true colours of Tony Abbott and the Liberal coalition government was not an option.

**The PRESIDENT:** Prime Minister Abbott.

**Senator URQUHART:** Prime Minister Abbott. Those who attended the rally knew that right across the country, from the big cities to small regional centres like Burnie, the campaign needs to start now. I understand that organisers invited all political parties as well as representatives from unions, charities, student groups and the medical profession. I
acknowledge my Senate colleague, Senator Milne, for returning home to the north-west coast and passionately speaking to the crowd about this cruel and dishonest budget. I also acknowledge new senator for Tasmania, PUP Senator Lambie, who was unable to attend but sent her apologies and her guarantee that:

I will always vote to protect ordinary Tasmanians from the unfair budget cuts of Mr Abbott and his Liberals and Nationals.

Unfortunately but not surprisingly, the Liberal member for Braddon, Mr Whiteley, did not see fit to attend and defend his government's budget. Mr Whiteley missed an opportunity to present his arguments in support of introducing a GP tax; introducing petrol taxes; cutting family payments; cutting people under 30 off Newstart; cutting school, uni and TAFE funding; decreasing pension increases so that the payment falls behind cost-of-living increases; increasing medicine co-payments; cutting hospital funding; cutting road funding for Tasmania; cutting science and research; cutting the ABC and SBS; cutting Indigenous programs; and cutting Landcare funding, to name but a few measures.

When asked by the local newspaper, the Burnie Advocate, in the lead-up to the rally, as to why he would not attend, Mr Whiteley called the rally a 'Labor-union stunt' and said:

I do not classify this particular rally as genuine.

What is so fascinating about this statement is that Mr Whiteley was more than happy to attend a rally openly organised by the Australian Workers' Union in Burnie and another in Tullah last year in support of mining in Tasmania. Mr Whiteley was not invited to speak at the AWU rallies, so from all accounts he stood at the back of the room and hurled abuse at speakers including then Deputy Premier Bryan Green and then Parliamentary Secretary for Agriculture, Fisheries and Forestry and member for Braddon, Sid Sidebottom.

Let's just get this straight. On two occasions last year in the lead-up to the federal election Mr Whiteley was willing to attend a union rally he was not invited to speak at, but Mr Whiteley was willing to stand at the back of the crowd and hurl abuse at speakers. But then, when a group of community and union members organise a rally to oppose some of the harshest measures in Prime Minister Abbott's budget and offer him the microphone, what does he do? Of course, he hurl abuse at the organisers, seeking to trash their event as a 'stunt' and—with his esteemed knowledge of community and union rallies!—this particular rally as not genuine. I know Mr Whiteley likes to try and throw his muscle around, like in his performance in the letters page of today's Advocate, but such a judgemental dismissal of community members will only strengthen their resolve to not just campaign against Mr Abbott's cruel and dishonest budget but to campaign against Mr Whiteley and his cruel and dishonest budget; to campaign for the Senate to vote down every one of the cruel and dishonest budget measures; and then to campaign against you, Mr Whiteley, in the next election. Because, as Senator Thorp said in her valedictory speech to this place:

Ironically, it may be this budget that galvanises people to mobilise and fight for the Australia they want for the future.

I was asked to be a speaker at the rally together with a wide range of community members. The event commenced with a welcome to country from local elder, Mr Eddie Thomas. Mr Thomas was just three months old when welfare authorities took him and his siblings from the then Aboriginal reserve of Cape Barren Island in Bass Strait. He spent the next 21 years in a foster home in Launceston. Thank you, Mr Thomas, for welcoming the protestors to your
country. Thank you, Mr Thomas, for standing with us to protest this cruel and dishonest budget.

The two MCs of the rally, Ali Butcher and Owen Zolati, started proceedings with their stories as to why they became involved. Ali said that the Australian way of life was under attack and she was not going to sit back. She said that north-west Tasmania was not going to sit back and that north-west Tasmanians want and need a hand up and not a hand out. Owen said that the Australian people were sold one thing and delivered another. Australians were told there were to be no cuts to health and education, no changes to pensions and there would be no new taxes, yet this Prime Minister's first budget broke all of those promises and more.

The first speaker was Dr Themba Bulle, a doctor at the Burnie GP superclinic and member of a large number of GP boards and advisory committees. Dr Bulle said that the hardest hit by the $7 GP tax would be those in nursing homes, children, the poor and Indigenous patients. Dr Bulle said it was his belief that this proposed budget measure would worsen the health outcomes of the north-west community.

