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SITTING DAYS—2014

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- BRISBANE  936AM
- CANBERRA  103.9FM
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- MELBOURNE 1026AM
- PERTH     585AM
- SYDNEY    630AM

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—SECOND PERIOD

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

Senate Office holders
President—Senator Hon. John Joseph Hogg
Deputy President and Chair of Committees—Senator Stephen Parry
Temporary Chairs of Committees—Senators Cory Bernardi, Thomas Mark Bishop,
Suzanne Kay Boyce, Sean Edwards, David Julian Fawcett, Mark Lionel Furner,
Alexander McEachian Gallacher, Scott Ludlam, Gavin Mark Marshall,
Anne Sowerby Ruston, Dean Anthony Smith, Ursula Mary Stephens, Glenn Sterle and
Peter Stuart Whish-Wilson

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

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

Printed by authority of the Senate
## Members of the Senate

<table>
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<tr>
<th>Senator</th>
<th>State or Territory</th>
<th>Term expires</th>
<th>Party</th>
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<td>Abetz, Hon. Eric</td>
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<td>30.6.2017</td>
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Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives.

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</table>

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

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

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

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

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

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

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

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

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

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

PARTY ABBREVIATIONS


Heads of Parliamentary Departments

Clerk of the Senate—R Laing
Clerk of the House of Representatives—D Elder
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
<table>
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<tr>
<th>Title</th>
<th>Minister</th>
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<tr>
<td>Prime Minister</td>
<td>The Hon Tony Abbott MP</td>
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<tr>
<td>Minister for Indigenous Affairs</td>
<td>Senator the Hon Nigel Scullion</td>
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<tr>
<td>Minister Assisting the Prime Minister for the Public Service</td>
<td>Senator the Hon Eric Abetz</td>
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<tr>
<td>Minister Assisting the Prime Minister for Women</td>
<td>Senator the Hon Michaelia Cash</td>
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<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon Josh Frydenberg MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon Alan Tudge MP</td>
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<tr>
<td>Minister for Infrastructure and Regional Development</td>
<td>The Hon Warren Truss MP</td>
</tr>
<tr>
<td>(Deputy Prime Minister)</td>
<td>The Hon Jamie Briggs MP</td>
</tr>
<tr>
<td>Assistant Minister for Infrastructure and Regional</td>
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<tr>
<td>Development</td>
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<tr>
<td>Minister for Foreign Affairs</td>
<td>The Hon Julie Bishop MP</td>
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<tr>
<td>Minister for Trade and Investment</td>
<td>The Hon Andrew Robb AO MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Foreign Affairs</td>
<td>Senator the Hon Brett Mason</td>
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<tr>
<td>Minister for Employment</td>
<td>Senator the Hon Eric Abetz</td>
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<tr>
<td>(Leader of the Government in the Senate)</td>
<td>The Hon Luke Hartsuyker MP</td>
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<tr>
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<tr>
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<tr>
<td>Attorney-General</td>
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<tr>
<td>Minister for the Arts</td>
<td>The Hon George Brandis QC</td>
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<tr>
<td>(Vice-President of the Executive Council)</td>
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<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
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<tr>
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<tr>
<td>Treasurer</td>
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<td>Minister for Small Business</td>
<td>The Hon Bruce Billson MP</td>
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<td>Acting Assistant Treasurer</td>
<td>Senator the Hon Mathias Cormann</td>
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<td>(Leader of the House)</td>
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<td>The Hon Kevin Andrews MP</td>
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<td>Senator the Hon Mitch Fifield</td>
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<td>(Manager of Government Business in the Senate)</td>
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<td>The Hon Paul Fletcher MP</td>
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<td>The Hon Peter Dutton MP</td>
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<tr>
<td><strong>Minister for Defence</strong></td>
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<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Senator the Hon Michael Ronaldson</td>
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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.
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Thursday, 20 March 2014

The PRESIDENT (Senator the Hon. John Hogg) took the chair at 09:00, read prayers and made an acknowledgement of country.

BILLS

Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013

Second Reading

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

Senator MARK BISHOP (Western Australia) (09:31): Last time we were addressing the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013, as I look back at my notes, there had been an extensive discussion as to the adequacy or otherwise of the level of consultation engaged in by the government about a similar bill sponsored by the previous government, now withdrawn, as I understand it, by the current government, and the level of consultation in this bill, which is similar in a lot of respects to the previous bill. Indeed, from memory, something in the order of 23 senators alone from South Australia had spoken on the bill so there is a level of interest in the bill from that state.

I do not want to go to the detail or the minutiae of the bill today. It has been extensively reported in the relevant Senate committee report, and the content of the bill, for those who have an interest in this topic, is both widespread and well understood. I do not propose to discuss the content of the bill itself, but I thought I might in my contribution this morning address the bill in the context of the mining and resources development in Australia.

It is well known to economic historians that the exploitation of natural resources—minerals, oil and gas, forests and the like—has been and continues to be and will continue to be one of the great drivers and creators of material wealth. There is nothing novel or revelatory about that proposition. It is certainly understood by economic historians, it is certainly understood by those who are involved in the industry and those who observe the industry, and it has been known since the dawn of civilisation. Indeed, the exploitation of natural resources has been one of the principal drivers of great empires since the dawn of time.

Three of the great wars fought by the Romans over hundreds and hundreds of years were about access to minerals and other natural resources in particular. Indeed, the final pacification of Spain under Pompey the Great was about access to gold and iron and salt. The invasion of England under the reign of Emperor Claudius was about tin, iron ore, coal and forest, particularly over in Wales, and the final conquest of Croatia, called Dalmatia in those days, under the Antonine emperors, was also about natural resources, iron and gold. And you only have to look at the rivers of blood that were expended in acquiring empires in South and Central America by the Spanish and Portuguese from the 16th century onwards to understand the importance of access to minerals—gold, silver, iron, lead and coal and God knows what else. So there is nothing new. Put simply, much treasure and much blood has been expended on the perceived need for currency and raw materials to access cutting-edge technology,
whether it be swords or other forms of material used for aggressive purposes. There is nothing new, in summary, about the need to access and exploit natural resources.

I have been flying across the Nullarbor for the best part of 40 years—in my early days, perhaps 10 or 20 times a year; in my time in parliament, 40 or 50 times a year—backwards and forwards to the east coast. On those long flights across the Nullarbor, sometimes taking up to seven or eight hours, I have had cause to reflect upon the difference between the states of South Australia and Western Australia, having been born and raised in South Australia and having spent all of my adult life in the west. From time to time, as I have looked down from the plane window, the question I have thought about was: why do some lines on the map dating back to the 19th century so differentiate and distinguish two adjoining states? As you go to the far west of South Australia and the far east of Western Australia, the flora and fauna, the soil, the desert and the weather are similar, if not identical, on both sides of the border for hundreds of miles east and west and hundreds of miles north and south.

In 1982 South Australia and Adelaide had a population of around 1.1 to 1.3 million. The population was significantly larger than for Perth and Western Australia. The gross state product of South Australia in those days was significantly higher than that of Western Australia. So the question becomes: why has that been reversed? Why are things so different now?

Why is Western Australia's population 2.5 million to 2.8 million and, in the not-so-distant future, going to be greater than that of Brisbane, while South Australia's is relatively stagnant at about 1.5 million to 1.7 million? Why is the gross state product of Western Australia more than triple that of South Australia? It is a very important question, and there are a lot of consequences—political, material and industrial consequences—that derive from a response to that proposition.

The answer is clear, simple and obvious. Western Australia, at least since the 1950s—under Albert Hawke's Labor government, Sir Charles Court's government in the seventies and eighties, and successive governments of both persuasions since that time—has welcomed, embraced and sought out the development of minerals and resources in that state. It did not matter whether it was the Hawke government in the fifties or the current government in the second decade of the 21st century: both have been unconditional in seeking out development and maintaining Western Australia as a place for investment and development in mining and resources.

South Australia, by contrast, chose a very different path—firstly in the thirties under the government of Sir Thomas Playford but essentially followed by all governments since that time up until the present. That path that was embraced by Sir Thomas Playford and his government in the thirties and forties, followed by others, was one of an embrace of manufacturing industry, industrial protectionism and high-cost industries that lacked production scale because of cost.

So, as the final remnants of the opening up of Australia's economy from the 1980s, occasioned by the Hawke-Keating governments, play themselves out with the closure of the motor vehicle industry along the east coast of Australia, I suggest that this bill, sponsored by Senator Farrell, is to be welcomed with anticipation, glee and hope. It should be welcomed as a potential new foundation for the state of South Australia and as an opportunity for South
Australia to be not an economic colony of Victoria but a serious mining and development state in its own right.

This bill, when you go to its heart, sends a statement of intent. The bill challenges the mindset that many years ago made the decision that this area was to be considered to be in some respects wasteland, in other respects the home of some Indigenous people and in other respects hundreds and hundreds of square miles of land to be reserved to the Department of Defence for exclusive use for their own purposes. It welcomes into those lands the opportunity for exploration and discovery of what a lot of people presume to be mineral-rich swathes of land.

This statement is made by Senator Farrell as a sponsor of a private senator's bill, but really the bill is consistent with the attitude of the previous government and, as I recall the comments of then opposition senators, now government senators, in the deliberative phases of the bill when it went through committee stages, is welcomed by them as well. It really suggests that South Australia—or certainly a number of elites in South Australia—has come to the view that it is time to join the states of Western Australia and Queensland in becoming a home to the mining industry and all the consequences that flow from that. So that is a welcome development.

In the few minutes that remain, I want to remind the chamber of the comments by Senator Johnston, who now, of course, has been elevated into the cabinet as Minister for Defence. I have looked back at Senator Johnston's contribution in the early stages of this bill, and he addressed issues of time, delay, consultation and protocols. He made the point that the government was opposing the bill at this stage, firstly because it wanted to redraft the bill in light of certain changes that had been brought to its attention. Principally his argument was that the government wanted to get it right. There is nothing particularly wrong with that sentiment, but it is a very early pointer to another defence bill that both the Minister for Defence and you as chair of the relevant subcommittee, Mr Acting Deputy President Fawcett, will recall. That was the Defence Trade Controls Bill of the last parliament. Senator Johnston would well remember the amount of work that the Senate Foreign Affairs, Defence and Trade Legislation Committee had to do over a period of almost 18 months to get that bill right. It must be put on the record that all of that forensic work engaged in by the committee—rejecting submissions by the Department of Defence; seeking out further advice and evidence from industry and technology players, universities and the like; and sending Defence back time and time again to engage in further consultation and to redraft particular provisions in the bill—was done in the face of the stringent, intense and continuing opposition of the Department of Defence.

I was much reminded of the lengthy process we had to go through as committee members—it was almost like pulling teeth to get information about the Defence Trade Controls Bill—in the contribution made in this debate by Senator Johnston, a person who has had a lot of exposure to the Department of Defence both as a minister in the previous Howard government and then for six years in opposition. As that contribution was made, I thought that perhaps the wool was being pulled over Senator Johnston's eyes in the context of this bill and that the protestations by the Department of Defence were not really as strict or a strong as they might have been.
It must be said that it is not readily or widely understood that the modern mining resources extraction and development industries are not merely about digging a hole in the ground, getting the product out onto a train or a truck, flogging it off to port and sending it offshore. It is not only about digging holes in the ground, and those who use that phrase (1) are mistaken and (2) generally do it in a pejorative and insulting manner.

The modern mining industry, as is inherent in this bill sponsored by Senator Farrell—this bill foreshadows a growth and development certainly at the exploration stage in those areas of land covered by it, the land up in the far north of South Australia—is more about welcoming that industry into the heart of South Australia. As the bill also recognises, the modern mining industry is about a lot of things: it is about engineering; it is about construction; it is about the use of seriously advanced high-tech equipment; it is about the manipulation and proper use of advanced software by highly skilled and trained technicians; it is about processing and analysis; it is about the service industries that follow such as accountancy, transport, communications, infrastructure development, finance, capital investment.

One of the very interesting things that is currently occurring in Perth is the growth of a localised capital-raising industry. As we all know Perth is now a very, very wealthy city in a wealthy state, and there are a large number of people who are well off. People who are well off tend to have surplus capital, and they tend to want to consolidate it and reinvest it so that the capital grows stronger. One of the interesting things that has occurred in the past two or three years is that a range of the investment banks out of the US, which have had their principal offices in Melbourne and Sydney, but principally Sydney, are now, instead of being fly-in fly-out workers and coming over to Perth to raise capital—coming over on Monday and leaving on Friday—establishing full-time offices in Perth to raise equity. One of the spin-offs of the growth of the mining industry in the last 10 or 15 years in that state has been the growth of ancillary and support industries.

In the area of capital raising and equity raising, now that you have stand-alone, serious offices employing dozens and dozens of people to do those jobs, you see the benefits of an expanding state and an expanding industry. Raising hundreds and hundreds of millions of dollars, billions of dollars, as some people in this chamber would be well aware, are not simple tasks. They are tasks that involve a lot of risk, they are tasks that involve a lot of price, they are tasks that involve extraordinarily lengthy negotiations to get the amount of capital raised and the repayment times right. And that capital-raising industry, equity-raising industry, is growing well in Perth because of the wealth that has been created and consolidated in that state over the last 20 years.

Senator Farrell: We'd like some in South Australia, Senator!

Senator MARK BISHOP: I beg your pardon?

Senator Farrell: We'd like a share of it! Well they do want a share of it. They are not silly in that state. This bill recognises the opportunity to get a share of mining, to get a share of transport, to get a share of investment so that that state can also grow away from a population of 1.5, 1.6, 1.7 million into the two millions and three millions. (Time expired)
Senator McEWEN (South Australia—Opposition Whip in the Senate) (09:48): I would like to make a short contribution to this important debate on Senator Farrell's Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013. This bill is principally a response to the recommendations of the final report of the review of the Woomera Prohibited Area in northern South Australia, my home state. The bill will essentially provide for the making of the Woomera Prohibited Area rules, which will include zones, amongst other things, which are to be demarcated within that area. It creates a permit system for access to and use by non-defence users of the WPA. It introduces offences and penalties for entering the Woomera Prohibited Area without permission and for failing to comply with the condition of a permit. It also provides for compensation for an acquisition of property from a person otherwise than on just terms that results from the operation of the new part VIB of the Defence Act.

As you would well know, Mr Acting Deputy President Fawcett, being a fellow South Australian, South Australia has a vast outback and Woomera is situated 480 kilometres away from Adelaide in the north-west pastoral region of South Australia. When I was growing up in South Australia, Woomera was always a very mysterious place in the far north of my state. As a young South Australian, I was always very interested in what went on in Woomera. It was the home of the WRE as it was back then—the Weapons Research Establishment—and I had many friends who grew up in Woomera. It was also home to people from overseas who came to use that facility for defence matters and testing of new technologies in the defence area. And since people have been able to visit the Woomera area, a lot of people have done so on the drive up to Darwin or elsewhere. It is an intriguing and interesting place and a key part of South Australia's history.

The area itself is unique in the world, a unique military testing range covering 124,000 square kilometres—that is equivalent to 1½ Scotlands. It comprises extensive lands north of the Indian Pacific Railway, from Maralinga in the south-west up to its north-west corner in the Great Victoria Desert, which stretches across the South Australian and Western Australian border; it runs across to Coober Pedy and west of Roxby Downs, and down to Woomera in the south-east. It is an enormous piece of land. The WPA is not only vast but it is also an area vital to the South Australian government. Not only is it used for testing by the Royal Australian Air Force but also parts of the WPA contain highly prospective mineral resources, including estimates of more than $35 billion in iron ore, gold and uranium. Additionally, the WPA encompasses significant amounts of the land of our traditional owners, and that is something that we have been mindful about in the creation of this bill.

To give the Senate a bit more background information regarding the bill: on 17 May 2010 the then Minister for Defence, Senator John Faulkner, announced a review into South Australia's Woomera Prohibited Area to make recommendations about the best use of the WPA in the national interest. It was known as the Hawke review and it looked at ways to free up that vast area of 124,000 square kilometres for uses other than defence testing and other defence work. The review's interim report of 5 November 2010 identified the requirements of the various WPA user groups, assessed the extent to which these requirements were being met and proposed mechanisms to support better coexistence. The review found that introducing a comprehensive range management framework would increase the use of the WPA in Australia's national interests by better balancing national security and economic interests.
Public comment on the interim report was sought before recommendations were finalised for inclusion in the final report. So quite a comprehensive review was undertaken there.

This bill is extremely important to South Australia. A similar bill with the support of the coalition passed in the House of Representatives last year, and the Labor government at the time hoped to have the same support here from coalition senators, but the bill was referred off to the Senate Foreign Affairs, Defence and Trade Legislation Committee, which was not able to report back before the rising of the 43rd Parliament. Unfortunately, with the change of government we also saw a change of heart from the coalition, and the government of the day, while promising to reintroduce a bill to effect the recommendations of the review, still have not produced that bill. It has been up to my colleague Senator Farrell to step into the breach. He has worked very hard to get the government to proceed with legislation. He, like me, knows the importance of this to South Australia.

As we have heard in contributions from government senators in this debate, their view is that they will wait for their own bill. We could be waiting a very long time, and you have to ask why they are delaying either supporting Senator Farrell's bill or introducing their own bill. Are they trying to punish South Australia? I cannot think of any good reasons, and certainly the reasons they have given in their contributions to this debate do not stand up.

The bill that we are debating today seeks to build and implement the findings in the Hawke report. It establishes a framework that provides all non-defence users within the Woomera Prohibited Area and industry more generally with a level of certainty of defence activity in the area and allows users to make commercial decisions with some assurance as to when they will be requested to leave the area because of defence activity. That certainty is very important for business, as we know.

The framework re-establishes the primacy of the WPA as a national defence asset and sets up a coexistence scheme that allows access by non-defence users on a conditional basis. These conditions are intended to protect the safety of all users in the WPA and to ensure appropriate national security protections for an area used to test defence capability.

The WPA operated as a testing facility from 1947; and, since the 1980s, areas of the WPA were made increasingly available to non-defence users including the resources sector, Indigenous group activity, pastoralists and the South Australian state government. Use has varied and has included activities such as open mining, pastoral tourism, environmental resources research and other uses. Recommendations of the Hawke review found that, while defence should remain in control of access to the WPA, it should exercise this right in a way that seeks to maximise the opportunity for non-defence users to operate within this very important area.

Maximising the potential of the WPA will bring exponential economic benefits to my state of South Australia and to the nation more broadly. Therefore, the review also recommended that defence should set restrictions on access by reference to its testing and evaluation activity in the WPA, with industry then making commercial decisions based on restrictions set by defence. So it clarifies usage and the interaction between the usage of the different groups that can have access to this area to make the most of it.

The bill in discussion here today seeks to implement the review's recommendations relating to the management of access to the WPA through three geographic zones—the red, amber and
green zones. Access to the red zone must not be given to new non-defence users, the one exception being for a geological survey conducted by the South Australian government in collaboration with Commonwealth agencies. Zoning and time-share arrangements are subject to a seven-yearly review to ensure continued maximisation of the national value of the WPA, and any amendments to the coexistence framework will be recommended by the WPA advisory board and approved by the Minister for Defence in consultation with the Premier of South Australia and Commonwealth ministers for the relevant portfolio areas. As recommended by the review, pastoralists with an existing presence, Indigenous groups and other existing users as well as existing mining operations in the WPA will continue to operate under their current access arrangements. The access regime established by this bill only applies to new users, with existing users having the option of voluntarily joining the access regime established by these measures.

Technicalities aside, the bill is about improving and maximising the accessibility of the WPA for the benefit of all South Australians as well as for the rest of the nation. It will have the potential to create jobs, which are very important in that area of South Australia, and it will have the potential to attract further research and exploration into the lands, possibly creating benefits far beyond what we can currently imagine.

But, of course, we will not be able to pass this legislation unless we have the support of the government to do it. Senator Farrell in his contribution to this debate made it quite clear that we on this side are willing to work with the government to do what needs to be done to get this legislation through the Senate. We understand how important it is to South Australia now in the immediate sense but also how important it could be in the future as well. So I am hoping today that my fellow South Australian senators—Senators Birmingham, Bernardi, Fawcett, Ruston and Edwards—will recognise and appreciate the benefits of this bill. We support it because, as South Australians, we need this bill to pass so that we can give the people who live in the fine state of South Australia the best possible opportunities for the future. I would like to thank Senator Farrell for introducing this bill and I commend it to the Senate.

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (10:00): I am delighted to rise to speak to the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013 and make a relatively brief contribution. I absolutely enjoyed the contribution of my Western Australian Senate colleague Senator Bishop and join with his comments in terms of the frequency with which we Western Australians fly over the area that is the subject of discussion here today and reflect on how important it is that this area is opened up for commercial development—

Senator Farrell: Well, support the legislation! Cross the floor!

Senator BACK: for all the reasons that have been mentioned here this morning. It is somewhat ironic, Madam Acting Deputy President, that I believe it is Harmony Day—I say that through you to Senator Farrell.

Senator Farrell: It is a perfect day to cross the floor!

Senator BACK: Senator Farrell is interrupting me and attempting, of course, to distract me, which he will have no success in doing. I remind Senator Farrell and Senator McEwen, whose contribution I am following, as to why it is that the legislation has been delayed. I want
to remind the Senate and obviously want to thank Senator Fawcett, because he in a previous
life had military responsibility for this area in the defence segment. Our wonderful Minister
for Defence, Senator Johnston, did make the observation:

The Coalition has agreed to complete the Senate Inquiry prior to the September 14 election—
that is the September 2013 election—and is committed to progressing the legislation so that broader access to the WPA lands will commence before Christmas 2013.

That was Senator Johnston in a media release. Of course, it follows on from comments by the
South Australian Labor Minister for Mineral Resources and Energy in which he was very
critical on ABC Radio in South Australia of the fact that it needed to be referred to a
committee at all. He said that he did not understand the processes within the Senate whereby
bills that come from the lower house go through a process, which obviously in this case has
had the effect if not the design of delay. It is an example, he said, of where accusations can be
made, false assumptions made when people have not done their homework—their homework,
Senator Farrell—to understand why due processes are in place. He said that it is important
from both the national defence perspective and an economic perspective that we get the bills
right.