The next speaker was, Jan Robinson, an organiser with the Australian Nursing and Midwifery Federation. Jan said that the community must take action and that nurses, midwives and carers, as patient advocates, would fight to protect safe health care and oppose the cuts to hospitals and the GP tax. Robbie Moore, the Assistant State Secretary with the Health and Community Services Union outlined some of the less talked about victims of budget cuts. Robbie said that one program they are getting rid of is the Eat Well, Be Well program that runs in our schools, in lower socio-economic schools, in secondary schools, in childcare and in workplaces. Robbie said that while the government's rhetoric around this budget is around a long-term budget solution, the Eat Well, Be Well program is having an impact and is creating a healthier community. Robbie posed the question: how is axing this program looking at a long-term budget solution?

Isaac Foster, the State President of the Tasmania University Union, said that those gathered in Burnie and in protests across Tasmania were the voice of reason. The voice of reason is saying no to the increase in fees for university, which is slamming the door on children from places like north-west Tasmania from living their dreams and attending university.

I was privileged to also be able to address the rally. In my address I highlighted that the government's so-called 'budget emergency' is a cruel joke, that Australia is in fact one of 10 countries in the world with a AAA credit rating. So where is this budget emergency? It has been fabricated by an ideological Prime Minister, the worst that we have had in this country—certainly in my recollection—a Prime Minister whose budget emergency is entirely his own doing, because this government's budget follows a similar path to surplus as the previous government except that the Liberal-National coalition government seeks to cut assistance for the most needy in the community and give tax cuts to big polluters, give tax cuts for coal and iron ore miners making super profits, give tax cuts to multinational companies and give $50,000 to new mums on salaries over $100,000 a year.

I thank all of the community members who organised protest on the coast and I thank the more than 150 people who came out and braved the coldest and wettest of Burnie days. I thank them for coming together; for finding a voice; for speaking out against the contempt their government, our government, has shown and continues to show against its own people; for recognising that this is a cruel and dishonest budget and not standing by whilst this
government breaks promises and attacks the most vulnerable in our community; and for knowing that waiting until the election to remind people of the true colours of Prime Minister Tony Abbott and the Liberal-National coalition government is too late. The people of north-west Tasmania will not forgive this government for this cruel and dishonest budget.

The people of north-west Tasmania have started their campaign. Mr Whiteley, you were afforded the opportunity to present your argument at the Burnie rally. The organisers assumed that your attendance at genuine union rallies last year would see you put partisanship aside and present your arguments in support of this budget. Instead, you judged the organisers from afar and gave them no alternative but to stand up and campaign harder against your budget and your government. Instead of enjoying the deliberations of the Senate as you have done in the chamber for much of today, I suggest that you engage in more genuine conversations about the budget with your constituents back in your local electorate of Braddon.

**Carbon Pricing**

**Senator WHISH-WILSON** (Tasmania) (22:09): First and foremost I am a senator from Tasmania, and tonight, without forgetting all the moral, scientific and economic imperatives of putting a price on carbon for the rest of the world, I rise to put on record the cost to Tasmania and Tasmanians of the Abbott government's self-interested, ideological and cynical attempt to kill Australia's price on carbon, remove the clean energy package and remove the first serious attempt to show global leadership on putting a market signal on CO$_2$ as a pollutant for greenhouse gases. Why? Simply to get themselves elected and deliver for vested interests in the big end of polluting town. For a state like Tasmania—one that leads the nation in the production of renewable energy and, thanks to its former Minister for Climate Change, Greens MP Cassy O'Connor, has the most ambitious targets for climate action—the price on carbon is a reward for clean energy that means millions to the our bottom line, millions that translate to jobs and services that all Tasmanians rely on every day.

The majority of Tasmania's energy is generated renewably and managed by Hydro Tasmania, a company owned by the state government. Tasmania is the only state in Australia that generates the majority of its energy through clean sources—currently around 86 per cent, and 100 per cent is not an unrealistic target. Clean energy is a competitive advantage for Tasmania, and that is exactly where we need to focus our political energies if we are going to create more wealth and jobs.

Why is the price on carbon adding to or leveraging off this competitive advantage? Mike Sandiford, Director of the Melbourne Energy Institute at University of Melbourne, highlighted in *The Conversation* yesterday that it gives Tasmania a significant 'relative' advantage in electricity pricing:

… the average carbon tax component paid by a domestic consumer in Tasmania is less than 0.5% of the total bill …

……  …

Compare that to Victoria with its reliance on high emissions brown coal power. There the carbon tax accounts for almost 50% of the wholesale price, and contributes around 10% to the average retail bill. He goes on to say in the article:

Because of the low emission intensity, the carbon-tax contributes a negligible direct component in the wholesale power prices in Tasmania, adding just 1.8% to wholesale prices in 2013-14. With wholesale
prices currently accounting for around 20-25% of retail prices, that means the average carbon tax component paid by a domestic consumer in Tasmania is less than 0.5% of the total bill, or about the same as the inter-annual variability in inflation. In other words, the direct effects of the carbon tax for Tasmanian consumers is in the noise.

And we certainly know about that in this place! He goes on to say:

… it is clear that Tasmania is benefiting in relative terms. In absolute terms wholesale prices have risen, but still remain below long-run average.

In a world in which carbon is priced Tasmania will be advantaged very significantly, and the higher the price the bigger the advantage.

Most importantly, the price on carbon generates jobs and a massive, important dividend for the Tasmanian government. Last financial year Hydro Tasmania reported a profit of $238 million. In their annual report Hydro Tasmania stated on page 22:

Of the $238 million profit for FY2012/13, $140 million is attributable to the combination of the carbon price and—

increased generation during the fixed carbon price period.

Hydro Tasmania went on and attributed $70 million annually directly to the carbon price. That is $280 million over forward estimates.

As part of its ownership of Hydro Tasmania the Tasmanian government receives payment from the company every year. Last year the Tasmanian government received $125.6 million. This represents—and I have got this directly from Saul Eslake, who is on the board of Hydro Tasmania—13.5 per cent of the state government's own-source revenue, or their non-Canberra revenue. Let's put this in perspective: the $280 million carbon price benefit to Tasmania over the forward estimates is equivalent to $1,452 per annum per Tasmanian household over that period. That equates to roughly 932 teachers or 824 nurses per year, on average, in terms of training costs.

It is seldom acknowledged that this financial windfall and jobs bonus is due in a very big way to my party, the Greens. We drove the clean energy package and reforms, and, yes, it was the Greens, in power sharing with Labor, who delivered the price on carbon.

The Greens have delivered for Tasmania. One day, when the crass politics of division runs its course, this will be respected. Added to the loss of services to Tasmanian families from the repeal of the carbon price, TasCOSS, for ACOSS, has estimated that Tasmanian families will be $1,600 per annum worse off under this cruel budget through hits to pensions, the unemployed, the sick, single parents and family benefits. According to ACOSS Tasmania has been penalised more than any other state. That is a $3,000 per household hit directly from current coalition policies. This has not even started to look at the future impacts of government cuts on students, hospitals and schools.

Also, the economy is crashing. The data on consumer confidence and retail sales tells a very damning picture. Every business I speak to, Senator Bushby, is furious. So much for the Liberals being strong on the economy. Maybe the so-called, self-styled three amigos—Northern Tasmania's three Liberal MPs, Eric Hutchinson, Brett Whitely and Andrew Nikolic—should call themselves the three banditos, because they are robbing Tasmanian...
families. As any bandito will tell you, the poor, the elderly, the sick and the young make the easiest targets.

Any Tasmanian senator or political leader who is thinking of backing Abbott's agenda needs to consider and be able to answer one question: how will that lost $280 million be replaced—where will the funds, services, and money for hospitals, money for schools, money for the homeless, and money for the mentally ill come from? And where will the jobs come from? Just last week Hydro Tasmania said they were laying off 100 people because of the repeal of the carbon price. What other competitive, sustainable advantages will you invest in? That question has never been answered by the Liberals—and, God knows, I have asked enough times.

New Tasmanian senator Jacqui Lambie, who I welcomed to the Senate this morning, has passionately—and, I think, genuinely—stated that she will 'cross the floor to stand up for Tasmania'. I think all Tasmanians would expect that hundreds of millions of dollars worth of education and health funds and hundreds of jobs are worth standing up for, and I expect her to join the Greens and cross the floor on the carbon repeal bills. She either stands with Prime Minister Abbott and the three banditos, or she stands with us. She is, in every sense of the word, caught between the devil and the deep blue sea. Her decision will make it clear which she thinks is which. It will be the first and possibly biggest decision she will make in her career in the Senate.