So I ask the question here this morning: why is it delayed? Has it been the coalition side?
Has it been Defence Minister Johnston's delay? No, it has not; it has been the delay of Senator
Farrell and Senator McEwen and, of course, the Australian Labor Party. And, just to remind
the chamber and anyone else who might be interested, the Selection of Bills Committee—
which, as we all know, considers and approves whether legislation coming from the lower
house goes to a committee—was chaired by none other than a South Australian Labor
senator. I am sure Senator Farrell needs reminding of this so that he can come to join me.

That committee signed off and approved that particular activity. At the time it had a
majority of Australian Labor Party and Greens members. They controlled the vote. They
approved that the bill be referred to the Foreign Affairs, Defence and Trade Legislation
Committee, of which they held the chair at that time when those two parties were in
government. It was chaired by, I understand, Senator Stephens—a wonderful, wonderful
contributor and one whose absence will be sorely missed by the entire chamber but
particularly by the then-to-be-depleted ALP ranks. Of course, Senator Stephens said at the
time, 'Yes, it is reasonable we proceed.' But what happened? We understood and agreed at the
time, and she said, there was an urgency around it. They agreed they would set up a time
frame for the hearing—all in the sense of harmony. But what happened? The election was
called. What did the coalition members do—through you, Madam Acting Deputy President,
to Senator Farrell and Senator McEwen? I am sure it is in the front of their memories. The
coalition members on the committee said, 'We would like to continue with the hearing,' which
was only a matter of days away from meeting. We said that we would like to have that
meeting in Adelaide; we would like to continue the hearing so that we could report. But,
departing from that spirit of harmony, the government members at the time, the ALP
members, said, 'No, the election is the priority,' and it was canned by the ALP and by the
Greens.

And here we have senators on the other side, including Senator Farrell in his attempted
interruption of me today, accusing the defence minister, Senator Johnston, of going back on
his word. Of course, there is no need for me to repeat the media statement that Senator Johnston made in which he said, 'We will commence it before Christmas 2013.' Indeed, it did not happen and it did not happen—through you, Madam Acting Deputy President, to Senator Farrell and Senator McEwen—for the very reason you know, Senator Farrell, and that is that you stood with your foot on the hose. You stood there and denied the people of South Australia the opportunity of the mineral wealth that will flow from it.

You might ask, Madam Acting Deputy President, why I have such a keen interest in such an opportunity presenting itself into the future. The answer is very simple. It is because I, like all other Australians, want to see South Australia reversed from its circumstance of being a recipient state under GST funding to becoming if not neutral then a contributing state.

Senator Farrell interjecting—

Senator Bilyk interjecting—

Senator BACK: Let me say it again, in case Senator Farrell has forgotten; I know Senator Bilyk knows it: The proud state of Western Australia contributes a net amount of $16 billion a year, which is $6,447 for every man, woman and child in my state, to the national wealth. I said that in answer to a question from Senator Polley the other day when she was pleading for royalties. I am going to come back to royalties—

Senator Bilyk interjecting—

The ACTING DEPUTY PRESIDENT (Senator Ruston): Senator Bilyk!

Senator BACK: I have not even got to Tasmania yet; I am still dealing with South Australia. I ask you: How much is the state of South Australia receiving in the GST distribution? The answer is $5.1 billion. Others than me can calculate and divide the number of residents of South Australia into the $5.1 billion, and they will find out exactly how much each South Australian is receiving. I have an absolute interest, as an Australian and as a Western Australian, in seeing these lands freed up for mineral exploration. As our Premier, Mr Barnett, has said, Western Australians are sick and tired of paying up for the national park island to the south of the mainland.

Senator Whish-Wilson interjecting—

Senator BACK: Fortunately now—through you, Madam Acting Deputy President, to Senator Whish-Wilson—with a change of government in Tasmania to a Hodgman-led government, we will start to see a reversal. Time does not allow me, in my 11 minutes and 15 seconds, to reflect on my own experience in business in Tasmania and the reason why I ultimately sold that business and returned to Western Australia.

I want to echo the words of Senator Bishop when he spoke about the benefits of the mining industry to a state and to a nation. Senator Farrell, in your last days here in the Senate I ask you to have an influence on your colleagues when they continually go on about these minerals under the ground being the property of all across the nation. Unless we have seen a change in the Constitution of this country in recent times—and I do not think we have—then the royalties for the minerals under the ground in each state belong to that state. It is for that reason largely that Western Australia does contribute that $15.5 billion net; whereas all of the other states, with the exception of New South Wales and Victoria, are recipients—as are this small territory, the ACT, and the Northern Territory. It is also, Senator Farrell—through you,
Madam Acting Deputy President—why I am so keen to see these Woomera lands opened up—of course, to respect the military past.

Senator McEwen was quite right when she said that it was always interesting and deeply mysterious to us, this Woomera land. What went on there? Who was there? We heard about the people from different nations who came to work. We heard about the scientific advances that were made at Woomera, but we never knew very much about it. Senator Fawcett, in his contribution, was able to expand on the information available to us.

What a shame it is that the ALP and the Greens stood with their foot on the hose to prevent the committee meeting in late August or September of 2013. Otherwise today we could have dealt with the committee—the committee could have presented its report, made its recommendations, put them before this chamber—and we could be well ahead of where we are on 20 March. But Senator Farrell need not spend too much time anxiously waiting, because it is my understanding that the hardworking Defence minister, Senator Johnston, and his team have now done the hard work. They have done the work that the ALP and the Greens denied us doing leading up to September 2013, and it is my understanding that it will not be long before the promised legislation, by Senator Johnston, will actually come before this chamber.

I hope we will see a reversal of South Australia's fortunes. I hope we will see a reversal of South Australia's political fortunes, because we spent 2010 to 2013 with a hung minority government federally, and no Australian enjoyed it. If you in South Australia find yourselves for the next four years in the position that this federal entity found itself in from 2010 to 2013, I assure you that you will not be out of your economic demise.

That allows me in my final few moments to reflect again on the importance of the Western Australian Senate election coming up 5 April, because heaven forbid we have a circumstance beyond that where this chamber becomes the reason for the obstruction of the passage of good legislation through this Australian parliament. The people of Australia voted very, very clearly in September 2013 as to what they wanted for this government federally. Nationally they said, 'We want an Abbott-led coalition government.' In my home state of Western Australia we won on the primary. Don't worry about the preferences; we won on the primary. We returned three very, very credible and honourable senators in that election: Senator Johnston; Senator Cash, the Assistant Minister for Immigration and Border Protection; and a wonderful person, Linda Reynolds, who is, I believe, the highest ranked female in the Australian Army. What a travesty it would be if on 5 April anything prevented Ms Reynolds from taking her place in this chamber as Senator Linda Reynolds after 1 July.

But that is what we are possibly facing in South Australia. We are possibly facing what we may be condemned to nationally. It allows me to urge the two Independents in South Australia to have a look at the future of that state; to have a look at the opportunity that presents to South Australia after so many years of failed Labor government in that state; to see what their own constituents want of them; to see that this particular bill before us today is an example of why the ALP must be moved out—an example of the lack of credibility of my colleagues on the other side, who came into this chamber and challenged and questioned why it was that Senator Johnston was not able to bring this forward by December 2013, when they themselves were the very reason why that did not happen.
In my concluding comments—because I know we have two very fine and honourable South Australian senators following me in making a contribution, on my left hand and on my right—I say simply this: when that legislation comes through, when it comes through in the best form, when it comes through in the form that it will, having been the subject of all of the established analyses that have to happen, all of the regulatory impact statements—do you remember that term, Senator Farrell, through you, Madam Acting Deputy President Ruston?

Senator Farrell: It's what you're calling red tape.

Senator BACK: Regulatory impact statements, Senator Farrell. I know in government you mob did not know too much about regulatory impact statements, but there is going to be one.

Senator Farrell: Red tape. You're supposed to be getting rid of red tape.

Senator BACK: Yes, get rid of red tape. No, no. What we are going to do is apply all of the rigours that should always be applied—

Senator Farrell: Red tape to stop us going ahead.

Senator BACK: Don't get me started on the NBN, Senator Farrell—through you, Madam Acting Deputy President—in relation to Senator Conroy, because I do remember in one of my early contributions asking Senator Conroy whether there was going to be any sort of a business plan or any sort of risk analysis for the NBN. He stood on this side and said, 'We don't need a business plan. We don't need a risk analysis.' I tell you what: when this legislation comes into the chamber, it is going to have all the boxes ticked. It is going to be good legislation. It is going to be legislation that is the result of all of the correct procedures—

Senator Farrell interjecting—

Senator BACK: And it is at that time that I will be urging all, including Senator Farrell in his dying days, to support it.

Senator BERNARDI (South Australia) (10:17): I start off in a spirit of bipartisanship and say welcome and thank you to Senator Farrell for his sudden enlightenment in regard to opening up the Woomera Prohibited Area, because Senator Farrell is a very influential and powerful man in the Labor Party—

Senator Farrell: Used to be!

Senator BERNARDI: Indeed, Senator Farrell; I accept that you used to be and that you have been rolled again and again in recent times. But you should not lose heart. You should continue to strive for the light and come to the Liberal-National Party position on many issues, as you would appear—

Senator Bilyk: He's not that desperate!

Senator BERNARDI: to have done in this respect.

Senator Farrell: This is our legislation.

Senator BERNARDI: Because, notwithstanding the fact that you were not only pushed out of being the Manager of Opposition Business and moved aside from any influence from within the opposition but also rolled by the Left in South Australia, by Jay Weatherill and Senator Penny Wong and others who clearly did not want you in the state parliament, I believe you have a great deal to contribute. I am one of your biggest fans, Senator Farrell, and
I absolutely recognise how you have come to this epiphany—an epiphany where you have recognised the importance of a bill such as this, the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013, to the state of South Australia. I say it must be an epiphany because there must have been a miraculous conversion some time—

Senator Farrell: No, I have always supported this.

Senator BERNARDI: after the September election last year, because your party, the previous government—which we know was hopeless, and we have acknowledged and recognised the deficiencies in it—delayed and obfuscated and sat on this very matter for a very long time. It was pointed out by Senator Johnston, the defence minister, that, when this was talked about originally, the previous defence minister sat on it for two years plus. It was referred to a committee. There were numerous votes against it by the Labor Party. So how do you account for this miraculous conversion of Senator Farrell? I come to the conclusion that he is no longer beholden to the factional machine that made him such an important and influential member, because the factional machine dumped him, effectively. They said, 'We don't want you anymore, Senator Farrell. We don't want you in this parliament; we don't want you in the other parliament.' I think it is worth pointing out that while they were doing that they were taking advantage of one of those gentlemanly codes of chivalry, because Senator Farrell stood aside from his duly elected and democratically appointed position as No. 1 on the—

Senator Farrell: On a point of order, Madam Acting Deputy President: I am obviously intrigued and flattered by Senator Bernardi's recounting of my political history, but can I point out that we are talking about the Woomera Prohibited Area legislation. Could you please direct the senator to come back to that legislation?

The ACTING DEPUTY PRESIDENT (Senator Ruston): There is no point of order, but I would draw the senator's attention to the matter at hand.

Senator BERNARDI: Yes, I may be labouring the point about how we got to the Woomera Prohibited Area legislation, but I would reference the fact that Senator Farrell has introduced this bill in opposition, after his party continued to delay any discussion, effectively, about this position. We understand that Senator Farrell has had this epiphany, and it was probably launched by the betrayal of his colleagues, stymieing his great contribution to politics. Anyway, I commend you, Senator Farrell, and I hope that you are not damned by my commendation. You are one of the gentlemen in this place, I think you are an honourable person and your intention here is probably very good. It is probably very sound.

Senator Farrell: So vote down the legislation—cross the floor. Sit down. Let us vote.

Senator BERNARDI: You should learn, Senator Farrell, never to interject when someone is praising you. You should just accept it in good spirit and with good grace because my support for you in this respect is most genuine, particularly as you have been so terribly betrayed by the Left in your own party. Notwithstanding the fact that I think you have a great deal to contribute, they do not think so.

Let us return to this legislation. Senator Farrell, you are absolutely aware that this has been a Liberal-National coalition policy approach for a very long time. It was stymied while you were in government, but right now the new government is preparing its own legislation. So putting up your own bill is particularly opportunistic. I understand that you are trying to score
some political points, but the fact is that we are in the process of drafting and introducing our own bill.

This is not about playing politics. I am not saying we particularly disagree with you, but we do see some flaws in this bill and I think you accept that and acknowledge it. But I support you—

**Senator Farrell:** Move some amendments!

**Senator BERNARDI:** for bringing it to the attention of the chamber. The problem with amendments—I do accept your interjection, Senator Farrell—is that you cannot really fix a bad bill. Unfortunately, this bill is wrong in many respects and I know the Minister for Defence outlined that in his speech, because you made the same interjection to him—'move some amendments'. But we do not want to be beholden to the policy positions of either the Greens or the Labor Party. We want to put forward something that is sensible and measured and in the interests of South Australia.

As Senator Fifield said, our amended version will address a number of points of particular concern to the South Australian and Northern Territory governments. I know, Senator Farrell, that you are not that worried about the concerns of the current South Australian government—because they betrayed you so callously and so publicly those few weeks ago by preventing you from pursuing your rightful place in the South Australian parliament. Nonetheless, we do think that dealing with the concerns of the South Australian and Northern Territory governments is important. The bill needs to include clarification of existing users, which includes the pastoralists, the railways and local Indigenous groups. They are typically groups that those on the other side of the chamber ignore. But we do not. We take consultation seriously.

We do not sit on planes cobbling together plans on the back of an envelope. We do not just make stuff up and give the department two days to implement something like the pink batts scheme, because the implications and ramifications of doing so can be catastrophic. They can be financially catastrophic, as in the case of the NBN, where upwards of $90 billion of taxpayers' money was committed on the whim of Mr Kevin Rudd, the former Prime Minister, and his fine pal Senator Stephen Conroy. Alternatively, the results can be catastrophic not only financially but at a personal level, as we saw in the case of the implementation of the pink batts scheme. I am sure, Madam Acting Deputy President, that you, along with everyone else in this chamber, would be horrified to think that a $4 billion or $5 billion spend was cooked up in two days on the instructions of the Prime Minister. There was no accounting for anything that happened and no consultation at all. So when we say that we want to consult with stakeholders, it is about a better framework and better governance. I think the Australian public are desperately looking for that and for more accountability for taxpayers' funds.

It is also worthwhile pointing out that a waiver of the regulatory impact statement requirement was granted for the previous government's Woomera bill. That bill's terms were substantially similar to the private senator's bill we are currently debating. A regulatory impact statement on proposed changes to Defence's administration of the Woomera Prohibited Area has now been finalised. This statement will inform any legislative or regulatory changes the government intends to make to the administration of the Woomera Prohibited Area.
Senator Farrell: Just more red tape. I thought we were getting rid of red tape.

Senator Bernardi: I note Senator Farrell's interjection that this is more red tape. We are interested in the impact of regulation. We are interested in making things sustainable and making good policy. I know that is anathema to many on the other side who really do not care—it is just about how it is going to enrich their stakeholders or placate some vocal minority interest group. But we are dealing with a serious issue. We are dealing with an area that is a substantial part of South Australia, an area that offers great opportunity not only for Defence but for pastoralists, miners and other groups that can benefit from it.

You get one shot at this stuff. You do not want to go off half-cocked or ignore regulatory impact statements or not refer things to appropriate committees. Whilst I once again commend Senator Farrell for his interest in this area, he clearly does not have the depth of background necessary to enact this bill. That is why, unfortunately, the government will have to bring in its own bill. Our bill will address all the deficiencies in Senator Farrell's bill.

Senator Farrell: 'Unfortunately' is the right word.

Senator Bernardi: We could, with a spirit of bipartisanship, probably get the government's bill through in the next few weeks. Senator Farrell and his team could support it, which would be a welcome change.

I understand Senator Farrell's frustration. I once introduced a private senator's bill into this place. It was about protecting vulnerable children overseas from child-sex tourism. It was incredibly galling and disappointing to have that bill voted down by the then government on the basis that they wanted to introduce their own bill. They could not identify any deficiencies at all in my bill. In fact it replicated something they had previously supported prior to 2007—it absolutely replicated it; it was identical in many respects. But then, when they got into government, they decided they did not want to do it. The difference between the two cases is this. My bill was the same as something they supported in opposition. This bill we do support in principle, but it is flawed and deficient. That is why we need to introduce our own bill.

The existing access arrangements to the Woomera Prohibited Area have been in place in their current form since 1989. That was, I think, just after you ran for the seat of Adelaide, Senator Farrell. Would that be right?

Senator Farrell: What date are we talking about?

The Acting Deputy President: Senator Bernardi—

Senator Bernardi: I am sorry; I should not address Senator Farrell directly, Madam Acting Deputy President. I accept that. But I think it was shortly after Senator Farrell ran for the seat of Adelaide. Michael Pratt, I believe, was the successful person at that time—another betrayal, I would suggest, Senator Farrell.

The existing access arrangements are administered under the Defence Force Regulations 1952. As drafted, the bill applies to 'new users' seeking access to the Woomera Prohibited Area. New users are users that would not have access permission under the Defence Force Regulations 1952 at the time the bill came into force. Those who do have existing access permission under the Defence Force Regulations 1952 are referred to as existing users. I think that is important to clarify. The existing users include pastoralists, Indigenous groups, the Tarcoola-Darwin railway owner and operators, and the four existing mines. These users will continue to access the Woomera Prohibited Area under their existing arrangements that
include leases, deeds and other permissions provided under the Defence Force Regulations 1952.

I will point out that Indigenous groups and the railway owner and operators have both raised concerns about their existing arrangements during consultation on the bill. I am not sure whether Senator Farrell and his team have consulted with the railway owner and operators and the Indigenous groups. I suspect not, given the Labor Party's track record of not consulting, apart from within their own circle of supporters. Consultation does not mean turning to Senator Stephen Conroy and saying, 'Shall we spend $96 billion on a national broadband network?' It actually goes to having a cost benefit analysis; it is about talking to the important stakeholders, not just to those who are going to be an echo chamber of your own view.

Defence have not always been renowned for consulting as widely as perhaps some would like. But they are continuing to work closely with all existing users in an attempt to respond to their concerns, which mainly consist of clarifying longstanding existing relationships. Those on this side of the chamber recognise that existing relationships and longstanding practices are not always codified. They are not always enshrined in legislation, and they have evolved through tradition and through understanding. I think that is the essence of developing and progressing society. In those circumstances, you have got to be very, very mindful of existing practices that are perhaps non-codified or, even if they are codified, of some of the leniency around them. I am sure—I feel confident—that those sorts of things have not been considered by Senator Farrell and the Labor Party in putting forward their version of this initiative. As I said, Defence are continuing to work closely with existing users and are responding to their concerns. It is about access arrangements and permissions with Defence. It is worth noting that new users have not been prevented from accessing the Woomera Prohibited Area. As of 24 January 2014, there have been 32 exploration deeds, four mining deeds, one petroleum deed, four extractive minerals deeds and one communication tower deed, and 1,836 personnel have been authorised to access the Woomera Prohibited Area.

All of these deeds, exploration agreements, communication towers and personnel are very important to the economic future of South Australia. This area is very prospective for minerals, and I am sure it would be in the spirit of bipartisanship to say that we need to develop South Australia's mining industry. I think there is enormous potential there for growth to generate additional gross state product. I think we know how crestfallen South Australian voters were at the decision by BHP Billiton not to proceed with the expansion of Olympic Dam. Having said that, there are many smaller explorers and smaller mining organisations that would be happy to invest in finding another potential Olympic Dam-sized deposit and would be seeking further mineral discoveries that could profoundly change the economic future of South Australia. If you need any reference point, you can refer to Western Australia and what the brave pioneers did there in exploration—and continue to do, might I say—with enormous success, opening up new areas and new fields, finding mineral deposits, developing them into mines, generating billions of dollars' worth of sales and export revenue for South Australia and creating tens or hundreds of thousands of jobs. I would love to see that taking place in South Australia and ensuring—

**Senator Farrell:** Then vote for this legislation, Senator.
Senator BERNARDI: Senator Farrell, I accept your interjection. Madam Acting Deputy President, Senator Farrell is interjecting and suggesting I should vote for this. My mind is open, absolutely open, and I do want to support a bill similar to this. But when a cavalier approach is taken to producing ideas and putting them into the legislation—and I do not blame the drafting clerks for this; they can only work with the information they have been given—and when consultation has not taken place and when the bill is actually flawed, it makes it difficult to fix. I think it is right for the government, with the resources at their disposal, to produce a bill that will, I am sure, satisfy the intent of Senator Farrell and the Labor Party and also fix the holes in it. I am sure Senator Farrell will welcome a government bill, when it comes to that, because it will be more complete.

It is important—and I come back to it—from South Australia's point of view, that we open up the Woomera Prohibited Area to new users. We have not closed it off entirely; there is no question about that. I went through the exploration deeds and the mining deeds, and I have talked about how important it is from South Australia's perspective.

I must say I am very impressed with the Defence minister, Senator Johnston, because he has encouraged Defence to continue to consult with different stakeholders. I am advised that Defence met with rail companies in August of last year, just before the change of government, to discuss range administration. The parties agreed that the rail operator is an existing user—which I think is important—inclusive of all associated infrastructure. They also agreed to develop a working-level agreement covering consultation and notification arrangements. So Defence is capable of reaching broad agreements. But there are many people and stakeholders in this that need to be discussed, met with and dealt with. I am pleased that the Australian Rail Track Corporation, which is perhaps one of the most significant stakeholders, wrote to confirm the understanding reached. They stated they can work with Defence to identify windows that minimise disruption to the rail operator's business. That is a great step between commercial operators and one of Australia's largest government departments.

Further to that, Defence in September last year met with representatives of the South Australian Department for Manufacturing, Innovation, Trade, Resources and Energy, and Defence SA, to discuss matters including pastoral leases in the Woomera prohibited area and the consultation process. So the consultation process is ongoing. It is premature for Senator Farrell to bring this bill to this parliament, particularly as his government opposed this bill so many times and stood in the way of it. But I have an open mind—(Time expired)

Senator BIRMINGHAM (South Australia—Parliamentary Secretary to the Minister for the Environment) (10:38): This bill, the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013, brought before the Senate by the opposition is a stark reminder of the different approaches that the two different parties bring to government. Labor in government was a party of either procrastination or acting in extreme haste. In some ways they were guilty of both those faults in relation to this matter. We in government are a party that seeks to make sure that what we do and what we pursue is done properly, the first time, through the proper processes and that we get things right.