Even today, listening to the debate in the chamber, after many years of debate—and I have only been here for two years but I have heard it hundreds of times—I hear the same slogans, the same distractions and the same recycled spin from the Abbott government. They are trying to distract attention from their cruel budget, from their abysmal polling figures and from the fact that June polling finds public support growing for carbon pricing laws.

As I stand here tonight I cannot help thinking what other Australians are doing right now. Many are probably preparing to go to bed, some are watching Q&A, but I am here giving a speech on the benefits of a package that my party has helped deliver to this country and for my state, which we have never really been acknowledged for, and which we are about to lose because of cynical short-term politics and politicking, because of one party's grab for power. I know that I will be on the right side of history on tackling dangerous climate change. I know the price on carbon is good for Tasmania, and it is a reform the Greens are proud to stand up for.

The PRESIDENT: I just remind senators that we need to refer to members in the other place by their correct titles and be careful with our language when we are referring to members of the other place.

Brabham, Sir Jack, AO, OBE

Senator BUSHBY (Tasmania—Government Whip in the Senate) (22:19): Before continuing, I want to touch quickly on the comments of Senator Whish-Wilson. He and others often talk about the profits that Hydro Tasmania generates as a result of the carbon tax, as if it is just some magic amount of money that the carbon tax raises. The reality is that Hydro makes increased profits from the carbon tax because the carbon tax increases the market price, which means that the customers of Hydro Tasmania have to pay higher rates for the electricity that Hydro generates, whilst Hydro does not actually pay the carbon tax. It affects the market.
price, which then gives a windfall to Hydro. So it does not come from nowhere. It comes from the customers. People pay it. Ultimately, it is the customers who pay it, and it then goes to Hydro to generate their profits. I think it is important to remember that.

On 19 May this year, Australia lost a truly remarkable and transformational figure in Sir Jack Brabham. Sir Jack is best remembered for the indelible mark he left on Australian motorsports, where he climbed to the pinnacle of Formula One as both a driver and a constructor. Although Sir Jack's passing was a time of grief and sadness, for Australian motorsport enthusiasts it has been a time of reflection on a career that will be forever remembered.

Australia has always punched above its weight in international sporting circles, with legends such as Sir Jack Brabham forming an important part of our national identity in the post-World War II era. Sport heralded in important social changes in the 1950s through its commercialisation, globalisation and professionalism. Our beloved champion athletes embodied the values of mateship, having a go and egalitarianism.

Sir Jack was a relatively late starter to Formula One racing, entering his first race at the age of 30 and winning his first Drivers World Championship at the age of 34. He successfully defended his championship the very next year, and reclaimed the title five years later, in 1966, at the age of 40. His success was credited to his personal qualities, including hard work, perseverance, flair and courage—traits that all Australians aspire to.

Sir Jack was also a brilliant engineer who innately understood the capabilities of his car, enabling him to consistently outperform quicker opponents, delivering 14 Grand Prix victories and 31 podiums. His brilliance in the garage and at the design table came to the fore when he was crowned as World Constructors Champion for his Brabham-Repco BT19, with an engine developed by Australian company Repco, in 1966. He repeated this feat the following year.

Over and above Sir Jack's incredible achievements in Formula One, he also had the vision to bring motorsports from the pursuit of a select few to a mass audience, with his legacy still enduring today. As early as 1952, Sir Jack understood the commercial possibilities of motorsports by, controversially, painting advertising logos on his cars. Sir Jack's foresight in commercialisation formed a happy marriage with the rapidly expanding era of television. What was once translated only through radio and newspapers was now being beamed directly into lounge rooms throughout the country and across the world. Sir Jack was rapidly becoming a legend, and one who would stand the test of time.

Wherever Sir Jack went, crowds flocked to see him, and my home state of Tasmania was no exception. In 1959 and 1965, the Australian Grand Prix was held in the picturesque town of Longford in northern Tasmania on a street circuit that featured two wooden bridge crossings of the South Esk River and a hair-raising turn beneath a railway bridge known as Viaduct Corner before appropriately passing the Longford Hotel. Whilst Sir Jack did not compete in 1959, Tasmanians affectionately remember the thrill of his 1965 performance finishing second to Bruce McLaren, another legend of the sport.

In Tasmania, Sir Jack was synonymous with Tasmanian Motorsport Hall of Fame member John Youl. John Youl rose to prominence in the 1950s and competed in top local, interstate and international circuit racing events, firstly in sedans and then in open-wheelers. His first
foray into national prominence was in 1957, when he set a new sedan lap record at Phillip Island. During that era he also competed at the famed Longford International Raceway, winning numerous sedan events. As a great admirer of Sir Jack, it was only fitting that in 1962 John Youl purchased an ex-Brabham Formula One-winning car from Sir Jack. It was a low-line Cooper Climax T55, a car Sir Jack had used in Formula One for two years and also in the 1962 Tasman Series.

John Youl's crowning achievement was defeating both Sir Jack and remarkable Scottish driver Jackie Stewart in the Tasman Series—run in Australia and New Zealand in the European off-season—that commenced in 1964. Earlier, in 1959, John Youl and his late father leased a section of their property at Symmons Plains to the Light Car Club of Tasmania. The area is now the Symmons Plains International Raceway, located about 30 kilometres south of Launceston. I am not sure that this is true, and I could not confirm it, but I believe that Sir Jack Brabham actually had a hand in designing the Symmons Plains race track. Since the closure of the Longford circuit in the 1960s it has been Tasmania's premier motor-racing facility. In John Youl's later years he campaigned on road safety and driver education. His passing in 2009 at age 77 was a sad loss to Tasmania and, indeed, to Australia.

Sir Jack was Australia's pioneer in Formula One racing, a sport which also produced Alan Jones, a legend in his own right. Alan Jones famously won the 1980 Formula One World Drivers' Championship, finished his career with 12 wins and 24 podiums, and continues to contribute to the sport through his expert commentary. It was entirely fitting that both Sir Jack Brabham and Alan Jones were made Members of the British Empire and immortalised by being inducted into the Australian Sporting Hall of Fame.

In more recent times, Mark Webber represented Australia tremendously on Formula One's world stage. His special talent was recognised around the world when he confounded experts by famously piloting a Minardi into the points in his very first race, the 2002 Australian Grand Prix, after qualifying in lowly 18th place. Australian motorsports fans share the pain of his desperately unlucky World Drivers' Championship bid in 2010, where he was pipped in the very last race of the season by team-mate Sebastian Vettel. Tasmanians also have a fond place in their hearts for Mark Webber after he organised and competed in a 10-day trek across the state to raise funds for children's cancer research charities in 2003.

Following in the legendary footsteps of Sir Jack Brabham, Alan Jones and, more recently, Mark Webber, we now have a budding Formula One champion in Daniel Ricciardo. After serving an apprenticeship over almost four years, he won the Canadian Grand Prix on 8 June this year, his first victory at the highest level. Australian motorsport fans have fresh hope of a return to the glory days of Sir Jack Brabham and Alan Jones.

Our sporting stars contribute enormously to this nation. Youngsters all over the country aspire to be like their heroes, a fact that contributes to more than 60 per cent of Australian school-age children participating in an organised sport outside of school hours, according to the ABS in 2012. This culture of participation has enormous benefits for the health and wellbeing of our young people. In the case of Sir Jack Brabham, he was the father of a burgeoning motorsports industry, which now features some of the most watched sports in Australia, including V8 Supercars, especially at the Bathurst 1000, and other classes including Formula Three, Formula Ford and Superbikes.
No speech on Australian motorsports would be complete without mentioning the mercurial Peter Brock, legend of the Australian touring car scene and nine-times Bathurst 1000 winner, earning him the title King of the Mountain. Peter Brock was a key reason for the success of the V8 Supercar Tour, which includes an annual event at Symmons Plains in Tasmania. Peter Brock is no longer with us; however, his eminence in Australian motorsports is carved in stone.

Tasmania also enjoys Australia's biggest and best event on the Targa class open road rally racing circuit, Targa Tasmania. The event has been running for each of the past 22 years and touches every corner of the state as it traverses 2,000 kilometres and 40 competitive stages. In addition to the quality of the sport it provides to Tasmanian motorsport fans, it delivers an enormous tourism boost and wonderful profiling of Australia's best holiday destinations.