The legislation before us, which is fundamentally similar to legislation brought into the last Parliament in its dying days by the previous government, is flawed legislation in the context and point of view of key stakeholders. We are working through the right process to bring the right legislation into this place, and that will happen very soon.
Senator Farrell: You've been saying that for nine months. Nothing has happened.

Senator BIRMINGHAM: Senator Farrell, need I remind you that you were in government for six years and this process dates back through many of those years.

Senator Farrell: And we got it right.

Senator BIRMINGHAM: You had ample opportunity to get it right, and you did not get it right. This dates back to the conduct of the Hawke review, started in 2010, which went through and demonstrated absolutely the importance of opening up the Woomera protected area for further minerals exploitation and development. This is something, I am pleased to see, Labor supports. At least on this issue they are not in bed with the Greens or any of the radicals as they seem to be on so many other issues. At least on this issue they do support actual economic development and advancement. I welcome the fact that Senator Farrell, from the right of the Labor Party, in this instance has managed to drag his left-wing colleagues, no doubt kicking and screaming, to a position of supporting continued mineral development and activity in South Australia and opening up this critical reserve in this critical area for further activities.

The Woomera protected area is vital. It is estimated that there is some $35 billion worth of resources in the Gawler Craton region, a vast sum. Some of it has already been tapped and is under development. There are four mines currently there—the Challenger goldmine; the Prominent Hill mine, with a primary focus on copper and gold; the Cairn Hill mine, with a focus on iron ore, magnetite, copper and gold; and the Peculiar Knob mine, with its focus on iron ore. We are not simply looking at a black and white issue at this stage, a situation where there is no activity and no opportunity. As my colleague Senator Bernardi rightly highlighted before, there are already a range of existing activities and there have continued to be a significant number of approvals given right into this year for continued exploration and activity within the Woomera protected area.

But there is an opportunity to improve the legislative setting that allows for coexistence on this 124,000 square kilometres of Australian territory. It is a vast tract of land and it is strategically important not just as a mineral reserve and an opportunity for economic growth but from a Defence perspective as well. That is why it is so fundamentally important that we get right the legislative settings to allow and facilitate the coexistence and co-use of this land to work properly in the future. Our defence forces need the certainty of being able to act in the best interests of the national security of Australia in terms of their activities on this land. And investors, miners, explorers need the certainty of knowledge that they will be able to go into the Woomera protected area and that their investments will be underpinned by the right degree of certainty in terms of the activities they undertake. The fundamental problem with the legislation that Senator Farrell suggests we should just get on with and pass is that it does not satisfactorily address all of those issues raised by the Hawke review and the following processes to give the adequate level of certainty to both Defence and miners and economic developers for the use of these lands.

We are committed to and have been going through a very extensive process to get it right. Defence have continued to work on this. Even while the previous government was trying to rush through its legislation, Defence were still working to try to fix the problems. They were still going through the proper consultation in July last year. They were continuing consultation in August because of issues that were identified with the legislation brought into
this place. Defence were meeting with rail companies, who of course have particular access
rights in existence already, to address their issues and work through the agreement around the
existing user rights and work through agreements around how the associated infrastructure for
rail is treated and ensuring that we have appropriate arrangements in place to protect their
investments.

It was pleasing that in August the Australian Rail Track Corporation confirmed some
progress in that regard. It continued in September last year with discussions with the South
Australian government, who had identified their own concerns with the legislation brought in
by the previous government. Defence worked through the relevant South Australian
department and agencies representing the resources and energy sector to try to address some
of the issues. So, at the very time that essentially identical legislation sat in this parliament
that Senator Farrell, as a member of the then government, was urging that we pass, Defence
was trying to work through problems with that legislation.

That is the contrast. In government they were urging the passage of flawed legislation even
though they knew there were problems with it and even though departmental officials were
trying to rectify those problems. Strangely, they now come in here, purely for political
reasons of posturing and grandstanding around the South Australian election, and argue we
should still pass what they know to be flawed legislation. Correct legislation will be on the
table very, very soon, and then we will be able to make sure that we get the right
arrangements in place to facilitate the opening up of these lands.

It is, as I said, very much a political machination by those opposite. They are not pursuing
this because it is something that they think the government will never do. Senator Farrell
seems to acknowledge happily that this government has given very clear commitments to do
this and that we will do it.

Senator Farrell: But you haven't honoured any of them—none of them.

Senator BIRMINGHAM: Senator Farrell, as I said, you had years. The process started in
2010 and by the time you were tossed out of office in 2013 all you had managed to present to
this parliament was flawed legislation. We are picking up
those pieces. We are addressing
some of the particular issues of concern from that legislation, and what we bring into this
place will be something that works for both Defence and the resources and energy sector. We
will not be driven by the political stunts of those opposite. We will not be driven by the
timing of the South Australian election campaign.

Senator Farrell: No, you want to punish South Australians for not voting for you.

Senator BIRMINGHAM: Senator Farrell, it is interesting you make that point, because
of course we all know that close to 46 per cent of South Australians voted Liberal, compared
with around 36 per cent voting for the Labor Party. In a two-party preferred sense 53 per cent
of South Australians supported the formation of a Liberal government ahead of the formation
of a Labor government.

In fact, Senator Farrell, even in Woomera, even in the township that we are talking about,
there was very strong support for the election of a state Liberal government. At the Woomera
booth, 52 per cent of people supported the election of a Liberal government—52 per cent on
the primary vote. Just 32 per cent of people at the Woomera booth could bring themselves to
vote for a Labor government. Translated to two-party preferred terms, some 58 per cent
wanted the election of a Liberal government. So there was very strong support from the people in Woomera, in the region that we are talking about here.

That is a good demonstration. They were not fooled. They were not tricked. They were not conned by your tactics. They could see through the fact that you were just playing political games with legislation like this. They understood that having a Liberal government in South Australia, working with a coalition government here in Canberra, was not just the best way to rectify issues like this and provide policy settings that will allow for economic development in the future but the best way overall to ensure that we have sound economic settings that allow South Australia and Australia to regain a competitive footing in the future.

The truth is we can open up the Woomera protected area further. We can make it easier for the resources and energy sector to get in there, coexist with Defence and explore and potentially develop assets. But, if the cost basis for doing so does not stack up, we will never see any of it happen anyway. The Labor Party of Jay Weatherill in South Australia and the Labor Party here remain committed to making it uneconomical for the type of resources development that we would like to see in Woomera to go ahead. Their commitment to maintaining the carbon tax, their commitment to maintaining the mining tax, their commitment to maintaining reams of regulation and their commitment to a high-cost economy and a big-spending government is such that, of course, it would not matter if this legislation passes or not. If they had their way, we would not see any economic development or activity in these areas, any more than we would anywhere else around Australia.

We have the opportunity, should a Liberal government still be formed in South Australia, to have two governments working on the same track of reducing the cost of doing business, of reducing the level of business taxes. The government here wants to get rid of the carbon tax, the mining tax—taxes that make mining, development and exploration in South Australia and across Australia more expensive. We have a Liberal Party in South Australia with a clear majority of the state-wide vote who went to the election with clear policies to reduce land tax and payroll tax and to actually make it more competitive as a place to do business.

The great problem South Australia faces is a dire, dire economic outlook. The Deloitte Access Economics report released last year placed South Australia's economic prospects last of all of the states—dead last. Usually South Australia, sadly, in recent years has battled it out with Tasmania for bottom place. Sadly for Tasmania, more often than not on economic indicators like unemployment it has come last and South Australia second to last. But in fact in terms of economic outlook, looking to the future, what the independent economics commentators have said is that South Australia's outlook is even worse than Tasmania's. Tasmania, we know, fortunately and thoughtfully elected, with a comfortable majority, a Liberal government on the weekend. So I am sure their economic outlook, already better than South Australia's, will now surge ahead with a government that is committed to stripping costs and red tape out of the Tasmanian economy.

I know that Senator Bushby, who worked so hard to help get a Hodgman government elected there, will be helping them ensure that their policies are complementary to those of the federal government in Canberra and that we do everything possible to make the Tasmanian economy a success again. South Australia needs that same opportunity. I hope that Mr Brock and Dr Such, if the power ultimately falls into their hands, recognise that the majority of South Australians wanted change at the weekend and that they recognise that Steven Marshall
and his Liberal team offered policies that would make South Australia, again, a more attractive place in which to invest.

Senator Farrell: Madam Acting Deputy President, I rise on a point of order. As interesting as Senator Birmingham's analysis of the South Australian election result is, we are talking about the Woomera defence legislation here. I would ask you to direct that the minister return to that subject.

The ACTING DEPUTY PRESIDENT (Senator Ruston): There is no point of order, but I would draw the senator's attention to the issue.

Senator Birmingham: Thank you, Madam Acting Deputy President. I understand Senator Farrell gets a little sensitive whenever we talk about the South Australian election, because of course Senator Farrell would not have been here today. Senator Farrell would not have been in a position to be pursuing this legislation today because, ideally, Senator Farrell would have been elected as the new Labor member for the state seat of Napier on the weekend at the South Australian election. Unfortunately, for Senator Farrell—unfairly, may I say—as someone who has been more than a loyal servant to the Labor Party over many years, he was pushed aside in a shameful and blatant factional move by Premier Weatherill, that I am sure many of those opposite—

Senator Bilyk interjecting—

Senator Birmingham: I am sure you, Senator Bilyk, think that Senator Farrell was treated unfairly, don't you?

Senator Bilyk interjecting—

Senator Birmingham: In fairness, through you, Madam Acting Deputy President—

Senator Bilyk interjecting—

The ACTING DEPUTY PRESIDENT: Senator Bilyk, you are being disorderly.

Senator Birmingham: Senator Bilyk, again, highlights a key difference between the parties. In talking about this legislation I have said there is the difference between a party of government that wants to get things right to start with and a party like the Labor Party that pursues shoddy legislation. There is also of course the difference between a party that stands by grassroots preselections. We may not always like the results of those grassroots preselections, but they are grassroots preselections where our party members have a vote and where we live by the consequences.

In your case, what happened to poor old Senator Farrell? Poor old Senator Farrell faced a situation where the Premier went on Adelaide radio and said, 'I'll resign, if I don't get my way. I'll stare him down publicly, I'll force him out of the preselection and he'll never get the opportunity to go to a vote'—never mind that it would have only then been a factional vote of the state executive that would have placed him straight in there.

I feel that Senator Farrell, who has been a long and loyal servant of the Labor Party, was unfairly treated. And I understand why he did not like me raising the fact that, at the state election, there was a clear majority to vote for change. At the Woomera booth there was a clear majority to vote for change—
Senator Bilyk: I rise on a point of order, Madam Acting Deputy President. Senator Birmingham needs to refer to the legislation at hand, not give a critique of Senator Farrell's political history.

The ACTING DEPUTY PRESIDENT: There is no point of order, but I would draw the senator's attention to the legislation we are discussing.

Senator BIRMINGHAM: Thank you, Madam Acting Deputy President. I will return to the legislation. If I were going to undertake a critique of Senator Farrell's political history, I would have mentioned Mr Rudd, Ms Gillard and many other factors in Senator Farrell's political history. But I shall refrain from doing so.

However, I do want to come back to the fact that this is very important legislation. And when we have important legislation it is even more important that we get it right. That is what this government is committed to doing. I am happy, as other speakers have been, to have a look at some of the issues and particular concerns in this legislation as to why it is not proceeding at present and why it is that we are bringing a new package of legislation into this chamber. For example, as my colleague Senator Fawcett highlighted during earlier debates, recommendation 24 of the Hawke review stated:
The Defence Minister should have discretion to suspend all non-Defence access to the WPA—Woomera prohibited area—when there is an urgent national Defence requirement.

That flows on through, as he said, to the information paper, which, at paragraph 49, said:

In addition to suspension due to the accumulation of demerit points—that is, if other parties have done the wrong thing—it is proposed that the Minister for Defence would have the discretion to suspend all non-Defence access to the WPA—Woomera prohibited area—for the defence of Australia.

However, various economic stakeholders—people who, you would hope, would take advantage of this legislation—have questioned exactly what the definitional terms are of 'for the defence of Australia'. They have questioned what the compensation opportunities are under the legislation, should there be a suspension of their economic activities within the Woomera prohibited area. A range of unanswered questions exist in this legislation because it was so shoddily done by the previous government. They just did not go through it, dot all the i’s and cross all the t’s and do the job the right way.

We are doing that. Senator Johnston will shortly bring this legislation to the Senate—I am assured, very soon—and we will make it happen. What is more, we will make the economic climate right so that this legislation can and will be of benefit and so that we genuinely do see economic activity and development in the Woomera prohibited area for the benefit of South Australia into the future.

Senator IAN MACDONALD (Queensland) (10:58): Can I start my contribution to this important debate on the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013 and this important area of legislative reform by at least congratulating Senator Farrell on having an interest in this matter. The previous Labor government had the opportunity, for two
years, to do something about the Woomera prohibited area but did nothing. They sat on their hands. I just wish that Senator Farrell had had a more significant role in the previous government, particularly in the defence area.

I am conscious of the fact that Senator Farrell should have had a long career in this chamber. It would have been, I think, a quite distinguished career. Perhaps if he had been successful at the last federal election he might well be the Defence shadow. How much better it would be for Australia and the defence forces if we had someone of Senator Farrell's standing as the Defence shadow rather than the current Defence shadow, who seems to be only capable of abusing and insulting those people in uniform who defend our country so well.

I am sorry, Senator Farrell, that you will not be with us. Why you ever let Senator Wong bully you into standing aside from the No. 1 position you had on the South Australian Labor Senate ticket I will never know. The internal workings of the Labor Party are something that I can never quite follow. But I think Australia would have been far better served had you led the Labor ticket in South Australia at the last federal election and consequently that you had been elected. I will not go so far as to say you would have been the best choice for Labor Party leader in the chamber. I would venture to suggest, though, that in my opinion—and, of course, it is only my opinion—you could not have been worse than the current Labor leader in the Senate. But that is not a matter for me. It is nothing I have any influence over. Suffice it to say that I acknowledge that I think Senator Farrell could have made a more significant contribution to Australian governance in the years ahead had he been able to continue his term with us.

I am particularly interested in what happens in the Woomera area. I, like most Australians—and I think Senator Johnston mentioned this also in his contribution to this bill—believe in the mining industry. We are a country that is blessed with resources. We are not the only country in the world that is, I hasten to add. There are many countries in South America, Africa and northern Asia that have mineral resources as we do. We have to compete for international investment in mining with other countries around the world. But we have always done pretty well in Australia. Those wishing to invest would look at Australia think, 'There is a stable and sensible government. There are no sovereign risk issues in Australia.' That was until the Gillard-Rudd government came along and started to try to tax the mining industry out of existence. I think Senator Birmingham mentioned that the mineral resources of Australia, under our Constitution, belong to the states. The states, as we all know, get a significant part of their revenue from royalties from the mining industry. That is appropriate. But the Gillard-Rudd Labor government insisted on taxing the miners to the extent where investment very seriously dried up. We are still suffering from that.

This bill today that talks about what will happen in the future in the Woomera Prohibited Area is very important for a range of reasons. I want to firstly comment upon the mining industry. As someone who comes from the state of Queensland, I well understand the importance of a vibrant mining industry. The Bowen Basin and Galilee Basin coalfields up near where I come from are a significant contributor to the economy, particularly through employment. The many workers in those areas really make a contribution to the whole locality through their living expenses and the taxes they pay to my state of Queensland's coffers and the Australian coffers. I know well around Mackay, dutifully represented here by
George Christensen, and Rockhampton, dutifully represented here by Michelle Landry, there are a number of new suburbs that have opened up in recent years to help house the families of the people who travel out to the mines in Central Queensland. So not only has it directly helped in mining revenue but it has helped things like the building and construction industry. It helps the retail industry. Right throughout, the mining industry is a very significant contributor to my state of Queensland.

I am conscious that South Australia has had its trouble financially. It has had 16 years of a Labor government, so that is a bit of a worry in itself. You would put that in the trouble basket. But under a Labor government its economy has really gone backwards. Its manufacturing industries have almost rusted to a halt. South Australia could have achieved much from a vibrant mining industry, but we know that, thanks to the federal and state Labor governments, the Olympic Dam process did not go ahead. This Woomera Prohibited Area is an area which could be rich in minerals and could assist the South Australian government with its revenue difficulties at the present time. That is why I think it is important to get right the Woomera Prohibited Area legislation.

I mentioned earlier—and I do not want to repeat myself as I want to be brief in this contribution because I am aware that there others who want to speak as well—that the Labor Party had years in government to do something about this and did nothing. So, whilst I appreciate Senator Farrell's interest in this now, I am just sorry, as I mentioned before, that he did not have the same sort of interest and influence under the previous government when they were able to do something.

One of the reasons I am cautious about this bill is the position of both the South Australian and Northern Territory governments, who have a vital interest in passage through this area. My understanding, from reports that I have read, is that they had not been fully consulted under the previous Labor government and that there were still issues that needed to be addressed. I am aware that the Department of Defence has been in continuing consultations with a number of different stakeholders across the area. I know that Defence has spoken with the rail companies, because the line goes through this area and it is important that the rail companies are able to develop a working level agreement in relation to what happens in this area.

I am sorry to say that Senator Johnston, the current Minister for Defence—and he is doing a mighty job, I might say—is not with us here today, but I know he is overseas in his role as Minister for Defence. He is not, I might add, in Western Australia campaigning, as some of our other Senate colleagues are this week. I wonder where Senator Ludlam or Senator Pratt are in contributing to this debate today. I suspect they are over there, campaigning in the Western Australian election. They are still, no doubt, drawing their salaries as senators here and simply abrogating their duties in this chamber—not participating in this debate, for example—and are over in Western Australia campaigning in a political campaign. That is unlike Senator Johnston, who is up for election on Saturday week. Senator Johnston is out there doing what he is paid to do and doing very well, I might say, as Minister for Defence. He is currently overseas pursuing Australia's defence interests in meetings with people overseas.

I am aware that Senator Johnston has gone very carefully into this. He has indicated and he indicated in his speech on this subject that he is in the process of having a bill prepared that
will address the issues that the Labor government should have been addressing in the past three, four or five years. Senator Johnston is doing that. To do the legislation properly, he has had to consult very widely. That is because the consulting was not done under the previous government.

I am conscious that the Woomera Prohibited Area Advisory Board met in Woomera just before Christmas. The chairman of that advisory board is a former Senate colleague of mine, Stephen Loosley from the Labor Party. The deputy chair, strangely, is also a former Labor politician, Mr Paul Holloway; I think he was from the Northern Territory.

Senator Farrell: I rise on a point of order. I think if Senator Macdonald is going to make a contribution to this debate, he ought to at least be accurate in what he is saying. Minister Holloway, as he was then, was a member of the South Australian parliament and not the Northern Territory parliament.

The ACTING DEPUTY PRESIDENT (Senator Furner): There is no point of order.

Senator IAN MACDONALD: I do appreciate the interruption of my speech. I apologise—

Senator Farrell: I rise on a point of order. I might add that he was an excellent minister from South Australia.

The ACTING DEPUTY PRESIDENT: There is no point of order.

Senator IAN MACDONALD: I do not know that I can agree with the last part of Senator Farrell's interruption, but I do apologise to Mr Holloway. I accept and recall that he was a minister in the Labor government. Isn't it interesting though that, in that advisory board set up by the previous government, the chairman is a former Labor politician and the deputy chair is a former Labor politician? I suppose they are suited to the job. They have some experience.

Also on that committee are some ex-officio representatives from the Australian government from the relevant departments of defence, industry and finance. I understand the South Australian Department for Manufacturing, Innovation, Trade, Resources and Energy and Defence South Australia are also part of that board. The board, just before Christmas, met with stakeholders—including the pastoralists, resource companies and rail companies that I have mentioned—to make sure that the new legislation when it comes in is correct. It is something that is essential and something that needs to be done.

I know there have been further meetings of that advisory board. I know that they are consulting with Indigenous groups, the South Australian Chamber of Mines and Energy and conservation groups as well. That consultation has been exhaustive under the new government, as it should be. I understand that, following those consultations, the Australian Rail Track Corporation has indicated to the Department of Defence that they can work with Defence to identify windows that minimise disruption to the rail operations through that area.

I have mentioned at some length the issues that the Northern Territory and South Australian governments have. This is a very important area for Indigenous people as well, and the Department of Defence has continued consultations with Indigenous groups on the proposed new arrangements. The bill does not apply to Indigenous groups, and their concerns relate primarily to existing arrangements under the Defence Force Regulations. I am conscious that Indigenous groups asked for written confirmation of their existing access permissions under the in-force Defence Force Regulations and for confirmation that any
entitlement to compensation would be on what is called 'just terms'. I understand that the Department of Defence has actually given that written confirmation. Some of the Indigenous groups have also asked for agreements to confirm securing a working level consultation and communication, as part of the range operations.

I come from the North Queensland region. My office is in Townsville, the home of Australia's largest Army base. Consequently, anything to do with Defence is of great interest to me. I know it is of great interest to all Australians, because the defence of our country is very important. But the Woomera testing range is a very, very significant part of the whole defence operations of our nation. It is essential that this bill, which deals so importantly with that area, is right.

I am looking forward to the consultations being concluded: all the i's being dotted and the t's crossed. I anxiously await the bill that Senator Johnston will introduce into this chamber very shortly to address the issues which the former Labor government should have addressed previously and which they have left to Senator Farrell, as the opposition shadow, to introduce from opposition when, clearly, it should have been done in the last few years.

I have been allocated a longer time, but I do not want to delay the Senate. I know this is important legislation. I know others want to make a contribution. I might conclude at that point, indicating simply that I look forward to the matter being resolved with proper legislation in the very near future.

Senator RUSTON (South Australia) (11:16): Like my South Australian colleagues I am disappointed that we have to be here today to debate the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013. The substance of the bill is obviously supported by the coalition, but we cannot support it. We do not want our opposition to the bill to reflect, in any way, shape or form, that we do not support the release of this area for the benefit of all South Australians.

At the risk of provoking a point of order, I, too, would like to acknowledge Senator Farrell's commitment to this issue. He is obviously very passionate about seeing the development of South Australia. He will be a great loss to South Australia when he leaves this place. It is very disappointing that the contribution that he was offering to make in South Australia, when he put his hand up to assist in the South Australian parliament, was not greeted with the same level of genuine belief that the Liberal Party in South Australia met it with. Instead, we will not be seeing Senator Farrell.

Senator Bilyk: Mr Acting Deputy President, I rise on a point of order. It is very nice that those on the other side of the chamber speak so very highly of my dear friend and colleague Senator Farrell, but it is not the discussion point here today. I suggest that those opposite need to speak about the bill.

The ACTING DEPUTY PRESIDENT (Senator Furner): As I understand it, there has been a fairly wide range of views expressed and ventilated during today's proceedings on this bill. I remind Senator Ruston to draw her attention to the subject matter.

Senator Farrell: Let her keep going!

Senator RUSTON: I did acknowledge at the start of my comments that I was expecting a point of order from the other side of the chamber. Being a good South Australian, and recognising another good South Australian, I felt that I had to take the opportunity to say...
something about Senator Farrell, his commitment and his long service to South Australia. We will all feel disappointed when he is no longer serving at this level.

I return to the bill. It is disappointing that we are not able to stand here today and support this bill. As I said, it is certainly not because we believe that the intent of the bill is unsound. I draw the house's attention to the fact that on 12 December 2013, Senator the Hon. Mitch Fifield indicated to this place that the government was in the process of preparing an amended version of the legislation to be introduced in this autumn session.

Senator Farrell: Where is it?

Senator RUSTON: There has been a lot of delay from the other side. I think we need to be very careful that we do not misuse the word 'delay' for prudent preparation. As has been said by many who have stood to debate this issue before me, there have been a lot of examples where some prudent preparation in the development of programs and legislation by the previous, Labor government in this place may well have saved not only hundreds of thousands or millions of dollars but also the great tragedies that we have seen. I refer, of course, to the pink batts program. The legislation around that, and the delivery of the program, was developed over a weekend.

So I think we need to be very careful that we do not start using the word 'delay' instead of using the term 'prudent, appropriate and responsible preparation' of a piece of legislation. In saying that, I draw the chamber's attention to the fact that, when we are talking about the kind of area that we have in the Woomera Protected Area, we should remember that it is a very large area, that there are a number of existing users that are already on site, and that there are a number of potential future users. It is really important that we make sure that the interests of all of those users are considered. We also need to make sure that the interests of the broader South Australian public are considered.

We need to consult with the South Australian government to ensure that the South Australian government's issues and concerns are addressed in this legislation. So, whilst it would be nice to be very quick with every piece of legislation and everything we promised to do on coming into government—we would have loved to introduce it all on day one—I would point out to those opposite that we did introduce on day one a piece of legislation which we had gone to the election with. That was to repeal the carbon tax, which was a fundamental promise in the coalition's election platform. But that legislation has not been supported. I draw that to the attention of those opposite, who keep on saying that things have been delayed. If we bring legislation into this place, maybe they might like to consider dealing with it responsibly instead of introducing their own legislation and then complaining to us that we are not doing with their legislation what they are doing to our legislation. I think that is a very good point. But we do support the intent of the opposition legislation.

One of the things I always speak about in this place is the extraordinary importance of rural and regional South Australia. There are two very important parts to the South Australian economy, and those are agriculture and mining. As Senator Birmingham pointed out, South Australia has had some terrible economic indicators over the last 12 months as shown by its report card—results that suggest that South Australia has fallen behind Tasmania. I intend no disrespect to Tasmania, but it is a very sad indictment of South Australia. I am very hopeful that Tasmania will take off out of the blocks really soon and become a powerhouse state so that its young people will want to stay there and its economy will start growing.
I am so concerned and keen to get this particular issue managed and transitioned into legislation in the most appropriate and efficient way for the longer term. I am disappointed that I cannot support this bill, because the economic future of South Australia in my opinion is going to rest very firmly on South Australia's ability to develop its mining sector. We had a terrible kick in the guts when BHP Billiton announced that it was not going to continue with its expansion of the Olympic Dam mine. I spent some time in the vicinity of Woomera—in Whyalla and Port Augusta—and saw the excitement there at the opportunities that BHP Billiton was going to bring to the region. It was not simply the expansion of the Olympic Dam mine; it would have been all the consequential effects—the smaller mining companies that could have piggybacked on that boom. In Whyalla now, there are the new housing developments. People were told they would receive huge returns for them because the mining boom would create a demand for housing. Contracts had already been signed and construction of the houses had begun before the news that the expansion would not happen. Those people will be lucky to recover half of their investment.

I am cognisant of the importance and implications of being able to open up this vast area that is so rich in resources for the benefit of all South Australians. When you look at South Australia and the South Australian economy, you realise that when we are given an opportunity we do a fantastic job of delivering maximum benefit. The brakes that have been put on the South Australian economy over the last 12 years have meant that so many of those opportunities have not been realised. The missed opportunities resulting from sovereign risk right across Australia are really sad. We could have done so much more in the mining sector if we had taken a more responsible approach to dealing with that sector. I must raise the issue of the mining resource rent tax. I know Senator Wong howled me down when I commented on the way that tax was having an adverse effect on the decision by BHP Billiton not to proceed with the Olympic Dam expansion. She was quite right: that mine was not subject to the mining resource rent tax. But we have to look at this in the broader context of the sovereign risk to Australia and the manner in which these decisions are made. If anybody is going to invest in Australia, they will make their decision on their assessment of the risk or the certainty of the environment. One environment that needs to be assessed is the political and legislative environment. If they are going to make a huge commitment to invest in South Australia or anywhere else in Australia, they cannot be confronted by a mining resource rent tax or some other piece of legislation or regulation or some other encumbrance that comes at the stroke of a pen. Of course, they are going to have second thoughts, especially if they have the choice of going to other places around the world, where they will not be exposed to the same level of sovereign risk.

The bill before us today has not had the level of rigour, especially in the consultation process, to ensure that these things are right. And in this there is a parallel with the mining resource rent tax. In South Australia we are so desperate to make sure that we can kick the economy along. It is so important to us that we can open up this vast tract to economic opportunity, but we need to make sure that we have the consultation and other processes nailed down so that we do not end up with problems in the future.

I would also like to raise some points in relation to agriculture in regional South Australia. It is the other component in the economic opportunities for South Australia. When you look at where economy comes from, in South Australia we generate new economy by what we grow.
or what we dig out of the ground. This particular bill refers to both of those things. We must make sure we get it right because South Australia relies so heavily on those two sectors.

I draw to the House's attention that, out of all the different people who are likely to be impacted by the change in legislation to open up the Woomera Prohibited Area to greater activity and use, there are the pastoralists who need to be considered. There are quite a number of pastoralists in this area. In October 2013 the South Australian government raised concerns about some of the potential unintended consequences of the legislation for their land management and economic objectives regarding pastoral leases in the Woomera Prohibited Area. I will draw the particular clause to the House's attention. They noted subclause 72TB(3)(j) of the bill which defines existing non-Defence users who may continue to operate their current access arrangements. It defines those people as persons who hold an 'existing pastoral lease' and are 'in the Woomera Prohibited Area for purposes related to the lease'. Attaching the rights to the person rather than to the lease would have had the consequential effect that any new holder of an existing pastoral lease would be subject to the new legislation and rules. The concern was especially relevant to the area that was designated as the 'red zone', where the bill states no new permits will be granted. The problem with this approach is that it would effectively preclude the sale or transfer of pastoral leases in this zone, which would have been detrimental to both the economic activity and the land management services provided by the pastoralists. The South Australian government at the time requested that Defence consider whether existing pastoral leases could be maintained under current arrangements as existing users, including in cases where a pastoral lease is acquired or extended. That is just one of the areas that the government sees as extraordinarily important to get right.

In the broader context, the bill that has been brought to this place by the opposition, through Senator Farrell, obviously has the intent of being a very positive piece of legislation for South Australia. That is just one example of where there are potential unintended consequences on South Australia—one particular stakeholder in the process. There is obviously a process that needs to be gone through and we need to be able to resolve those sorts of issues before we move to pass the legislation. In the situation that I have just described and we proceed forward with the legislation having this particular problem, we would have to come back and amend the legislation later to seek to fix this problem.

My argument would be that it is far better to just take a few more weeks, work this process through and make sure that the legislation that is before this place is able to accommodate all of the issues and concerns, knowing that we have taken the time to be thorough enough to investigate the unintended consequences of all of the aspects of this bill and that all of the people who are affected by this have had the opportunity to look at it in detail, through the eyes of the person who is actually impacted. That is such an important thing in legislation. It is all well and good for those of us here who have been elected to stand and say, 'Well, we've decided to do this because we know best.' Those of us who have spent most of our life in the private sector understand the consequences of bad legislation at the grassroots level. I can only say that I commend the government that they are taking the time to deal with all of the issues before we bring this legislation in. I have been on the receiving end of some of the most ridiculous legislation that has been enforced upon us in recent times, not just by the previous government here in Canberra—the Rudd-Gillard-Rudd government—but there are
also the consequences of much of the legislation and regulation that has been foisted upon us in South Australia by the South Australian Labor government over the last 12 years.

As Senator Birmingham commented in his contribution this morning, we have the extraordinary situation in South Australia where we may well end up with another four-year term of a Labor government despite the fact that the people of South Australia spoke very loudly on Saturday. Fifty-three per cent of them said: ‘We want a conservative government in place. We want a government that actually understands business. Most particularly, we want a government that understands rural and regional South Australia.’ I cannot impress on this place enough the damage that has been done in the rural and regional sector in South Australia because of the lack of attention that it has had for the last 12 years by the South Australian government and the last six years by the federal government. I hope that the current government here in Canberra can do something to help South Australia, but nothing is going to be of greater benefit to the South Australian economy as the formation of a Liberal government in South Australia. Obviously, for the sake of the future of my children, my business and my future in South Australia, I hope I do not have to endure another four years of overregulation by the South Australian government. Most particularly, there is the fact that nobody pays any attention whatsoever to the rural and regional areas.

In conclusion, I commend Senator Farrell for his support on this particular issue. I am sorry that we cannot support this bill, for the reasons that I have stated in my contribution. I really look forward to the introduction of the considered bill from the government so that we can support it and get on with the job.

Senator KROGER (Victoria—Chief Government Whip) (11:36): It is with great interest that I rise to make a small contribution to this debate on the Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013 and, in doing so, I firstly want to commend my colleagues on this side of the chamber for their contributions this morning and on previous days in relation to this bill. I recognise and acknowledge the persuasive comments made by my colleague Senator Ruston—a person who, at her very heart, centre and core, is a passionate advocate for the rural and regional sector of South Australia. This bill directly affects that sector. If anyone has any doubt about that, they should listen to the comments that have just been given in this chamber by Senator Ruston, because they demonstrate how those of us on this side of the chamber are at our very core absolutely, wholeheartedly committed to the interests of that sector. It is also worth noting that it is not just Senator Ruston and Senator Farrell but also Senator Birmingham, Senator Bernardi, Senator Edwards and Senator Fawcett who have risen to make contributions on this bill and who have very real concerns and interests in relation to it.

This bill, which has been introduced by Senator Farrell, attempts to amend the Defence Act 1903 in order to establish a framework for administering access to the Woomera Prohibited Area in South Australia. I acknowledge and commend him on his continued interest in this area and in the Defence Act 1903, because I know that he does have real concerns about this issue. These concerns are shared by the minister and, as I have said, by senators who have been very engaged in the issue, who include not only senators from South Australia but also senators from the coalition who have been on the foreign affairs, defence and trade legislation and reference committees for some time now. As one of those senators, I know that this issue has been of particular interest to us for some years.
The bill enables the minister to make rules prescribing certain matters, including defining the WPA, the Woomera Prohibited Area, and the zones to be demarcated within that area. It also creates a permit system for access and use by non-defence users. The bill introduces offences and penalties for entering the WPA without permission and for failing to comply with the condition of the permit. It provides for compensation for any acquisition of property from a person otherwise than on just terms, and it also provides for a cap on compensation payable to a person for any loss or damage incurred in the WPA.

May I again commend Senator Farrell. He has admirably persisted in furthering the interests of the state of South Australia on this important matter, just as the coalition senators whom I have referred to earlier when I rose to speak on this matter have. The government has long shared those concerns—concerns that we have not adopted since the September election. As I said, they are concerns that we have canvassed, discussed and travailed on behalf of the interests of many through various avenues, including an inquiry by a committee.

We are here today debating this private senator's bill for one reason, and I have to say that that reason is the former Rudd-Gillard government's delay in considering this matter as a priority. It is why this matter has now been submitted by Senator Farrell as a bill to be considered during private senator's time. As Senator Farrell is well aware, the previous defence minister was only too happy to allow the outcome of Dr Allan Hawke's review, which was completed in 2011, to— and I hate to say it— sit in a corner and gather dust, because that is exactly what happened. This was so symptomatic of so many bills and issues of particular concern. It was their approach to what they considered a priority for the country and for South Australia. Notwithstanding the questions on this matter that were directed by the coalition time and time again, the review was stuck in a corner and gathered dust. It failed to take any take shape, as nothing further was undertaken in the minister's office to advance the matter for another two years. So if there is any question as to why this issue has not been considered a priority and a matter of some urgency then that question has to be directed at those who sit on the other side of the chamber, because they determined that they would sit on this matter and not advance it.

This reflects somewhat on the now opposition's approach to all matters of defence, because when you look at their approach to the defence budget it was essentially to trash it and to take billions of dollars out of the defence budget to prop up their failing policies in so many other areas. This, in effect, undermined any proper strategic approach that could have been taken with the investment of money in defence. In essence, I think they used the defence budget as their slush fund—and that should be condemned, and I condemn it here today. However, they have been quite open clear on the intended direction in this area.

My colleague Senator Fifield has indicated that this legislation is in the process of being prepared in an amended version, with a planned introduction in this autumn sitting—and there is a reason for that. As I said, this is no flight of fancy; we have been making serious, considered deliberations on this matter. This has been undertaken in a proper, comprehensive, thorough way, and the minister, I understand, has his own version of this that is to be introduced, as I said, in the autumn sitting. But an important part of that was a thorough and more consultative approach than the previous government sought to undertake, so that all stakeholders had an opportunity to make their submissions and give us their considered views on how they would be affected by any bill. I am informed by Senator Johnston himself that
this amended and more thorough legislation is nearing completion and that the concerns of those stakeholders in South Australia and in the Northern Territory have been more adequately addressed and will be more adequately addressed.

I am not sure whether Senator Farrell is frustrated by the way in which this has been undertaken. I can only presume he is, seeing as he has submitted his own bill. I can appreciate that frustration, but I think it is frustration and vexation that he should direct towards his own colleagues, those on the other side of the chamber. This coalition government wants to introduce the right bill. We want to do it right first up. We want to do it right so that it fixes a number of failings in the bill that we are now debating.

Having been on either the Senate or joint foreign affairs, defence and trade committees for close to six years now, I have had the opportunity to visit a number of very important defence facilities, and that has really informed my appreciation of what we are debating today. I understand and recognise the importance of the defence industry to South Australia and I view that as one of a number of reasons why we must ensure that legislation encompassing one of the world's premier weapons-testing ranges is absolutely first rate. We must recognise the importance of the Woomera Prohibited Area not just to Australia but to broader international interests. We are talking here about a national asset of significant importance, so it is fundamental that this be addressed in a proper way and that we get it right first up. The consultation process that has taken place over a significant amount of time has been very comprehensive and incorporates the views of a lot of people— as I said earlier, taking into account all stakeholders.

On 5 September 2013, Defence met with representatives of the South Australian Department for Manufacturing, Innovation, Trade, Resources and Energy, and Defence SA to discuss matters, including the pastoral leases that are captured in this area, and have gone through a consultative process with them. In December 2013, a WPA Advisory Board meeting was held in Woomera itself. I note that the WPA Advisory Board comprises the chair, Mr Stephen Loosley, who has presided over it in the most competent way, and I cannot underscore how fortunate we are to have someone of his expertise as chair; the deputy chair, Mr Paul Holloway; and senior ex-officio representatives of the Australian government departments of Defence, Industry and Finance, and the South Australian Department for Manufacturing, Innovation, Trade, Resources and Energy, and Defence SA. The board met with a number of stakeholders, including pastoralists, resources companies, and rail owners and operators. The pastoralists and resources companies advised that coexistence with Defence in the WPA is working well. The rail companies still have some concerns about potential future disruption but have a better understanding of how they can work with Defence, and Defence is continuing to work with them to develop communications protocols. A further WPA Advisory Board meeting, I understand, was held on 18 February 2014 in Adelaide. I am not aware if they have already met, but I know that it was certainly in the pipeline to meet with Indigenous groups, conservation groups and the South Australian Chamber of Mines and Energy.

In closing, I stress to Senator Farrell that the minister is bringing something to this chamber which we hope will actually factor in the concerns of the broader stakeholders, and I ask him to wait.

The PRESIDENT: Order! The time for the debate has expired.
NOTICES

Presentation

Senator Waters to move:
That the following matter be referred to the Environment and Communications References Committee for inquiry and report by 25 June 2014:

The adequacy of the Australian and Queensland Governments’ efforts to stop the rapid decline of the Great Barrier Reef, including but not limited to:

(a) management of the impacts of industrialisation of the reef coastline, including dredging, offshore dumping, and industrial shipping, in particular, but not limited to, current and proposed development in the following regions or locations:

(i) Gladstone Harbour and Curtis Island,
(ii) Abbot Point,
(iii) Fitzroy Delta, and
(iv) Cape Melville and Bathurst Bay;

(b) management of the impacts of agricultural runoff;

(c) management of non-agricultural activities within reef catchments impacting on the reef, including legacy mines, current mining activities and practices, residential and tourism developments, and industrial operations including Yabulu;

(d) ensuring the Great Barrier Reef Marine Park Authority has the independence, resourcing and capacity to act in the best interest of the long-term health of the reef;

(e) the adequacy, timeliness and transparency of independent scientific work undertaken to support government decisions impacting the reef;

(f) whether government decision processes impacting the reef are consistent with the precautionary principle;

(g) whether the strategic assessments currently underway are likely to protect the reef from further decline;

(h) the identification and protection of off-limits areas on the reef coastline to help protect the health of the reef;

(i) consistency of efforts with the World Heritage Committee’s recommendations on what is required to protect the reef;

(j) the extent to which government decisions impacting the reef, including development of the strategic assessments and Reef 2050 Plan, involve genuine, open and transparent consultation with the Australian community, affected industries and relevant scientific experts, and genuine consideration of the broader community’s views in final decisions; and

(k) any other related matters.

Senator Urquhart to move:
That the Senate welcomes the United Nations General Assembly’s designation of 2014 as the International Year of Solidarity with the Palestinian People.

Senator Singh to move:
That the Senate—

(a) notes:

(i) Australia’s co-sponsorship of the:
(a) 2012 United Nations (UN) General Assembly Human Rights Council (HRC) resolution calling on the Sri Lankan Government to implement the recommendations of the Lessons Learnt and Reconciliation Commission of Sri Lanka and to take credible and independent actions to ensure justice, equity, accountability and reconciliation for all Sri Lankans, and

(b) 2013 UN General Assembly HRC resolution expressing concern at continuing reports of violations of human rights in Sri Lanka, and reiterating the call on the Government of Sri Lanka to implement the commission’s recommendations and to fulfil its commitment to conduct an independent and credible investigation into allegations of violations of international human rights law and international humanitarian law,

(ii) reports of continuing violations of human rights in Sri Lanka; intimidation of and reprisals against human rights defenders, members of civil society and journalists; threats to judicial independence and the rule of law; and a rapid rise in violence and discrimination on the basis of religion or belief in Sri Lanka, and

(iii) the High Commissioner for Human Rights’ conclusion that national mechanisms have consistently failed to establish the truth and achieve justice in Sri Lanka, and her recommendation that the HRC establish an international inquiry mechanism to further investigate the alleged violations of human rights law and international humanitarian law and monitor any domestic accountability processes; and

(b) calls on the Australian Government to:

(i) maintain Australia’s strong record of support for human rights at the 25th session of the HRC, and

(ii) join with the United Kingdom and the United States and other co-sponsoring nations and commit the Australian Government to the strongest possible support to the draft HRC resolution A/HRC/25/L.1.

Senator Whish-Wilson to move:

That the following matter be referred to the Foreign Affairs, Defence and Trade References Committee for inquiry and report by 15 May 2014:

Australia’s future activities and responsibilities in the Southern Ocean and Antarctic waters, including:

(a) Australia’s management and monitoring of the Southern Ocean in relation to illegal, unreported and unregulated fishing;

(b) cooperation with international partners on management and research under international treaties and agreements;

(c) appropriate resourcing in the Southern Ocean and Antarctic territory for research and governance; and

(d) any other related matters.

COMMITTEES

Selection of Bills Committee

Report


Ordered that the report be adopted.

Senator KROGER: I seek leave to have the report incorporated in Hansard.

Leave granted.

The report read as follows—
SELECTION OF BILLS COMMITTEE
REPORT NO. 3 OF 2014

1. The committee met in private session on Wednesday, 19 March 2014 at 7.22 pm.

2. The committee resolved to recommend—that—
   (a) the provisions of the Agricultural and Veterinary Chemicals Legislation Amendment (Removing Re-approval and Re-registration) Bill 2014 be referred immediately to the Rural and Regional Affairs and Transport Legislation Committee for inquiry and report by 16 June 2014 (see appendix 1 for a statement of reasons for referral);
   (b) the provisions of the Corporations Amendment (Streamlining of Future of Financial Advice) Bill 2014 be referred immediately to the Finance and Public Administration Legislation Committee for inquiry and report by 16 June 2014 (see appendix 2 for a statement of reasons for referral);
   (c) the Competition and Consumer Amendment (Misuse of Market Power) Bill 2014 be referred immediately to the Economics Legislation Committee for inquiry and report by 24 June 2014 (see appendix 3 for a statement of reasons for referral); and
   (d) the Flags Amendment Bill 2014 be referred immediately to the Finance and Public Administration Legislation Committee for inquiry and report by 16 June 2014 (see appendix 4 for a statement of reasons for referral).