It is only appropriate that the Senate recognises not only the remarkable pioneering contribution that Sir Jack Brabham has made to his chosen field, paving the way for future champions in Alan Jones, Mark Webber and Daniel Ricciardo, but also the lift that he has provided to the national psyche through the sheer enjoyment of his exploits by generations of motorsport-loving Australians. Sir Jack Brabham is a legend who will never be forgotten.

STATEMENT BY THE PRESIDENT

Address by the Prime Minister of Japan

The PRESIDENT (22:28): I remind the Senate that senators have been invited to attend a meeting of the House of Representatives tomorrow at 10.50 am for an address by the Prime Minister of Japan, the Hon. Shinzo Abe.

Senate adjourned at 22:28

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.]

A New Tax System (Family Assistance) Act 1999—

Family Tax Benefit (Meeting the Health Check Requirement) Amendment Determination 2014 [F2014L00819].

Schoolkids Bonus Amendment Determination 2014 [F2014L00820].

Aged Care Act 1997—

Accountability Principles 2014 [F2014L00831].

Aged Care (Principles and Determinations) Repeal Instrument 2014 [F2014L00878].

Aged Care (Secretary's Determinations) Repeal Instrument 2014 [F2014L00871].

Aged Care (Subsidy, Fees and Payments) Determination 2014 [F2014L00875].

Fees and Payments Principles 2014 (No. 2) [F2014L00829].

Quality of Care Principles 2014 [F2014L00830].

Subsidy Principles 2014 [F2014L00862].

Aged Care (Transitional Provisions) Act 1997—

Aged Care (Transitional Provisions) (Subsidy and Other Measures) Determination 2014 [F2014L00872].

Agricultural and Veterinary Chemicals Code Act 1994—
Agricultural and Veterinary Chemicals Code (Efficacy Criteria) Determination 2014 [F2014L00850].
Agricultural and Veterinary Chemicals Code Regulations (Pre-application Assistance Fee) Instrument 2014 [F2014L00847].


Australian Hearing Services Act 1991—Declared Hearing Services Amendment Determination 2014 (No. 2) [F2014L00827].


Australian Prudential Regulation Authority Act 1998—
Australian Prudential Regulation Authority (Commonwealth Costs) Determination 2013 (Revised) [F2014L00858].
Australian Prudential Regulation Authority (Commonwealth Costs) Determination 2014 [F2014L00952].


Authorised Non-operating Holding Companies Supervisory Levy Imposition Act 1998—Authorised Non-operating Holding Companies Supervisory Levy Imposition Determination 2014 [F2014L00948].


Civil Aviation Act 1988—

Civil Aviation Regulations 1988—Direction under regulation 209 — conduct of parachute training operations—CASA 123/14 [F2014L00954].

Civil Aviation Safety Regulations 1998—

Exemption — temporary relief from requirement to carry serviceable ADS-B transmitting equipment when operating in defined exempted airspace—CASA EX56/14 [F2014L00922].

Repeal of Airworthiness Directives—CASA ADCX 013/14 [F2014L00942].


Commissioner of Taxation—Public Rulings—

Class Rulings—

Addendum—CR 2013/2.


Goods and Services Tax Advices—Notices of Withdrawals—GSTA TPP 055, GSTA TPP 057, GSTA TPP 058, GSTA TPP 061, GSTA TPP 068, GSTA TPP 069 and GSTA TPP 071.

Product Ruling PR 2014/12.

Self Managed Superannuation Funds Determination—Notice of Withdrawal—SMSFD 2010/1.


Taxation Determinations TD 2014/16 and TD 2014/17.

Taxation Rulings—

Addendum—TR 2006/10.


Corporations Act 2001—


ASIC Class Orders—

CO 14/632 [F2014L00893].

CO 14/648 [F2014L00920].

ASIC Instrument—14/0633 [F2014L00943].


CHAMBER

Education Services for Overseas Students Act 2000—
Education Services for Overseas Students Amendment (Student Visas and Other Measures) Regulation 2014—Select Legislative Instrument 2014 No. 94 [F2014L00837].
Education Services for Overseas Students (Calculation of Refund) Specification 2014 [F2014L00907].

Environment Protection and Biodiversity Conservation Act 1999—
Amendment of List of Exempt Native Specimens – New South Wales Ocean Trawl Fishery (20 June 2014) (inclusion)—EPBC303DC/SFS/2014/10 [F2014L00824].


Financial Management and Accountability Act 1997—
Determination 2014/12 – Section 32 (Transfer of Functions from DEEWR to Employment and Social Services) [F2014L00905].