3. The committee resolved to recommend—that the following bills not be referred to committees:
   - Civil Aviation Amendment (CASA Board) Bill 2014
   - Export Market Development Grants Amendment Bill 2014
   - Great Barrier Reef Legislation Amendment Bill 2014
   - Defence Force Retirement Benefits Legislation Amendment (Fair Indexation) Bill 2014
   - Environment Protection and Biodiversity Conservation Amendment Bill 2014
   - Social Security Amendment (Caring for People on Newstart) Bill 2014
   - Statute Law Revision Bill (No.1) Bill 2014.

   The committee recommends accordingly.

4. The committee deferred consideration of the following bills to its next meeting:
   - National Broadband Network Companies Amendment (Tasmania) Bill 2014
   - Amending Acts 1901 to 1969 Repeal Bill 2014
   - Australian Charities and Not-for-profits Commission (Repeal) (No. 1) Bill 2014
   - Classification (Publications, Films and Computer Games) Amendment (Classification Tools and Other Measures) Bill 2014
   - Clean Energy Finance Corporation (Abolition) Bill 2014
   - End Cruel Cosmetics Bill 2014
   - G20 (Safety and Security) Complementary Bill 2014
   - Independent National Security Legislation Monitor Repeal Bill 2014
   - Intellectual Property Laws Amendment Bill 2014
   - Marriage (Celebrant Registration Charge) Bill 2014
   - Marriage Amendment (Celebrant Administration and Fees) Bill 2014
   - Omnibus Repeal Day (Autumn 2014) Bill 2014
• Paid Parental Leave Amendment Bill 2014
• Personal Property Securities Amendment (Deregulatory Measures) Bill 2014
• Safety, Rehabilitation and Compensation Legislation Amendment Bill 2014.

APPENDIX 1
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Agricultural and Veterinary Chemicals Legislation Amendment (Removing Re-approval and Re-registration) Bill 2014
Reasons for referral/principal issues for consideration:
Investigate thoroughly the impact of this legislation on the health and safety of human beings, animals and the environment as a priority of the regulatory system.
Possible submissions or evidence from:
National Farmers' Federation
CropLife
Department of Agriculture
World Wildlife Fund.
Committee to which bill is to be referred:
Senate Rural and Regional Affairs and Transport Legislation Committee
Possible hearing date(s):
23 June 2014
Possible reporting date:
23 June 2014
(signed)
Senator McEwen
Whip/Selection of Bills Committee Member

APPENDIX 2
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of bill:
Corporations Amendment (Streamlining of Future of Financial Advice) Bill 2014
Reasons for referral/principal issues for consideration:
To provide a forensic and detailed examination of the legislation and the impacts this and previous reforms will/have had on the financial services sector and the investment decisions.
Possible submissions or evidence from:
Key financial service and consumer stakeholders, regulators and Treasury.
Committee to which bill is to be referred:
Finance and Public Administration Legislation Committee Possible hearing date(s):
Possible hearing date(s):

Possible reporting date:
   Thursday 19 June 2014
   (signed)
   Senator McEwen
   Whip/Selection of Bills Committee Member

APPENDIX 3
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of Bill:
   Competition and Consumer Amendment (Misuse of Market Power) Bill 2014
Reasons for referral/principal issues for consideration:
   In undertaking the inquiry, the Committee should consider:
       1. The application of the Competition and Consumer Act 2010, with particular reference to
          provisions relating to competition and market power;
       2. The remedies available to the Courts and the Australian Competition and Consumer Commission
          regarding breaches of the Act;
       3. The current levels of competition in Australian markets and the impact on consumers and small
          businesses; and
       4. Any related matters
Possible submissions or evidence from:
   Australian Competition and Consumer Commission
   Foodland
   IGA
   Coles
   Woolworths
   Aldi
   COSBOA
Committee to which the bill is to be referred:
   Senate Economics Committee (Legislation)
Possible hearing date(s):
   April/May 2014
Possible reporting date:
   June 2014
   (signed)
   Senator Kroger for Senator Xenophon
   Whip/Selection of Bills Committee Member
APPENDIX 4
SELECTION OF BILLS COMMITTEE
Proposal to refer a bill to a committee:
Name of Bill:
Flags Amendment Bill 2014
Reasons for referral/principal issues for consideration:
In undertaking the inquiry, the Committee should consider:
1. The current Commonwealth procurement guidelines;
2. Specific laws, regulations or requirements that exist in other jurisdictions relation to the procurement of flags; and
3. Any related matters
Possible submissions or evidence from:
Department of Parliamentary Services
Australian flag manufacturers
Department of Foreign Affairs and Trade
Committee to which the bill is to be referred:
Senate Finance and Public Administration Committee (Legislation)
Possible hearing date(s):
April/May 2014
Possible reporting date:
June 2014
(signed)
Senator Kroger for Senator Xenophon
Whip/Selection of Bills Committee Member

BUSINESS
Rearrangement
Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:52): I move:
That—
(a) the following government business orders of the day be considered from 12.45 pm today:
Farm Household Support Bill 2014
Farm Household Support (Consequential and Transitional Provisions) Bill 2014
Quarantine Charges (Collection) Bill 2014
Quarantine Charges (Imposition—General) Bill 2014
Quarantine Charges (Imposition—Customs) Bill 2014
Quarantine Charges (Imposition—Excise) Bill 2014
Civil Aviation Amendment (CASA Board) Bill 2014
(b) government business be called on after consideration of the bills listed in paragraph (a) and considered till not later than 2 pm today.
Question agreed to.
Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:52): I move:
That the order of general business for consideration today be as follows:
(a) general business notice of motion no. 188 standing in the name of Senator Siewert, relating to the Western Australian Senate election; and
(b) orders of the day relating to government documents.
Question agreed to.

Rearrangement

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:53): by leave—I move:
That the routine of business from not later than 4 pm till not later than 4.30 pm shall be consideration of the first anniversary of the National Apology for Forced Adoptions.
Question agreed to.

Leave of Absence

Senator KROGER (Victoria—Chief Government Whip) (11:53): by leave—I move:
That leave of absence be granted to Senators Cash and Madigan for today, for personal reasons.
Question agreed to.

Consideration of Legislation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (11:54): I move:
That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the following bills, allowing them to be considered during this period of sittings:
  Civil Aviation Amendment (CASA Board) Bill 2014
  Farm Household Support Bill 2014
  Farm Household Support (Consequential and Transitional Provisions) Bill 2014
  Quarantine Charges (Collection) Bill 2014
  Quarantine Charges (Imposition—Customs) Bill 2014
  Quarantine Charges (Imposition—Excise) Bill 2014
  Quarantine Charges (Imposition—General) Bill 2014.
Question agreed to.

DOCUMENTS

Review of the South Australian Economy and Victorian Manufacturing and Industry Economic Review

Order for the Production of Documents

Senator McEWEN (South Australia—Opposition Whip in the Senate) (11:55): At the request of Senator Carr, I move:
That there be laid on the table by the Minister representing the Minister for Industry, no later than noon on Monday, 24 March 2014, copies of the Review of the South Australian Economy and the
**MOTIONS**

**Student Wellbeing**

Senator WRIGHT (South Australia) (11:55): I move:

That the Senate—

(a) notes the 2014 Resilient Youth Australia survey's findings, that 34 per cent of girls and 28 per cent of boys in years 7 to 12 feel constantly under strain and unable to overcome difficulties;

(b) affirms that every school student in Australia should be able to access the tools to develop emotional resilience; and

(c) calls on the Commonwealth Government to:

(i) facilitate nationwide monitoring of adolescents' emotional resilience and wellbeing, and

(ii) ensure every school provides an environment conducive to students' wellbeing, including access to qualified mental health support personnel, to support school students during adolescence.


The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government opposes the motion on the basis that the states are responsible for education service delivery. The Commonwealth does, however, provide considerable resources and support in this regard—in particular, the Commonwealth funds the Safe Schools Hub website, which provides age-appropriate information for schools, parents and students on a range of issues related to student wellbeing.

Senator WRIGHT (South Australia) (11:56): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator WRIGHT: This motion is based on a survey undertaken this year by Resilient Youth Australia. The survey found that 34 per cent of girls and 28 per cent of boys in years 7 to 12 feel constantly under strain and unable to overcome difficulties. The motion calls on the Senate to affirm that every school student in Australia should be able to access the tools to develop emotional resilience and wellbeing. This is about the wellbeing, resilience and mental health of our young people. It is not just about education, but it is obvious that the place to address these issues is in schools. This motion supports the idea of proper assessment of the emotional wellbeing of our young people and ensuring that schools provide qualified mental health counsellors to support the needs of adolescent Australians.

Question agreed to.

**BILLS**

**Privacy Amendment (Privacy Alerts) Bill 2014**

First Reading

Senator SINGH (Tasmania) (11:57): I move:

That the following bill be introduced: A Bill for an Act to amend the Privacy Act 1988, and for related purposes.
Question agreed to.

Senator SINGH: I present the bill and move:
That this bill may proceed without formalities and be now read a first time.
Question agreed to.
Bill read a first time.

Second Reading

Senator SINGH (Tasmania) (11:58): I move:
That this bill be now read a second time.

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

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

The speech read as follows—

The introduction of the Privacy Amendment (Privacy Alerts) Bill 2014 is the next key step in the major reform of Australia’s privacy laws.

It is a long overdue measure that was recommended by the Australian Law Reform Commission in 2008.

It will introduce a new consumer privacy protection for Australians that will keep their personal information more secure in the digital age. It will also encourage agencies and private sector organisations to improve their data security practices.

In its 2008 privacy report, the Australian Law Reform Commission found that, as government agencies and large companies collected more and more personal information online, there was an increasing risk that this information could become subject to data breaches. There were studies that showed that the frequency of data breaches was increasing and their consequences were becoming more severe.

This trend has continued. For example, in recent years, there have been a number of high-profile data breaches in Australia and in other countries.

Customers of large, well-respected businesses have had their personal information compromised as a result of hacker attacks, poor security or just plain carelessness.

We have seen breaches take place in the first few months of 2014. It has been reported that the Department of Immigration and Border Protection released the personal details of around 10,000 adults and children including details on their names, arrival information, nationalities, and location. It affects every asylum seeker detained in a mainland detention centre, all those detained at the Christmas Island detention centre and several thousand under the community detention program. The Department removed the information from its own web server, but it remained accessible, in full, on a public internet site, for over a week.

This followed other significant breaches in recent years at Telstra, Medvet and Sony Playstaton.

Internationally we have recently seen breaches on an unprecedented scale. Target in the United States had secure customer information hacked. As many as 110 million customers had credit card information, names, mailing addresses, telephone numbers and email addresses taken. According to a Reuters/Ipsos poll, 40 per cent of people who shopped at Target during the period of the data breach
had not been notified about the incident. Thirty-one per cent said they had been notified by Target and 28 per cent said they had been notified by their bank or credit card company.

Following this breach Neiman Marcus announced it had also been targeted with information on 1.1 million credit and debit cards stolen.

A data breach can severely affect individuals whose personal information has been compromised.

Individuals can lose money when personal information relating to their finances finds its way into the wrong hands. They can be exposed to the risk of fraud and identity theft. And they can suffer embarrassment and distress when information contained in medical records is publicly revealed.

Labor believes that individuals should know when their privacy has been interfered with. That is why I am introducing this Bill.

Currently, there is no requirement for agencies and organisations to notify affected individuals or the Office of the Australian Information Commissioner (OAIC) when they have suffered a data breach.

The OAIC has voluntary guidelines encouraging notification, but is concerned that many data breaches—perhaps a majority—are going unreported. The Bill stops the gap in Australia’s privacy laws.

Australia should be a global leader in privacy protection as we grow our digital economy and more and more personal information goes online.

The Bill provides that when an agency or organisation has suffered a serious data breach, it must notify the affected individuals and the OAIC.

Prompt notifications will allow individuals to take action to protect their personal information. Individuals will be able to reset passwords, cancel credit cards, improve their online security settings, and take other measures as they see fit.

The notification requirement will provide an incentive to businesses to store information securely. No business wants a reputation for not keeping its customers’ personal information safe.

Agencies and organisations will only have to provide notification of serious data breaches. A requirement to provide notification of all data breaches would impose an undue regulatory burden on businesses, and it would unnecessarily alarm many customers.

The notification must include information such as a description of the breach, the kinds of information concerned, recommendations about steps that individuals should take, and contact details of the entity.

The Bill provides that the commissioner may direct an agency or organisation to provide affected individuals with notification of a data breach. This is a necessary measure in cases where an agency or organisation is recalcitrant or has simply made the wrong decision.

The Bill also contains public interest and law enforcement exceptions. These are necessary where there are countervailing interests that outweigh the need to inform individuals about the data breach.

Where there is a failure to comply with a notification requirement, all the commissioner’s enforcement powers to investigate and make determinations will be available. This could result in personal and private apologies, compensation payments and enforceable undertakings.

In the case of serious or repeated noncompliance with notification requirements, this could lead to a civil penalty being imposed by a court.

The Bill is part of the Labor Party’s ongoing commitment to the right to privacy.

In 2012, the Labor government introduced the most significant reforms to privacy law in Australia since the Privacy Act commenced in 1989. This Bill will complement those new reforms, which have recently commenced operation.

One of 2012’s major reforms was the creation of the Australian Privacy Principles, which will apply to both government agencies and many private sector organisations.
Australian Privacy Principle 11 provides that entities regulated by the Privacy Act must have adequate security measures in place to protect personal information that they hold. The data breach notification requirement will complement Australian privacy principle 11 by requiring notification if there has been unauthorised access or disclosure, or loss, of that personal information.

Privacy is an important human right, and its continued protection in the digital era is becoming a major challenge for governments everywhere.

The right of an individual to control what happens with his or her personal information is an important aspect of the right to privacy.

The data breach notification requirement helps return control over their personal information to individuals.

The ALRC believed Australia's privacy laws needed this change in 2008. The evidence since that time has been building and it is now clear that this reform is well overdue.

I commend the Bill to the Senate.

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

Leave granted; debate adjourned.

MOTIONS

Racial Discrimination Act 1975

Senator DI NATALE (Victoria) (11:59): I move:

That the Senate—

(a) notes proposals by the Abbott Government to repeal the provisions of section 18C of the Racial Discrimination Act 1975 which provide protections against racial vilification;

(b) commends the words of the Member for Hasluck, Mr Ken Wyatt, who said he did not support repeal of these provisions because 'Australia has come a long way in the last 30 or 40 years and what I wouldn't like to see is a regression that allows those who have bigoted viewpoints to vilify any group of people' and 'I support the whole concept of free speech, but I think there are boundaries that you have to draw and this is one of them'; and

(c) reaffirms its strong stance against racial vilification.

Question agreed to.

COMMITTEES

Environment and Communications Legislation Committee

Meeting

Senator KROGER (Victoria—Chief Government Whip) (11:59): At the request of Senator Williams, I move:

That the Environment and Communications Legislation Committee be authorised to hold a public meeting during the sitting of the Senate on Wednesday, 26 March 2014, from 5 pm to 6 pm, to take evidence for the committee's inquiry into Australia Post.

Question agreed to.

MOTIONS

Drought

Senator KROGER (Victoria—Chief Government Whip) (12:00): At the request of Senators Macdonald, O'Sullivan, Boswell, Eggleston and Back, I move:
That the Senate—
(a) notes:
   (i) the plight of the pastoral industry in Northern Australia, exacerbated by the drought, other natural disasters and the live cattle export ban,
   (ii) that the Assistant Treasurer (Senator Sinodinos) met with a representative gathering of pastoralists in Charters Towers last Monday, 10 March 2014;
(b) congratulates the Government on the drought package which will provide some relief to the northern beef cattle industry; and
(c) urges the Government to seriously address the ongoing issues which impact on the future of the northern beef cattle industry.

Question agreed to.

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:00): I seek leave to make a short statement about the motion.

The PRESIDENT: Leave is granted for one minute.

Senator SIEWERT: I would like to note that we did not call a division on this particular motion. I do have some concerns that the motion does not go far enough in terms of urging the government to seriously address the ongoing issues which impact on the future of the northern beef cattle industry. One of the very significant issues that is not alluded to is the impact of climate change. Unless we address the impact of climate change and how it interacts with very significant drought, we are not dealing with other issues which impact on the northern beef cattle industry. It will, in fact, be insignificant if we are not addressing those fundamental interactions of climate change and drought.

Closing the Gap

Senator SIEWERT (Western Australia—Australian Greens Whip) (12:01): I, and also on behalf of Senator Peris, move:

That the Senate—
(a) acknowledges that:
   (i) 20 March is National Close the Gap Day, and
   (ii) the gap in life expectancy and health outcomes between Aboriginal and non-Aboriginal people remains unacceptable;
(b) notes that in their 2014 report the Close the Gap Steering Committee called for:
   (i) the implementation and monitoring of a comprehensive National Action Plan on health,
   (ii) meaningful partnerships between Indigenous and non-Indigenous communities and health services,
   (iii) improvements to Indigenous participation, control and delivery of health services,
   (iv) a commitment to provide adequate and long-term financial resources, including strengthening of the Indigenous health workforce, and
   (v) the need to address critical social issues that impact on Indigenous health, including poor housing, nutrition, employment and education; and
(c) urges the federal, state and territory governments to continue to work together to achieve these important outcomes.
Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:02): I seek leave to make a short statement.

The PRESIDENT: There being no objection, leave is granted for one minute.

Senator FIFIELD: Indigenous health is a significant priority for the Abbott government, and we are fully committed to achieving health equality between Indigenous and non-Indigenous Australians. While there have been some improvements, significant disparities and health outcomes are evident in key indicators such as life expectancy, age standardised death rates and chronic disease rates. The government regards the continued investment in clinical health services as a priority and is also determined to address social determinants of health such as school education, employment and housing. The government is committed to working collaboratively with the states and territories, as well as the community health sector, to build on the successes and work harder in the areas in need of improvement.

Question agreed to.

Forced Adoption

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:03): I, and also on behalf of Senators Boyce, Moore and Siewert, move:

That, on the first anniversary of the National Apology for Forced Adoptions on 21 March 2014, the Senate:
(a) acknowledges the ongoing pain and suffering of the mothers, children and fathers affected by the unethical, dishonest and sometimes illegal practices of the past;
(b) commends the National Archives of Australia, the Institute of Family Studies, the Department of Social Services and members of the Forced Adoptions Implementation Working Group for their work in the past 12 months to realise the recommendations of the Community Affairs References Committee report; and
(c) resolves to continue to do all in its power to make sure these practices are never repeated.

Question agreed to.

BUDGET

Consideration by Estimates Committees

Senator KROGER (Victoria—Chief Government Whip) (12:03): I present additional information received by committees relating to the following estimates:

Budget estimates 2013-14 (Supplementary)—

- Community Affairs Legislation Committee—Additional information received between 13 February and 19 March 2014—
  - Department of Human Services.
  - Health portfolio.
  - Social Services portfolio.
- Environment and Communications Legislation Committee—Additional information received between 12 February and 19 March 2014—
  - Communications portfolio.
  - Environment portfolio.
Foreign Affairs, Defence and Trade Legislation Committee—Additional information received between 13 February and 20 March 2014—Defence portfolio.

BILLs

Quarantine Charges (Collection) Bill 2014
Quarantine Charges (Imposition—General) Bill 2014
Quarantine Charges (Imposition—Customs) Bill 2014
Quarantine Charges (Imposition—Excise) Bill 2014

First Reading

Bills received from the House of Representatives.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:04): I move:

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

Question agreed to.

Bills read a first time.

Second Reading

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:05): 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—

QUARANTINE CHARGES (COLLECTION) BILL 2014

The Quarantine Charges (Collection) Bill 2014 is the final Bill being introduced as part of the package to provide appropriate cost recovery arrangements for import services. These arrangements are consistent with the Australian Government Cost Recovery Guidelines.

The Quarantine Charges (Collection) Bill 2014 will provide authority to collect charges imposed under the Quarantine Charges (Imposition—General) Bill 2014, the Quarantine Charges (Imposition—Customs) Bill 2014 and the Quarantine Charges (Imposition—Excise) Bill 2014.

The Bill provides that the regulations will determine the time the charge is due and payable.

The regulations under this Bill will also outline the liability of a person's agent to pay charges on that person's behalf and establish appropriate late payment fees where charges are not paid in the time allowed.

Specifying such matters in regulations, as opposed to the Act itself, provides the department with sufficient flexibility to ensure that these matters are appropriate in all circumstances.

The Bill also provides the Commonwealth with mechanisms to appropriately deal with non-payment. This includes powers to refuse service in relation to a person who is liable to pay a charge or late payment fee; to suspend and revoke import permits; to deal with goods and vessels to recover unpaid charges and late payment fees (including power to create a statutory charge on a good or vessel and withholding goods that are subject to a charge); to, in exceptional circumstances, sell goods and vessels that are subject to a charge or late payment fee to recover outstanding debts owed to the Commonwealth; to deal with goods or vessels that are abandoned or forfeited, including the ability to
take possession, cause goods or vessels to be sold, destroyed or otherwise disposed of, and; for quarantine officers to issue directions in relation to goods and vessels that are subject to a charge. Penalties, including fines, imprisonment or both, apply to a person who engages in conduct that contravenes a direction.

Unpaid charges and late payment fees will be considered as debts to the Commonwealth and may be recovered by action in a relevant court.

The Bill sets out provisions for the remitting or refunding of charges or late payment fees if there are exceptional circumstances.

The Bill includes a link to provisions of the Quarantine Act 1908 where it is appropriate for consistency of operation between this Bill and the Quarantine Act. It is not appropriate for different provisions and powers to apply between this Bill and the Quarantine Act.

The Bill sets out provisions for the remitting or refunding of charges or late payment fees if there are exceptional circumstances.

Together these four Bills will ensure biosecurity import services are appropriately and validly supported. As mentioned earlier, funding the biosecurity system is critical for protecting Australia's unique animal and plant health status. It is also essential for maintaining farmers' access to overseas markets and strengthening our position as a net exporter of the highest quality agricultural goods.

QUARANTINE CHARGES (IMPOSITION–GENERAL) BILL 2014

This government is working to boost the competitiveness and productivity of the Australian agriculture sector. A strong biosecurity system is critical to that goal. Australia's enviable pest and disease status gives our producers a unique advantage other markets struggle to provide. Australia's strong biosecurity system works to protect human, plant and animal health from the impact of exotic pests and diseases.

The Department of Agriculture is responsible for safeguarding Australia from unwanted pests and diseases. As well as playing an obvious role protecting Australia's environment; safeguarding Australia from unwanted pests and diseases also protects Australia's economy.

For example, a recent review commissioned by the Australian Bureau of Agricultural and Resource Economics and Sciences looked at the economic impact of hypothetical foot and mouth disease outbreaks in Australia. In the event of a large multi-state foot and mouth disease outbreak, the ABARES estimates revenue losses could be more than $50 billion over 10 years. Reflecting international experience, the economic impact of trade restrictions, including the closure of export markets, would be far greater than the cost of controlling the disease.

Historically, the Department of Agriculture's approach to biosecurity has been shaped by mandatory border intervention targets for specific goods at the border. However, this approach did not take into account the varying levels of risk posed by different goods or whether intervention would be most effective overseas, at our border or on-shore.

In recent years, the department's approach has evolved to one based on risk, which helps officers target higher risk goods, passengers and mail. This has helped the department to more effectively manage the biosecurity risks associated with ever increasing volumes of trade and passengers moving across our border.

Risk based interventions reduce the burden on compliant businesses, enabling faster clearance at the border through better targeting and focus on higher risk goods. The risk based business model allows the free movement of goods where risk is low and cuts costs for clients who actively and conscientiously take account of biosecurity risks. It reduces the cost of delivering frontline services and saves time and money for importing businesses with flow-on benefits to the broader economy.
The government's policy is that agencies should set charges to recover the costs of products or services that they provide. Any charges should reflect the costs of providing the service and should generally be imposed on a fee-for-service basis or, where efficient, as a levy. In line with this policy, the department recovers the costs of providing services to importers under the Quarantine Act 1908 directly and indirectly. This includes indirect services such as intelligence gathering and surveillance that enable targeting of high risk goods for intervention.

This legislation package brings into line an appropriate legislative structure for the recovery of costs associated with indirect biosecurity services undertaken by the department for the benefit of importers. The legislation will sit alongside the existing fee-for-service cost recovery mechanism. Having the appropriate cost recovery mechanisms in place will support Australia’s capacity to manage biosecurity risks into the future.

This legislation is designed purely as a cost recovery mechanism. The legislation ensures that the Minister for Agriculture must be satisfied that the amount charged will not be more than the likely costs of delivering the activity.

The legislation has been drafted to be consistent with Australia’s international trade obligations. This will also be the case in drafting any delegated legislation.

The Quarantine Charges (Imposition-General) Bill 2014 is the first of four Bills that provide the appropriate cost recovery mechanism for the risk-based approach.

Specifically the Bill will enable cost recovery of activities that provide general benefits to importers – particularly the recovery of costs for surveillance, compliance, risk analysis and intelligence capabilities, which are key features of the risk-based approach.

The amount of the cost recovery charges and who is liable to pay them will be set in regulation under the Bill. As mentioned, the Bill also includes a safeguard regarding the amount of the charge. This will provide clients with confidence that the government will not over recover the costs of its biosecurity services.

Setting the charges through delegated legislation will allow the Minister for Agriculture to make appropriate and timely adjustments to the charges avoiding future over or under recoveries.

The Bill also validates the fees currently in the Quarantine Service Fees Determination 2005.

Three companion Bills are being introduced alongside this Bill, the Quarantine Charges (Imposition-Customs) Bill 2014, the Quarantine Charges (Imposition-Excise) Bill 2014, and the Quarantine Charges (Collection) Bill 2014.

This package of Bills will ensure that appropriate cost recovery mechanisms are in place. Funding the biosecurity system is critical for protecting Australia’s unique animal and plant health status. It is also essential for maintaining farmers’ access to overseas markets and strengthening our position as a net exporter of the highest quality agricultural goods – a position forecast to be worth $38.0 billion to the Australian economy in the current financial year.

QUARANTINE CHARGES (IMPOSITION-CUSTOMS) BILL 2014

The Quarantine Charges (Imposition-Customs) Bill 2014 is the second of four Bills being introduced to form this legislative package.

The Quarantine Charges (Imposition-Customs) Bill 2014 will impose charges only when they are considered a duty of customs. The key provisions of the Bill mirror those in the Quarantine Charges (Imposition-General) Bill 2014 and have the same operative function and effect.

The Bill does not itself set the amount of the charges and will not impose any financial impacts on businesses. The charges and who is liable and exempt from paying the charges will be set in delegated legislation.
The Quarantine Charges (Imposition-Excise) Bill 2014 is the third of four Bills being introduced to form this legislative package.

The Quarantine Charges (Imposition-Excise) Bill 2014 will impose charges only when they are considered a duty of excise. The key provisions of the Bill mirror those in the Quarantine Charges (Imposition-General) Bill 2014 and have the same operative function and effect.

The Bill does not itself set the amount of the charges and will not impose any financial impacts on businesses. The charges and who is liable and exempt from paying the charges will be set in delegated legislation. At this point in time there are no proposals to introduce any duties of excise in the delegated legislation.

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

Leave granted; debate adjourned.

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

Civil Aviation Amendment (CASA Board) Bill 2014

First Reading

Bill received from the House of Representatives.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:05): I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (12:06): 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—*

Australian aviation is an essential part of our economy — it links our regions to our cities — and our cities to the world.

The increased diversity of the Australian aviation industry requires continuous improvement in the aviation safety regulatory system. While Australia has an enviable record in aviation safety, built on a strong regulatory system — any regulator must keep pace with the industry it regulates.

Australia’s aviation safety governance structures and processes have continued to evolve since the initial establishment of the *Civil Aviation Act 1988* covering the operations of the Civil Aviation Safety Authority (CASA) — Australia’s aviation safety regulator.

CASA was established in July 1995, under an updated *Civil Aviation Act 1988*, as the independent aviation safety regulator — a Commonwealth statutory authority with responsibility for the safety regulation of civil air operations in Australia and Australian aircraft operating outside Australian territory.

The CASA Board, in its current form, was established in July 2009 to decide the objectives, strategies and policies to be adopted by CASA. The Board is also responsible for ensuring that CASA
performs its functions in a proper, efficient and effective manner, complying with directions given by the Minister.

The CASA Board currently consists of the Director of Aviation Safety (who is also the Chief Executive Officer of CASA), as an ex-officio member, and up to four Board members (including the Chair and Deputy Chair).

_The Coalition's Policy for Aviation_, released in August 2013, outlined a number of commitments to enhance and strengthen aviation.

The Government has since established an external aviation safety regulation review, which is being undertaken by a panel of leading aviation experts.

The review is well underway, with the review panel examining the suitability of Australia's aviation safety related regulations and the outcomes and direction of CASA's regulatory reform process.

The panel is also examining the structures, effectiveness and processes of CASA with a view to ensuring that best practice in aviation safety is maintained. The panel has received around 250 submissions from interested parties across the aviation industry. The review panel is expected to report to the Government by the end of May 2014.

_The Coalition's Policy for Aviation_ also outlined our commitment to improve CASA's structure and governance arrangements to enhance the organisation's abilities to function as Australia's aviation safety regulator.

To deliver on this commitment the Government intends to appoint two additional members to the CASA Board.

At least two of the Board members will be required to have technical and/or operational aviation experience to strengthen the Board's aviation knowledge, skills and practical experience. The expanded Board will be well-placed to oversee CASA’s new strategic direction — which the Government will issue, as allowed for under Section 12A of the Civil Aviation Act, after the Government has considered the review panel's final report.

Establishing a firm strategic direction for the organisation will enhance CASA's capability to respond as Australia's aviation safety regulator. Through the introduction of a new strategic direction, the Government plans to reinforce safety as CASA's primary responsibility, but will also set out the leadership role of the Board in implementing the strategic direction of CASA.

Today I introduce a Bill that implements this commitment to take decisive action to strengthen the nation's aviation safety agency and their oversight of the aviation industry. The Civil Aviation Amendment (CASA Board) Bill – “the Bill” – will allow the Government to fulfil undertakings, made in _the Coalition's Policy for Aviation_, to have important enhancements to safety governance in place from 1 July 2014.

The Bill will maintain the CASA Board structure, but will expand the size of the Board by two members. The appointment of two additional members will increase the breadth of aviation knowledge and experience on the CASA Board, which will better equip it to set and implement the strategic direction of the organisation.

The Bill improves the capacity and effectiveness of CASA to meet the challenges of an increasingly complex and diverse aviation industry. CASA must have the right structure, resources and legal framework to regulate the civil aviation industry to enhance the safety of the travelling public, industry participants and the wider community.

The provisions of the Bill will provide for the CASA Board to be comprised of six members appointed by the Minister, plus the Director of Aviation Safety as an ex-officio member, that is, seven members in total.
The Board will play an important role monitoring CASA's effectiveness and accountability across the Authority's range of functions and will facilitate stronger links between CASA and other government agencies, allowing for meaningful and constructive input from industry and other relevant stakeholders.

Importantly, the enhanced Board will be in place to implement CASA's new strategic direction.

Enhancing the CASA Board is one important step in ensuring we continue to foster an aviation industry that is dynamic and sustainable, with a regulatory system that is proportionate to risks and delivers the highest level of safety — a level of regulation that does not unreasonably restrict innovation and growth in the industry.

It is vital that Government and industry share the responsibility for addressing these challenges.

The Civil Aviation Amendment (CASA Board) Bill demonstrates this Government's ongoing commitment to aviation safety — we are taking decisive action now to strengthen the nation's safety regulator and its oversight of the aviation industry.

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

Leave granted; debate adjourned.

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

**REGULATIONS AND DETERMINATIONS**

Aboriginal Land Rights (Northern Territory) Amendment (Delegation) Regulation 2013

Disallowance

Debate resumed.

Senator MOORE (Queensland) (12:07): In concluding this debate—

The ACTING DEPUTY PRESIDENT (Senator Marshall): I am sorry. Senator Scullion, I understand you have 10 seconds left in continuation.

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (12:07): If you disallow this regulation, you take away the legal rights for local people. You still have time to change your mind. I will not stop pursuing procedural fairness for Aboriginal people.

Senator MOORE (Queensland) (12:07): Despite those very effective 10 seconds, we continue to disapprove of these regulations as now presented to the chamber. I want to restate what was said by this side of the chamber last night, which is that we are not closing down any further discussion on the need for change. There is no intention of that. What we said clearly last night, I hope, was that on two basic issues we reject these regulations as they now stand. One was the issue of consultation. Despite the Minister for Indigenous Affairs's efforts last night, talking about the wide range of consultation that took place, we submit that there was a short period of time in which the land councils were able to respond, as they did, to the issues around regulations which are going to impact very seriously on their operations but, more particularly, on the way the process was going to operate across the Northern Territory.

Letters went out from the minister, allowing for the fact that the government was changed, late in the year. We believe that the letters went out to the land councils with the draft regulations—and it was the first time they had seen them in a written format—on 23 October 2013. The minister told the land councils that he wanted them concluded by the end of 2013.
Three of the four major land councils sent back detailed written statements about the concerns they had with the regulations as they stood. In those letters they pointed out detailed aspects which needed further consultation and discussion. The minister's discussion about the discussions that he had is all fine and good, but the minister's job is to go out and consult with the community and the land councils themselves, who are the traditional owners of the land and represent the traditional owners of the land. They have their own consultative processes. They are working every day, talking about the issues that impact on their people and on their land and looking at development and the best possible outcomes for people in the Northern Territory.

The minister said last night that he went to a couple of meetings—and I think the most insulting thing was that he said he was out consulting with 'the real people of the Northern Territory'. That does not acknowledge the role the land councils play, the responsibilities and commitments these people have to the people whom they represent. So while the minister may have been consulting with 'the real people of the Northern Territory' the land councils were working across the board with the people they represent. Yelling at people from the land councils who were in the chamber, in the gallery, last night is not effective consultation. We were here last night. We saw the people in the gallery. They made no statement and did not draw attention to themselves. However, when they come to their Parliament House to listen to deliberations that impact deliberately on them, I would think there would be an expectation that a bit of respect would be shown.

We acknowledge that there is a degree of frustration when you are working on issues that you care about over a period of time. We have all been in a situation where we care seriously about issues and there are people who oppose some of the things we want to do. But I trust that we can expect in this place a bit of decorum and respect. Yelling and engaging in direct statements to people in the gallery which were not particularly complimentary about the way they operate is not the way this chamber should operate. We attempted to take a point of order last night but it was not accepted. I am not quite sure why. Nonetheless, we were in the middle of a discussion about consultation and respect, and Senator Peris, Senator Siewert and I all made the point in our contributions that respect is the core aspect of this process.

We raised other points last night around consultation, accountability and practicality. These are all issues that were pointed out in the submissions that were put forward by the land councils. They were concerned about the appropriateness of processes that would occur so that, should there be further applications through regulations, should there be any further changes, the processes would come forward and we would be able to work out exactly how they would operate, the resources impacts across the board, and also the protections and accountability of decisions. We put that through last night and it remains a concern for us.

We also got the impression from the minister's comments last night that there were all these applications from corporations sitting untouched by the land councils— who were not the process. The implication was that there was no action taken. We know that there have in fact been two successful approaches through the Northern Land Council to set up two new councils—the Tiwi Island council and the Anindilyakwa council. That had gone through a process. We do not pretend that it is an easy process; it was never meant to be an easy process. We are talking about complex issues. The minister, I know, has a clear intention of moving forward. We are not opposing that process. We are looking at how we can do things
better because there is a shared commitment to doing things better. But at this point the regulations, as they have been put to this place, do not meet what we believe are the effective tests of consultation, respect in that consultation and also how you get the details right.

We talked last night about the time frame. The minister explained that the three-month clause in the current regulations could be amended by asking for an extension. We can see that an extension could be provided. I ask: if there was acceptance, as there seemed to be last night, that in the current set-up of the way the councils operate the three-month time frame was not going to be effective, why put it in there? Have a time frame—

Senator Scullion interjecting—

Senator MOORE: Before the minister yells across the chamber at me again about the need for timeliness—and I accept that, and I accept the fact that we have to have these things put in place—I think it would be useful, if you are putting out regulations for immediate approval, to acknowledge that you have something in there which is just not right. You would not put 'three months' in there, because it creates a little bit of fear. They say things have to be turned over in three months.

In terms of the process, what we do is we go forward. We see how we can do this better. There must be a way of doing this better. We know that there need to be better processes in place. They can be extended, but at this point we do not accept that the full consultation processes have been effective and we do not believe that the technical details about accountability for any new set-up that is put through the regulations have been effectively addressed. So we are moving for disallowance of these regulations.

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

The Senate divided. [12:20]

(The President—Senator Hogg)

Ayes ....................33
Noes ....................28
Majority ..............5

AYES
Bilyk, CL  Bishops, TM
Brown, CL  Cameron, DN
Carr, KJ  Collins, JMA
Conroy, SM  Dastyari, S
Di Natale, R  Farrell, D
Faulkner, J  Gallacher, AM
Hanson-Young, SC  Hogg, JJ
Lines, S  Ludwig, JW
Lundy, KA  Marshall, GM
McEwen, A (teller)  Milne, C
Moore, CM  O'Neill, DM
Peris, N  Polley, H
Rhiannon, L  Siewert, R
Singh, LM  Sterle, G
Tillem, M  Urquhart, AE
Waters, LJ  Whish-Wilson, PS
Wright, PL

CHAMBER
Thursday, 20 March 2014

NOES

Abetz, E
Bernardi, C
Boswell, RLD
Colbeck, R
Edwards, S
Fawcett, DJ
Heffernan, W
Macdonald, ID
McKenzie, B
O’Sullivan, B
Ryan, SM
Seselja, Z
Smith, D

Back, CJ
Birmingham, SJ
Brandis, GH
Cormann, M
Eggleston, A
Fifield, MP
Kroger, H (teller)
Mason, B
Nash, F
Payne, MA
Ruston, A
Scullion, NG
Sinodinos, A
Xenophon, N

PAIRS

Furner, ML
Ludlam, S
McLucas, J
Pratt, LC
Stephens, U
Thorp, LE
Wong, P

Bushby, DC
F ierravant i-Wells, C
Parry, S
Boyce, SK
Williams, JR
Johnston, D
Cash, MC

Question agreed to.

BILLS

Clean Energy Legislation (Carbon Tax Repeal) Bill 2013
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013
Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013
True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013
True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013
Clean Energy (Income Tax Rates and Other Amendments) Bill 2013

In Committee

Debate resumed.
The TEMPORARY CHAIRMAN (Senator Marshall) (12:23): The committee is considering the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 and related bills. The question is that amendments (1) to (3) on sheet 7443, moved by Senator Collins, be agreed to.

Senator JACINTA COLLINS (Victoria) (12:23): Senators might recall from the other evening when we were in committee the list of questions that were asked of the parliamentary secretary on the government's plans for direct action. They went unanswered and indeed they remain unanswered and, in particular, the Senate committee dealing with that issue has yet to report to the Senate.

So we are no wiser on the government's plans to address climate change. We are no clearer on how the government's plans will address climate change. There are a couple of things in Senator Birmingham's earlier contributions, though, that I would like to briefly address. However, the committee consideration at this stage, hopefully, will not need to continue in much further detail.

Senator Birmingham, apart from providing relatively entertaining clips on a range of issues, such as my slinking around the chamber—I do not know what he had been doing that evening, but, hopefully, he is in a slightly better mood this afternoon—referred to the lie of our position. The evidence he gave us of one aspect of the lie of our position was that—

Senator Cormann interjecting—

Senator JACINTA COLLINS: Perhaps, when one smiles insults, it is meant to have a different meaning, Senator Cormann. But, unfortunately, Hansard does not record smiles. Anyway, back to the point: Senator Birmingham claimed that, as evidence of the lie of our position, we had not introduced legislation. He failed to mention, of course, that an exposure draft had been circulated and was the basis of consultation. Indeed, we heard the other day in relation to Direct Action that that is exactly what the government are planning to do in their case as well. So much for the lie of our position.

However, I would like to address the questions raised by Senator Milne regarding Labor's cap on carbon pollution. Senator Milne was keen to know exactly what the cap on carbon pollution was going to be on 1 July 2014. In fact, as I recall it, Senator Birmingham also raised that we were not really serious because we had not specified exactly what the cap would be. So let me deal with this issue in some detail.

Senator Milne was also keen to know exactly what the opposition was going to do about the Climate Change Authority report, which recommended—just to remind the chamber—that Australia increase its five per cent target to 15 per cent. Let me start with the issue of the legislative cap on carbon pollution. The answer is quite simple and it is laid out in part 2, section 14 of the Clean Energy Act 2011. Labor invested a great deal of time and energy in planning for a clean energy future—in fact, more time and energy than any other government in Australia's history.

The carbon pollution cap is held in regulations, and in making those regulations the minister must have regard for the following: Australia's international obligations; information provided by the Climate Change Authority under section 292; and Climate Change Authority advice on carbon pollution caps and carbon budgets. In addition to that, the minister must have regard to a range of other matters, including global, economic and social matters;
compliance with this act; and domestic and international targets and estimates. The regulation giving effect to the carbon pollution cap for 2015 under current law in this country is to be tabled under section 38 of the Legislative Instruments Act 2003 by 31 May this year.

I am quite confident that the dedicated people in the Department of the Environment will have continued the good work of the climate change department in considering the elements as laid out in Labor's legislation that go to making the determination about what the right level of cap would be for the first year of an emissions trading scheme—unless Senator Birmingham wants to advise us differently!

The fundamental point here is that Labor has done the hard yards on this. Labor has a process and a series of legislative conditions and considerations that frame the setting of the cap on carbon pollution. Those conditions and considerations allow for all information available to be taken into the decision, including the latest advice of the Climate Change Authority. So, if Senator Milne would like to see a cap on carbon pollution, she will need to vote for Labor's amendments.

Then, as Australia falls behind the rest of the world in taking action on climate change, as we see more and more damage to our precious environment, where will we be? What exactly will the Greens party be achieving if they do not support these amendments for our children and our grandchildren? Voting with us on these amendments is the only way of ensuring a cap on pollution.

Senator MILNE (Tasmania—Leader of the Australian Greens) (12:28): I have rarely heard a more disingenuous contribution than the one we have just heard from Senator Collins. I guess I should correct that by saying that the Palmer United Party's backflip on the renewable energy target was probably equally disingenuous in saying in Western Australia on one day that they supported the current target and then, on the very next day, having the leader of the party, Mr Palmer, come out and say that he does not support a mandatory renewable energy target, which means he does not support one at all, because a voluntary one is a meaningless concept. That was a pretty disingenuous set of statements from them.

I just want to go through this to make very, very clear here that, as one of the people who was in the room working on developing the legislation with the former government, of course I am familiar with part 2 section 14. 2011 is the date. What is set out in part 2 section 14 is the process you go through to set a cap. I know what that process is. Everybody knows what that process is. The question I asked was: what is the cap? The whole point of the process is that you go to flexible pricing on a cap. That is the point.

Senator Jacinta Collins: 31 May.

Senator MILNE: Labor still has not said what the cap is.

Senator Jacinta Collins: 31 May.

Senator MILNE: I want to go through it again with Senator Collins so she can understand it. If you are to go to this flexible pricing on 1 July this year, you must have legislated a cap. It must be put in by regulation. 31 May is indeed the date by which Senator Collins and the Labor Party amendment say the regulations are to be put in. My point is this: what regulation are you putting in? If you are putting up a thing which says, 'We want to go to flexible pricing on 1 July this year,' then you are obliged to tell people what cap you are putting in that legislation. Otherwise, the assumption is that it is the default five per cent. You could make...
no other assessment because the legislation is written such that if another cap is not put in by the government of the day then automatically the cap is set at a default of five per cent.

All we have heard from the Labor Party is that there is a process and the department will do it. No, the department will not do it. Labor's amendment is basically saying, 'The government has to put in the cap.' We know that this is a nonsense amendment anyway because the government is not going to do it. But, if Labor were the government, what would the cap be and what would the regulation be that sets that cap? It is not in here. Basically Labor have been hoist on their own petard. This whole thing has come about because former Prime Minister Gillard went on television and conceded that carbon pricing, in her view, was a tax. That is where she went wrong. She should never have said that because it is not a tax; it is an emissions trading scheme. But once she said it she was stuck with it and it allowed the 'great big new tax' lie of the Abbott opposition at that time to take effect.