Hearing Services Administration Act 1997—Hearing Services (Eligible Persons) Amendment Determination 2014 (No. 1) [F2014L00821].

Higher Education Support Act 2003—
Revocation of Approval as a VET Provider (QPIX Ltd) [F2014L00941].
VET Provider Approvals—
  No. 40 of 2014 [F2014L00955].
  No. 41 of 2014 [F2014L00817].
  No. 44 of 2014 [F2014L00885].
  No. 45 of 2014 [F2014L00890].
  No. 46 of 2014 [F2014L00892].
  No. 47 of 2014 [F2014L00894].
  No. 48 of 2014 [F2014L00899].
  No. 49 of 2014 [F2014L00883].


Marriage (Celebrant Registration Charge) Act 2014—Marriage (Celebrant Registration Charge) Determination 2014 [F2014L00917].

Migration Act 1958—
  Migration Regulations 1994—
    Circumstances In Which a Credit Card Surcharge Must be Waived or Refunded—IMMI 14/054 [F2014L00884].

    Types of Fees or Charges—IMMI 14/053 [F2014L00895].


National Disability Insurance Scheme Act 2013—
  National Disability Insurance Scheme (Becoming a Participant) Amendment Rules 2014 [F2014L00902].
  National Disability Insurance Scheme (Facilitating the Preparation of Participants' Plans—Australian Capital Territory) Rules 2014 [F2014L00909].
  National Disability Insurance Scheme (Facilitating the Preparation of Participants' Plans—South Australia) Rules 2014 [F2014L00914].
  National Disability Insurance Scheme (Facilitating the Preparation of Participants' Plans—Western Australia) Rules 2014 [F2014L00915].

National Health Act 1953—
Continence Aids Payment Scheme Variation 2014 (No. 1) [F2014L00826].
Continence Aids Payment Scheme Variation 2014 (No. 2) [F2014L00833].
National Health (Efficient Funding of Chemotherapy) Special Arrangement Amendment Instrument 2014 (No. 6)—PB 49 of 2014 [F2014L00919].
National Health (Remote Aboriginal Health Services Program) Special Arrangements Amendment Instrument 2014 (No. 1)—PB 50 of 2014 [F2014L00918].

National Measurement Act 1960—


Public Governance, Performance and Accountability Act 2013—
Public Governance, Performance and Accountability Commencement Proclamation 2014 [F2014L00848].


Social Security Act 1991—
Social Security (Circumstances in which the Job Commitment Bonus will not be paid) Determination 2014 [F2014L00898].
Social Security (Job Commitment Bonus – periods of continuous gainful work) Determination 2014 [F2014L00897].

Social Security (Administration) Act 1999—
Social Security (Reasonable Excuse — Participation Payment Obligations) (Employment) Determination 2014 (No. 1) [F2014L00887].

Student Identifiers Act 2014—Student Identifiers Commencement Proclamation 2014 [F2014L00834].


Superannuation Industry (Supervision) Act 1993—ASIC Class Orders—
CO 14/509 [F2014L00832].
CO 14/592 [F2014L00923].


Veterans' Entitlements Act 1986—
Amendment Statements of Principles concerning myeloma—
No. 72 of 2014 [F2014L00936].
No. 73 of 2014 [F2014L00935].

Statements of Principles concerning cervical spondylosis—
No. 66 of 2014 [F2014L00928].
No. 67 of 2014 [F2014L00932].

Statements of Principles concerning hiatus hernia—
No. 68 of 2014 [F2014L00924].
No. 69 of 2014 [F2014L00925].

Statements of Principles concerning lumbar spondylosis—
No. 62 of 2014 [F2014L00933].
No. 63 of 2014 [F2014L00930].

Statements of Principles concerning malignant neoplasm of the stomach—
No. 58 of 2014 [F2014L00939].
No. 59 of 2014 [F2014L00938].
Statements of Principles concerning melioidosis—
   No. 60 of 2014 [F2014L00940].
   No. 61 of 2014 [F2014L00934].
Statements of Principles concerning thoracic spondylosis—
   No. 64 of 2014 [F2014L00931].
   No. 65 of 2014 [F2014L00929].
Statements of Principles concerning warts—
   No. 70 of 2014 [F2014L00926].
   No. 71 of 2014 [F2014L00927].