Then, in order to overcome the political fix that they got themselves into, Labor went to the election saying, 'We will get rid of the tax.' We have never had a tax. We have an emissions trading scheme and it is the law. Contrary to what Senator Collins is saying, the Greens want to uphold the law, not put up some pretence that by voting for this amendment you would somehow get something. You would not. You would not get anything because Labor are not the government. They are not going to do it. But what we have at the moment is the law—that is, we will be going to flexible pricing on 1 July next year unless the current law is repealed. I am going to do absolutely everything in my power to make sure it is not repealed.

But this nonsense that we are going through now, this pretence from the Labor Party, is just that. When the legislation was written, the point was that Labor and the Greens could not agree on the cap. We set up the Climate Change Authority. They were to report in February 2014 to recommend to the government of the day what the cap should be. They have made their recommendation. It is 15 plus four per cent—that is, 19 per cent—by 2020 and a 40 per cent to 60 per cent reduction trajectory by 2030. That is what they have recommended. My question to Labor—which still has not been answered is: do they accept the Climate Change Authority's recommendation that that should be the cap? Yes or no? Clearly, they do not. So all this subterfuge that is going on is basically saying, 'We want to go through the pretence that we can do something, and we are going to have a five per cent default cap.' The Climate Change Authority has reported, as it was designed to. It reported in February for the government of the day to accept or otherwise the recommendations. If no cap is put in, the flexible pricing starts on 1 July 2015 with a five per cent default cap. That is the way it is written and legislated so that there cannot be a period where there is no cap. You cannot have a flexible pricing scheme without a cap.

Therein lies the complete mess that Labor have got themselves into. When the election campaign promise was made by the Prime Minister of the day, Kevin Rudd, to get rid of the carbon price, he did not expect that these amendments would be being debated after the Climate Change Authority had recommended its target. Now that it has, Labor cannot escape and hide behind an election promise of last year. The key question people want to know the answer to is: if we were going to flexible pricing on 1 July this year, what would be the cap? That is clearly not being answered. It shows why these amendments are fanciful. What we have now is the law, and I most certainly do not want to see the law repealed in order to have this fantasy view being put up by the opposition which has zero chance of passing. Why
would you trade a law that is in place for a fantasy that will not come to any kind of fruition and is disingenuous anyway because they are refusing to name the cap? That is why the Greens will not be supporting Labor’s amendments here. It is because they are not genuine amendments. They have no chance of being implemented in law. That is why we need to retain the law as is.

Secondly, Labor have already voted with the coalition to get rid of the auctions leading up to the flexible pricing phase in 2015 on the basis that they would bring in the regulations that would support these amendments. But they are not the government. There will be no bringing in of these regulations by anybody, because the coalition have said they have no intention of doing it. So we have this ridiculous situation where we have no capacity to deliver the auctions that are required by 2015 under the law—and we will have to reinstate those when we succeed in retaining the carbon price, in spite of what the government of the day might say.

Question negatived.

The TEMPORARY CHAIRMAN (Senator Bernardi): The question now is that schedules 2, 3, 4 and 5 stand as printed.

Question agreed to.

Bills—by leave—taken together and as a whole.

Bills agreed to.

Bills reported without amendments; report adopted.

Third Reading

Senator CORMANN (Western Australia—Minister for Finance) (12:37): I move:

That these bills be now read a third time.

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

The Senate divided. [12:43]

(The President—Senator Hogg)

AYES

Abetz, E
Bernardi, C
Boswell, RLD
Colbeck, R
Edwards, S
Fawcett, DJ
Fifield, MP
Kroger, H (teller)
Mason, B
Nash, F
Payne, MA
Ruston, A
Scullion, NG
Back, CJ
Birmingham, SJ
Brandis, GH
Cormann, M
Eggleston, A
Ferravanti-Wells, C
Heffernan, W
Macdonald, ID
McKenzie, B
O’Sullivan, B
Ronaldson, M
Ryan, SM
Seselja, Z
Question negatived.

Farm Household Support Bill 2014
Farm Household Support (Consequential and Transitional Provisions) Bill 2014
Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator FARRELL (South Australia) (12:49): I rise to speak to the Farm Household Support Bill 2014 and the Farm Household Support (Consequential and Transitional Provisions) Bill 2014. I indicate at the outset that the opposition is in full support of this legislation. I would like to speak briefly to the background of the legislation and why we are supporting this bill.

The bill provides the mechanism to implement the Farm Household Allowance—up to three years or 1,095 days income support payment—and ancillary benefits for farmers and their partners who can demonstrate financial hardship without the need for a climatic trigger.
The Farm Household Allowance is to commence on 1 July 2014, and is set to replace the Exceptional Circumstances Relief Payment, otherwise known as ECRP, which was only available to regions declared to be in extreme drought.

The bill also acknowledges that the government has implemented the Interim Farm Household Allowance, otherwise known as the IFHA, from 1 March, and allows for the transfer of existing support scheme recipients to the IFHA. In addition to income support, the bill provides for the provision of farm financial assessments to assist farm businesses to plan for the future. It requires income support recipients to enter into, and comply with, financial improvement agreements to qualify for payment.

The companion bill repeals the Farm Household Support Act of 1992 and amends other acts. Together, these bills deliver a new legislative scheme to deliver income support to farmers and their partners who are experiencing financial hardship. The bill in fact delivers on what the previous Labor government committed to under the Intergovernmental Agreement on the National Drought Program Reform, the IGA, and provided a new nationally-agreed approach to drought programs including time-limited income support payments for farmers and their partners based on individual need. This agreement was achieved by the previous government on 3 May 2013 at the standing committee on primary industries meeting. Further to the FHA, the IGA also includes Farm Management Deposits scheme and taxation measures, a national approach to farm business training, a coordinated and collaborative approach to the provisions of social support services, and tools and technologies to inform farmer decision making.

The Labor Party supports the bill, but we have been critical of the Abbott government's slow response to the current drought. It is a bit like their slow response to opening up South Australia to mining, as I noted earlier. This is another example of a slow response by this new government. This bill should have been introduced much sooner to enable a more timely assistance to struggling farm families who have been suffering for some time. Labor is further critical of the Abbott government's decision to abolish a key COAG vehicle, SCOPI, in December 2013, which was working to progress drought reform. Labor will hold the Abbott government to account in progressing a long-term drought policy and calls on the government to reinstate the SCOPI, the Standing Committee on Primary Industries. Long-term drought reform, which was led by Labor in government, has not been progressed in the way it should have been by this government in six months, but we do support this bill.

Senator XENOPHON (South Australia) (12:54): I am very grateful to Senator Siewert for giving me an opportunity to make a very short contribution ahead of her because of a committee commitment I have. I indicate that, of course, I support this bill. It offers a new way to identify and assist farming households which are under financial pressure.

While most of the attention has fallen on that large swathe of the country experiencing drought, attention must also be paid to the many small wine grape growers in my state. You cannot make wine without grapes but, as with so many primary producers, wine grape farmers are again being taken for granted. Many are being forced to take prices well below the cost of production. The plight of these farmers must not be forgotten during the roll-out of this bill. I had a constructive discussion with Mr Barnaby Joyce, the Minister for Agriculture, who assured me—and his office assured me—that this package of measures is not confined to those who have been directly affected by the drought that is continuing in many parts of the
country. It applies more broadly, and so those farmers have an opportunity to apply for assistance.

Whether in the Riverland, the South East, McLaren Vale, Adelaide Hills, the Barossa or any other wine region in South Australia, wine grape growers are the backbone of the wine sector and many of them are doing it extremely tough. I have met many of them; they contact me regularly; their stories are quite disheartening, but I believe there is hope for the industry in terms of increasing export markets, which will in turn increase demand for Australian grapes.

The very large 2013 wine grape vintage in Australia has been impacted on heavily this year. Prices have dramatically reduced and the level of production is expected to exceed total sales by 15 per cent. *The Australian*'s Pia Akerman reported this month that prices have dropped by 30 per cent for Riverland grape growers, and I understand that in Sunraysia and in the Riverina there are similar stories. This year, just like the very bad drought being experienced in other parts of the country, the prices faced by wine grape growers are very dire. In other words, there is a significant economic impact on them. Many of them are already saddled with debt burdens run up trying to keep their vines alive during the harsh years of the last drought. In a sense, they are also affected by drought, but this is a drought that broke several years ago, though the financial impacts of that are still felt strongly.

When the Prime Minister announced this package of measures, which I strongly support, he said that this was a response to farming circumstances outside the 'ordinary variation in the business cycle'. He wanted to assure all Australians that:

… this government intends to stand by people in need. We intend to stand by people in good times and in bad.

I support those comments and I simply say that at the moment in South Australia there are many wine grape growers who are doing it very tough, and hopefully this package will support them to some extent, but we need to do more for those wine grape growers in the coming months.

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (12:57): I rise to contribute to this debate on the Farm Household Support Bill 2014 and Farm Household Support (Consequential and Transitional Provisions) Bill 2014. The Greens support urgent financial support for farmers and welcome the provision of critical mental health services to regional areas. However, we do not believe that the bill has been designed to help farmers in the long term. Here I am talking of—and I have touched on this previously—the impact of climate change. We are acting as if climate change does not exist and is not going to have an impact on farmers and growers into the long term.

Senator Milne has circulated a second reading amendment, and on behalf of Senator Milne, I move that amendment, which seeks to:

At the end of the motion, add:

"and, given the scientific evidence of changing precipitation patterns and extreme weather events, like heatwaves and droughts, becoming more intense in Australia because of climate change, the Senate calls on the Government to expand the existing National Disaster Resilience Program to include a provision for drought assistance."
This second reading amendment acknowledges that drought fuelled by global warming is not a one-off problem. The future of farming families depends on addressing our changing climate within any drought package. We need to be acknowledging it now so we can deal with this problem that is only going to get worse.

The Greens are proposing a stronger and permanent disaster resilience fund that would do more to help in drought, which affects farmers so badly, than a one-off drought relief response, which we keep doing. We need to be doing long-term planning to address the ongoing issue of the impact of climate change in more and more severe droughts.

Any drought plan needs to help farmers who are struggling today and needs to ensure that there is a long-term strategy in place to provide for the reality of a warmer, drier climate. Extreme weather conditions and natural disasters like droughts, heatwaves, floods and bushfires hurt those who rely on the land for their livelihood across Australia. With the Bureau of Meteorology declaring 2013 Australia's hottest year on record, with extreme weather conditions expected to become more frequent, we can expect to have much more intense droughts as the ambient temperature continues to rise. Climate change will cause bigger falls in crop yields than has been previously estimated. This will exacerbate food insecurity. A new study has been looking into this. The research which was conducted by Australian, British and American scientists found that the situation will worsen in the second half of this century, with tropical areas hit worse than temperate regions. We also need to bear that in mind when we are talking about developing the north.

It is absolutely critical that, if we want sustainable agriculture and want farmers and growers on the land, we address this issue now and do not pretend that these are just one-off events, because they are not. We should be recognising that. We do our growers and our famers a huge disservice by not making sure that, as well as helping with the most immediate problem, which of course we have to, we need to plan our response for the long term and not bury our head in the sand. A classic example is in Western Australia. We had a bumper yield this year, but we still had some farmers in the north-east region of the wheat belt who suffered from drought and did not put a header into the crop. We need to recognise this issue and we need to help now because if we continue to ignore it we are just going to see more and more farmers leave the land. As the CSIRO said in their report released last month, climate trends are changing agricultural regions. They are transforming them, it said. We need to transform our agriculture and recognise that, which is why we need a longer term strategy.

In the study that the Australian, British and American scientists undertook, they carried out an analysis of more than 1,700 simulations. They found that across all regions and all crops, including wheat, maize and rice, yields will drop by two per cent each decade based on a two-degree rise by 2050. Just last week, the UNFCCC workshop report on the adaptation of the agricultural sector highlighted the need to adapt our agricultural practices and technologies to build in more climate-resilient agriculture and allow for sustainable agricultural production. Many parties at the workshop emphasised that there is an immediate need and priority for the adaptation of the agricultural sector to climate change impacts. Water deficits and droughts significantly decrease agricultural production. Addressing the issue of drought, many parties provided information on the establishment of services for seasonal climate forecasting, drought monitoring or drought early-warning systems as elements of their adaptation practices in agriculture. Several parties also emphasised the importance of an understanding...
of the long-term macro-level impacts of climate change in order to develop national extension plans to train farmers. The activities that were highlighted in the workshop are just as relevant here as anywhere else on the planet. It is absolutely essential that we start putting in place these practices.

While the package that we are debating and supporting through this chamber today is important and essential, I do not want to be back here in a couple of years having to do exactly the same thing—this package on hormones—because we have more farmers in trouble and we have to put in place more ad hoc measures rather than doing this according to a strategy where we sit down and work it out now. Our farmers need to be confident that we do have the adaptation plans in place and that we do have the research and development done to assure them that they have crops that will grow in a drying climate and they have production systems. They may look slightly different or quite a lot different because, as CSIRO said, climate change will transform our agricultural regions. Therefore we need to transform our agriculture. If we do not ensure that we have those measures in place, we are failing agriculture and we are failing our farmers and our growers, and this is across the broad, in agriculture, horticulture and viticulture. We need to put this strategy in place and we need a disaster resilience fund and program so that we can have the funding in place to support growers in the face of the impacts of global warming on their land use, their farms and their production. We are failing our farmers if we do not.

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (13:06): The Farm Household Support Bill 2014 and the Farm Household Support (Consequential and Transitional Provisions) Bill 2014 enact the Farm Household Allowance and replace the Farm Household Support Act 1992 and its outdated support measures. Introducing these bills confirms the government’s commitment to help farm families in financial need, regardless of the cause. This is a permanent safety net available at all times, including when extreme weather events such as drought take their toll on farm income. It delivers genuine reform of government support for farm families and provides assistance and support to improve their long-term financial situation. It will provide eligible farmers and their partners with up to three years of payment, paid fortnightly at a rate equivalent to Newstart allowance or Youth Allowance for those under 22, a healthcare card and a range of other supplements, including up to $1,500 for a farm financial assessment and up to $3,000 to implement a financial improvement agreement. This will give farm families time to get back on their feet and the opportunity to take steps to improve their circumstances.

For those families in hardship now, who cannot wait until the commencement of the legislative allowance on 1 July, the government has brought forward the main eligibility requirements and introduced them through the interim farm household allowance. The interim allowance is an executive scheme that is already delivering support to those who need it. Already 249 applications have been received and 83 claims granted. The allowance forms a major part of implementing the intergovernmental agreement on the National Drought Reform Program, which was agreed by the Australian state and territory governments in May 2013. This national agreement recognises the importance of encouraging farmers and their families to manage risks and prepare for challenging times, including as a result of climate variability.
I remind the Senate that the farm household allowance is an uncapped, demand-driven program. This means no-one in need will be turned away by an arbitrary funding cap. I note the second reading amendment moved on behalf of the leader of the Greens, which calls on the government to expand the existing Natural Disaster Resilience Program to include a provision for drought assistance. While it is good to see the Greens supporting measures that could help farmers become more resilient, this is provided for separately under the May 2013 intergovernmental agreement that I just mentioned. The IGA aims to, among other things, assist farm families and primary producers adapt and prepare for the impacts of increased climate variability and encourage farm families and primary producers to adopt self-reliant approaches to manage their business risk. It also provides a framework, the jurisdiction, to respond to needs during periods of drought. Putting drought assistance under the National Disaster Resilience Program is not appropriate, given drought programs are specifically provided for under the drought IGA.

Moving back to the legislation at hand, the second bill in the package, the Farm Household Support (Consequential and Transitional Provisions) Bill 2014, will repeal the Farm Household Support Act 1992 from 30 June 2014 and amend legislation required for the operation of the farm household allowance. The bill includes a provision to enable a smooth transition for recipients of the interim farm household allowance who wish to apply for the legislated farm household allowance. The farm household allowance will improve outcomes for farm families through personalised support and financial assistance to develop skills or retrain. It will strengthen the government's support for farmers and, through them, rural and regional communities across Australia. The support these bills have received demonstrates that this is good policy as well as good common sense. I commend the bills to the Senate.

The ACTING DEPUTY PRESIDENT (Senator Bernardi): The question is that the amendment moved by Senator Siewert be agreed to.

Question negatived.

Original question agreed to.

Bills read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Bernardi) (13:09): As no amendments to the bills have been circulated, I shall call the minister to move the third reading unless any senator requires that the bill be considered in Committee of the Whole.

Senator Ryan (Victoria—Parliamentary Secretary to the Minister for Education) (13:09): I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.
Quarantine Charges (Collection) Bill 2014
Quarantine Charges (Imposition—Customs) Bill 2014
Quarantine Charges (Imposition—Excise) Bill 2014
Quarantine Charges (Imposition—General) Bill 2014

Second Reading

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

Senator FARRELL (South Australia) (13:10): I rise to indicate that the opposition will be supporting the Quarantine Charges (Collection Bill) 2014. The Quarantine Charges (Collection Bill) 2014 forms part of a legislative package which is designed purely as a cost recovery mechanism. It will realign Australia's biosecurity and quarantine imports systems with an efficient and effective cost recovery model which is consistent with the Australian Government Cost Recovery Guidelines. It also provides authority to collect charges imposed under the Quarantine Charges (Imposition—General) Bill 2014, the Quarantine Charges (Imposition—Excise) Bill 2014 and the Quarantine Charges (Imposition—Customs) Bill 2014.

This legislative package will create an appropriate legal structure for the recovery of costs associated with the indirect biosecurity services undertaken by the Department of Agriculture for the benefit of importers. Furthermore, it provides that the regulations will determine the manner in which the quarantine charges are to be paid and provides the Commonwealth with powers to refuse service in relation to a person who is liable to pay a charge or late payment fee. In doing so, the Commonwealth may create a charge on a good or a vessel and withhold goods that are subject to a charge. Quarantine officers will also be given power to provide appropriate directions in relation to such goods or vessels. If a person engages in conduct that contravenes a direction, the person will be considered to have committed an offence and may be imprisoned, fined or both.

The Commonwealth will have power under this bill to sell goods and vessels to recover outstanding debts; however, this would be in exceptional circumstances and would be commensurate with the level of the debt. To deal with goods or vessels that are abandoned or forfeited, such powers include the ability to take possession, cause them to be sold, destroyed or otherwise disposed of. As I indicated, the opposition is in support of this legislation.

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (13:12): I thank senators for their contribution and commend the bills to the Senate.

Question agreed to.

Bills read a second time.

Third Reading

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

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (13:13): I move:
That these bills be now read a third time.
Question agreed to.
Bills read a third time.

Civil Aviation Amendment (CASA Board) Bill 2014
Second Reading

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

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (13:14):
Australia has an outstanding record when it comes to aviation safety. This outstanding record is
down to the experience and professionalism of the men and women who are responsible for
safety across the aviation industry. Another important factor is the non-partisan approach both
sides of politics have taken to aviation safety. We certainly have our arguments in this place
about many matters but aviation safety is not one of them. Labor will support this bill.

The Civil Aviation Amendment (CASA Board) Bill 2014 expands the size of the CASA
Board by two members, increasing the breadth of expertise on the board. The minister for
transport says this is a necessary change, so Labor is supporting the bill. I have to say I am a
little sceptical about the reason advanced. Initially, I thought perhaps this should be referred
to as the civil aviation amendment, CASA, Sophie Mirabella bill, but she got submarines
instead! To be fair, the National Party hate Sophie, as they demonstrated by campaigning
against her extensively in her electorate—

Senator Ryan: You are an idiot.

Senator Bilyk interjecting—

Senator CONROY: in their own electorate. So the question becomes: which two National
Party mates are going to be slotted into these positions on the board?
Senator Ryan: This is meant to be non-controversial.
Senator Bilyk: He is still speaking to it.
Senator CONROY: Which two National Party mates are about to get a phone call—
Senator Ryan interjecting—

Senator CONROY: would you like me to speak for 20 minutes?—a phone call from
Minister Truss saying, 'Have you still got your membership ticket to the National Party? Yes?
Good. You're on the CASA Board.' So I look forward to seeing which National Party stooges
get appointed, in true National Party fashion, to this board.

In a country like ours, air travel is critical to how we go about our business, so it is
important that we work together to guard the safety of the travelling public. I want to put it on
the record that the previous Labor government put the highest priority on aviation safety. In
2009, we strengthened CASA's independence. In December of that year, Labor produced the
nation's first ever national aviation policy statement. The white paper process included over
530 submissions from the industry, state and local governments, and the community, and I
want to congratulate all of those—as I said, 530 submissions—around the country who made
a contribution to that reform and to that aviation policy statement. Of course, safety was the
chief concern.
As a result of the white paper, Labor strengthened baggage and passenger screening requirements; we tightened the aviation security identification card scheme; we improved security screening standards and training programs; we modernised air traffic management, including the use of satellite technology; and we boosted CASA funding by $90 million over four years from 2010, to provide it with funding certainty. These sensible reforms were supported by the coalition. But the thing about aviation safety is that the job is never finished. CASA has met emerging challenges in the past and must continue to do so in the future.

As I mentioned earlier, transport safety is too important to be a political battleground. However, there is a role for an opposition to raise concerns about the direction of government. It is of concern that the government’s austerity drive may lead to cuts in the Australian Transport Safety Bureau. That is right: the Australian Transport Safety Bureau is facing cutbacks to staffing levels at the moment. The ATSB employs 110 people who investigate accidents, safety concerns and near misses in air, sea and rail transport—and what an excellent job it has done over many, many years. I am sure everyone in the chamber would agree with that. But there are now reports that the coalition is looking to cut these numbers by 20 per cent—a 20 per cent reduction in the number of those who investigate accidents, safety concerns and near misses in air, sea and rail transport. That is of great concern to the Labor opposition, and I urge, if not counsel, the government against these cuts to the ATSB or any other safety agency.

I note that the financial implications of appointing two extra board members to CASA will be $160,000 a year—$160,000 a year—and, at the same time, the government wants to cut 20 per cent of the staff at an incredibly important safety agency. It just does not make sense. Two lucky-dip National Party members are going to get put on a board, at a cost of $160,000 to taxpayers, yet 20 per cent of the staff at an aviation safety bureau that looks into aviation accidents, near misses and other safety issues are going to lose their jobs. It seems to me that this government has its priorities all wrong.

They said before the election: no ‘nasty surprises’—no surprises at all, in fact—from this government. Well, there are going to be some very surprised people at the Australian Transport Safety Bureau if these rumours are true, and there are going to be two excitedly surprised National Party members or friends of Minister Truss pulled out of the lucky dip. I used to talk about ABC Board appointments being from former prime minister John Howard’s Christmas card list. We introduced a system to stop that—an independent, rigorous system. From what we are seeing here, we may need to look at something similar, because if the government can find $160,000 to reward a couple of National Party stooges it should also be able to find the resources to exclude our transport safety authorities from cuts for the sake of cuts. There is no room for austerity when it comes to safety.

CASA has done an excellent job over the years in keeping our skies as safe as possible—including in its current configuration, which is the product of those rigorous Labor government reforms in 2009. This bill does not change that structure, which is why we support it. As I said, in this context the bill is a continuation of the parliament’s bipartisan approach to aviation safety, an approach that has served us well over the years.

I will, for anyone interested, be running a sweep as to which two National Party cronies get appointed to this committee and I look forward to suggestions. But I do commend this bill to the Senate.
Senator FAWCETT (South Australia) (13:22): I was planning just to make some plain remarks about the Civil Aviation Amendment (CASA Board) Bill 2014. After Senator Conroy's contribution, however, first I have to say that there is only one thing more stupid than a senator who claims to wear red underpants on his head—and that is someone who comes in here without having done his homework and then makes crass party political comments about an issue that had its origins in a Senate inquiry that was supported by all parties. His own people led an inquiry into both the ATSB and CASA, and the recommendations that flowed from that were for improved governance of CASA—including getting aviation experience, both technical and operational, on the board. The former government, who did not bother to respond to that Senate report prior to the proroguing of parliament, have let the country down by now turning around and taking a crass political approach to this. Senator Conroy should have taken the time to speak to senators on his own side in order to understand the background to these changes.

In the election policy put forward by the coalition, we had already started to respond to the recommendations of that report. Two key measures were flagged. One was this change to the CASA board. In the minister's second reading speech he made it very clear that, as recommended by the report, these additional members will have operational and technical experience in the aviation industry. That will enable the board of CASA to, in an informed manner, set a strategic direction for the nature of the regulator and will also enable the board to hold the organisation to account for its delivery of that role.

Far from being a jobs-for-mates thing, as Senator Conroy just asserted, this change to the CASA board has its origins in an inquiry undertaken when the Labor government was in power. That inquiry was supported by all sides—Senator Xenophon, Labor, ourselves—and it recommended that the board should have technical and operational experience. If Senator Conroy had done his homework, he would have been able to provide a far more informed contribution to this debate, as opposed to giving a speech that was about as stupid as wearing red underpants on his head—his previously stated preferred position.

The coalition is putting this measure in place now because one of our other election commitments was to have a review of CASA's approach to regulation and regulatory reform. Again, this was highlighted in the inquiry into aviation accidents. So the coalition government has pre-empted the fact that it needs to have that inquiry into regulatory reform. The actual recommendation was that it should perhaps be a Senate inquiry, but what the government has said is: 'No, we will get an independent panel, including a well-respected Australian member as well as international members from the UK and Canada, to look at regulation in Australia—how the regulator is performing and what changes are perhaps required.'

When those recommendations are received, we want to have in place a CASA board that has the experience—not just the broader corporate experience that people like the current chair and others bring but specific technical and operational aviation experience—to look at the recommendations of the ASSR panel and make appropriate recommendations to government. Having that expertise will also enable the board to look at the recruitment of a new CEO or director of safety for CASA who will be able to implement the strategic direction the board wishes to set.

One of the problems we have had to date is that, because people have appointed directors in the absence of that ongoing strategic direction, we have had direction being set by a
personality—regardless of which director we are talking about. Is it a big regulator? Does it impose regulations with a big stick? Is it a consultative regulator? Is priority put on education and empowerment of industry? In recent years we have seen a large swing in how the regulator approaches its role and its engagement with industry. For the benefit of the industry, and to make it both safe and sustainable, we need a consistent strategic direction. In its election commitments, this government, in responding to the thorough Senate inquiry—and I am very pleased to see on the Notice Paper that the government will be tabling a response today—looked to put in place the enabling capabilities to make sure that the review of aviation safety is handled in a way that starts to give that longer term strategic direction for CASA.

Senator Conroy said that there have been no concerns with CASA or ATSB, that they have done an exemplary job. He clearly has not done his homework and looked at the Senate report. That report made headlines around the country because it said that there were problems. It is clear from the number of submissions that have come into the review being headed up by David Forsyth that the industry also recognises that there are issues. The faults are on both sides. It is not all CASA's fault. But has the organisation been an exemplary regulator in how it engages with industry? Has it recognised not just the need for the industry to be safe but the need for it to be sustainable as well? The answer to those questions, both from the Senate report and from the nature of submissions coming into the inquiry, is clearly no. The Productivity Commission has just released their suggested audit framework for regulators. That is going to be an interesting template against which to look at the approach that CASA has taken and the recommendations that come out of the review by David Forsyth.

This bill enacts one of the election commitments of the coalition, a commitment which, contrary to the accusations from senators opposite, is not about party political jobs for mates. It had its origins in a Senate report that called for better governance—governance informed by operational and technical experience. It is my pleasure to commend this bill to the Senate.

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (13:29):
This session on Thursday is normally for legislation that is not controversial in nature, but I will have to take this opportunity, however, to respond to some of the comments by Senator Conroy. His profoundly inappropriate and baseless comments concerning the former member for Indi and close friend of mine Sophie Mirabella, were clearly an attempt to goad members of the government and I am not going to dignify them with a response.

His comments about the National Party and CASA, however, betray his own mindset and the way in which he and the Labor Party actually treat important government instrumentalities. When we look at the behaviour of the Labor Party, and in particular might I say, Senator Conroy, the thuggish behaviour, the slurs and slanders he clearly delivered—because he had not had his attention this morning or he had just had some jellybeans out of Senator McEwen's office and so he got a bit of a sugar hit—about the National Party were just completely disassembled there by Senator Fawcett's contribution and his great technical knowledge in this area and his involvement in the Senate inquiries.

Let us also turn to Senator Conroy's own behaviour. When he was organising the NBN, no less than a person who is a former Queensland secretary of the ALP who had to resign in disgrace from parliament, Mr Mike Kaiser, suddenly landed himself a corporate affairs gig where, apparently, a member of the Labor Party and Senator Conroy's own faction, had to be
paid near $½ million to lobby Senator Conroy to create the biggest white elephant in Australian history. Senator Conroy loved to compare the NBN to the Snowy scheme, as did many of those opposite. If indeed it was anything like the Snowy scheme, we would still be building the Snowy scheme. The people of Tumut would still be waiting for dams to be finished. Senator Conroy's great white elephant, as every transparent audit since the change of government has shown, betrays his desperation to divert attention from that.

Senator Conroy's form on jobs for the boys has been excellent even by Labor standards. Remember, this is an organisation that gave its own members money. I have read out a list before in the Senate of grants that ministers of the Labor Party gave to organisations and unions affiliated to the Labor Party, sometimes their own factions, who then paid money—completely separately of course from a different pot of money—to the Labor Party in affiliation fees or donations or in campaign expenditure. If you did that in the corporate world, I think you would end up going to jail. It is effectively a case of political money laundering that the Labor Party is expert at—jobs for the boys and granting money to unions under the rubric of training. Every business in Australia of course is responsible for its own training, but not the trade union movement. We have got to give them some money and then of course they can make their hundreds of thousands of dollars of donations. That is the sort of thing that this government will stop.

Finally, I have to turn to Senator Conroy's sledging of a former member of this parliament and of the National Party. Quite frankly, all I will say is that Senator Conroy's lack of respect for institutions and respected people in Australia was shown in this place only a few weeks ago. He put on a performance that, quite frankly, embarrassed this parliament. It embarrassed me as a member of this parliament when he attacked without foundation Mr Ziggy Switkowski purely in an attempt to divert attention from his own utter, complete and now obvious-to-all failings in exercising any oversight on behalf of the taxpayer over the NBN.

Then of course there was one of the more outrageous examples I think anyone can remember in this parliament, his attack—and he has still refused to apologise—on Lieutenant General Campbell in Senate estimates hearing later that same week. That was the performance that I know most members of this parliament were, quite frankly, embarrassed by. One can always ask questions without sledging. One can always ask questions without character assassination. But what Senator Conroy did merely to divert attention from other things that day was to attack a respected person whom I have seen members of his own party walk up to and apologise to in airport lounges. But not Senator Conroy—he is too big for that. He is too big to admit that he will apologise.

But turning to the last act, his allegation regarding funding cuts. Those funding cuts were from the 2013 budget. Those funding cuts that Senator Conroy was talking about are Labor's funding cuts. Those funding changes were in the forward estimates of the budget brought down less than 12 months ago when those opposite were sitting on this side. I did not see Senator Conroy complaining at that time. He may have expressed outrage in caucus in the same way he behaved in Senate estimates committees, but I did not read about it, which was odd at that time as their caucus was a little leaky. Senator Conroy stood here. He sledged people, he sledged institutions, as he has for the last few weeks, and he did not even know what he was talking about, that these were Labor's own funding cuts.
This bill represents one of a number of initiatives being implemented by the government to strengthen the nation's independent aviation safety regulatory agency, CASA. The government will use the amendments provided for by the bill to add aviation experience to strengthen the board's operations. I appreciate the bill has bipartisan support and I thank senators for their contribution and commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Smith) (13:35): As no amendments to the bill have been circulated, I shall call the minister to move the third reading unless any senator requires that the bill be considered in Committee of the Whole.

Senator RYAN (Victoria—Parliamentary Secretary to the Minister for Education) (13:35): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

PERSONAL EXPLANATIONS

Senator CAMERON (New South Wales) (13:36): I seek leave to make a short comment.

The ACTING DEPUTY PRESIDENT: Leave is granted for two minutes.

Senator CAMERON: I rise to make some brief remarks about comments I made in the chamber yesterday. As Hansard records, I quoted Mr Alon Liel, former director-general of the Israeli Ministry for Foreign Affairs in relation to peace talks between Israel and Palestine. I take this opportunity to reaffirm that I think anti-Semitism is abhorrent. I condemn it without qualification. If anyone tries to indicate that I was in any way anti-Semitic in my speech yesterday, I would call on them to read my speech and clearly understand that I was quoting the former director-general of the Israeli Ministry of Foreign Affairs. I would also point out that Labor will oppose any efforts by the government to repeal section 18C of the Racial Discrimination Act, which has protected the Australian community from racially motivated hate speech for 20 years. I will continue to advocate on behalf of the Palestinian community, who have suffered terrible hardship over many years. I support the two-state solution and will continue to raise these issues in parliament.

BILLS

Minerals Resource Rent Tax Repeal and Other Measures Bill 2013

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator TILLEM (Victoria) (13:38): I rise to make a contribution on the Minerals Resource Rent Tax Repeal and Other Measures Bill 2013. We are not here because of sound economic policy, sound social policy or sound policy of any description. The chamber is being asked by the Liberal-National government to abolish the minerals resource rent tax. In doing so, the coalition is asking us to short-change generations of future Australians so that
the coalition can implement its election slogan. The commitments made by this government during the election were based not on any research, policy or wide-ranging analysis of what is good for the country but rather on what they could do to get into government at the time. One of these commitments was to scrap the mining tax. It was a three-word slogan that had no policy substance.

The contrast between this side of the chamber and those on the other side could not be starker. On one side we have those that believe all Australians should receive their fair share of economic benefit from our rich endowment of natural resources, while on the other they intend to leave the majority of people across Australia out in the cold. It would seem that those opposite believe that the wealth that comes from the soil we all own should be enjoyed by a minuscule minority. They would have us believe that leveraging a boom in our natural resources to invest in education, infrastructure, superannuation and small business is somehow a bad thing.

This is the con I will talk about today. The coalition intend to deny the Australian people these investments by selling them a duplicitous message that the MRRT will somehow put the mining industry to slaughter, while at the same time they benefit from the largesse of the mining industry. We on this side of the chamber will not be falling for it. It is important to look both at what this nation stands to lose and at what the coalition stand to gain if this repeal bill is passed. It is important that we examine the benefits of the MRRT as well as its strength as a tax. It is important that we analyse the motives underpinning the coalition's desire to abolish it.

The minerals resource rent tax is designed to reap the benefits of the mining boom and spread them fairly across Australia. The MRRT does this in several ways. Firstly, it funds an increase in superannuation for low-income earners. This is sound public policy in every way. As the population ages it will be low-income earners that are more reliant on the age pension, putting an even greater burden on the public purse and hampering the government of the day's ability to invest in infrastructure and other vital services. By using profits from the mining boom to increase super contributions for low-income earners, we are able to reduce their dependency on social welfare during their retirement years. This is a long-term policy that will reap immense social and fiscal benefits for the government over the coming decades. These benefits are underpinned by around $2.7 billion worth of investment in superannuation enabled by the funds raised by the MRRT. Indeed, by spending now we are able to save money in the future by enabling low-income Australians to be more independent in their retirement.

Secondly, the MRRT is being used to fund the schoolkids bonus, which is designed to give families $410 per primary school student and $820 per secondary school student in order to help parents pay for the needs of their kids' education—things like books, school uniforms and computers which aid students' learning. It is a policy aimed at reducing the cost-of-living pressures associated with the vital need to educate this nation's kids. By targeting middle- to low-income earners, this policy is effectively means-tested. As such, funds raised by the MRRT to be spent on this scheme are spent in an efficient and targeted way. As a government we identified those Australians most in need of a helping hand with expenses regarding their kids' education and devised a revenue mechanism capable of underpinning such a policy.
Added to this, the funds raised from this tax permitted our government to embark on other bold policies, all of which were aimed at improving the lot of ordinary Australians—something the coalition talk about a lot for the purpose of politicking but something they simply do not believe in. Indeed, their actions speak louder than their flimsy rhetoric—

**Senator Edwards:** Are you kidding me?

**Senator TILLEM:** No, I am not, Senator. MRRT revenue was being put to use in establishing the regional infrastructure investment fund and the Regional Development Australia Fund. The Labor government was taking revenue raised by the mining boom and putting it back into rural and regional communities. This ensured that, when these mining projects wound down, such communities were not being left out in the cold. These investments totalled more than $2.6 billion over the next decade. By anyone’s measure, this is a substantial amount of investment in rural infrastructure that has been flushed down the drain by the coalition.

The National Party, the alleged party of rural communities, were complicit in this decision. It is a shameful act that shows little regard for the needs and desires of their constituents. Because of their subservience to the Liberal Party, clearly the arrogant big brother of the coalition, the National Party are throwing countless rural communities onto the economic scrap heap, depriving them of the infrastructure they need to develop both their communities and their economies. That the National Party can be so narrowly focused on the big end of town rather than their own backyard proves how irrelevent they have become when it comes to making the big calls that will have a genuine widespread and positive effect on their constituencies.

Though the National Party is guilty of holding its constituents in contempt, so too is the Liberal Party, the supposed guardian of small business. The MRRT permitted a $5,000 instant asset write-off for small business. It meant that the government was there, well and truly supporting the needs of small business to reinvest in their enterprises. The Liberal Party’s desire to scrap the MRRT will reduce the instant asset write-off from $5,000 to $1,000. This means that small business is now five times worse off under the coalition.

Overall, it is projected that the abolition of the MRRT will suck almost $14 billion worth of investment from our economy across a range of areas, including small business, working families, infrastructure developments, social welfare and superannuation. We had in place a mining tax policy that distributed wealth across a wide range of economic sectors; it did not favour one over another. It is equitable; it is fair; it is intelligent. This is why it is so baffling that the Liberal-National coalition wishes to rip all of this up. It is baffling that the coalition is prepared to preserve a similar tax, the petroleum resources rent tax, but not the MRRT. This is a dubious double standard—

**Senator Back:** It is totally unrelated.

**Senator TILLEM:** It is not unrelated. It is exactly the same tax operating the same way. The petroleum industry did not pack its bags and leave this country; as a matter of fact, it is prospering. It is a fallacy. Why do the Liberal-National coalition support a tax which effectively works the same way as the MRRT but applies to petroleum-based natural resources rather than other minerals like coal and iron ore? What is the difference? The two...
tax mechanisms are virtually the same. It is a complete contradiction that defies common sense. Why do the coalition wish to ignore the needs of the majority of Australians?

This government can ignore the needs of most ardent bases of support, in favour of one of the wealthiest economic minorities not just in Australia but in the world. It is an act of shame that eludes description. For the National Party there are two possibilities: either they would rather keep the mining industry happy by securing its already bulging back pockets than build roads, rail and other infrastructure in rural communities for predominantly National Party voters; or the National Party are so irrelevant that they now completely lack the ability to stand up to their so-called mates in the Liberal Party, even if this means cutting the throats of their own constituents.

Comparatively speaking, however, the answer regarding the Liberal Party is much clearer. Put simply, the Liberal Party would rather collect its campaign donations from the mining industry than better enable small business owners to invest in their enterprises.

Senator Ryan interjecting—

Senator TILLEM: To put things into perspective, it has been reported that mining industry donations to the Liberal Party quadrupled, Senator Ryan, from 2009 to 2010—around the time the MRRT was announced. This figure has reportedly climbed by another 50 per cent, to reportedly sit around the $3 million mark. Clearly the Liberal Party sees this as being more valuable than the interests of Australians. If this is not a slap in the face to Australians then I do not know what is. This government has made it clear that it values the wants of the few well and truly above the genuine needs of the many. It does this because it benefits from being the mining industry's sacred keeper. It offers a service to the mining industry by protecting its exorbitant profits and is remunerated handsomely in the form of campaign donations. This is a government that clearly puts the needs of its party ahead of the needs of the Australian people.

The motivation behind abolishing the MRRT is something that the government has not come clean on. It is refusing to acknowledge the fact that this resources boom is an ephemeral phenomenon that will ultimately come to an end. It thinks that it can cash its cheques from the mining industry now and worry about the ramifications later. It is the boom that has put billions and billions of dollars into the coffers of the mining companies, who are about 80 per cent foreign owned. Consequently, we have a once-in-a-lifetime opportunity to get our policy settings right in order to maximise the benefits we are able to reap from this resources boom. It is here now, it will not be here forever and it will not come again. It is because of this that leveraging the mining boom through an appropriate taxation scheme is an absolute imperative for any sensible government interested in governing for the long-term benefit of all Australians.

These resources, such as coal and iron ore, can only be mined once. They are raw materials that cannot be replenished. Though we are currently the beneficiaries of our mineral wealth, once this wealth has been exhausted we will be unable to capitalise on such an opportunity ever again. It is vital that we as a country do not shy away from this opportunity. It is vital that instead we harvest the wealth of the mining boom and plant the seeds of growth and opportunity in other parts of our economy to prepare for the day that our economic success can no longer be supported so strongly by the mining sector.
To put things into perspective, Geoscience Australia estimates that minerals exports accounted for over $150 billion worth of our exports, or over 50 per cent of total exports in the year 2011-12. Though there may be short-term uncertainty over international demand for our mineral wealth due to global economic fluctuations, one thing is certain: Asian nations will continue to develop and will continue to call upon us to provide them with the raw materials they need to facilitate this. This means that in the longer term we can expect the value of our mineral exports to continue to rise. As such, it should be incumbent upon governments of all persuasions to see that this wealth is distributed across Australia so that each and every one of us is able to benefit from the natural advantages we have been blessed with.

Though the prosperity stemming from our mining industry appears to be capable of running for years yet, it will ultimately come to an end. This could occur due to several possible reasons. Firstly, growth in Asia will reach a critical mass where it then stabilises, reducing demand for our raw materials. Secondly, technological advances in energy production and synthetic materials could reach a point where traditional raw materials such as coal and iron ore are no longer required. And, thirdly, whether we like it or not, our own mineral resources will inevitably be depleted to the point where we are no longer able to mine them. Therefore, we must—pardon the pun—strike while the iron is hot. If not, we will rue the day that, having had all of our mineral resources depleted, we have little, if anything, to show for it in terms of developing our own economy.

Those opposite would argue that the MRRT places mining operations in this nation at a competitive disadvantage. They scream that it is a 'great big new tax on mining' and they accuse us of putting mining operations out of business. These arguments all exist well and truly beyond the realm of fact and reason. We know that, unlike other enterprises, mining operations are allocated according to the location of a given mineral resource. In other words, a mining operation can only be established where there is something to mine. This fact immediately excludes a vast section of the globe from being competitive in the mining sector. A report conducted by the Australian Bureau of Agricultural and Resource Economics in light of the Henry tax review concluded that governments should not reduce taxation rates to compete for mining investment and said, 'Potential rents to be earned from the deposit are specific to a particular location.' This suggests to us that Australia has an immense competitive advantage in the international market due to the quantity, quality and accessibility of our mineral resources. I urge senators to read the report.

This same report stated that international reductions in mining royalty rates around the world during the 1980s and 90s did little to attract additional mining investment. Let me repeat that: increases in mining taxes did not result in a reduction in mining investment. I again urge senators to read the report. The report suggested that the relationship between taxation and mining is at best limited in their association with international competitiveness. Indeed, though never acknowledged by the coalition, many other mining countries around the world are introducing profits based taxes on mining operations. These countries include Brazil, Chile, Peru and India, while other nations such as Congo, Ghana, Mongolia and even the United States have also increased their own tax and royalty regimes on mining operations. In looking at this evidence, for the coalition to argue that Australia is unique in its efforts to leverage benefits from the mining boom is a furphy.
With that said, it is important that we identify other factors affecting competitiveness in the mining sector. The other major factor is sovereign risk. Put simply, the stability of governments around the globe is a major factor affecting mining enterprises establishing operations in a given location. Mining companies are clearly less likely to establish a mine in a country they deem unstable, where such instability has the potential to affect not only the viability of a mine but even its existence. By this measure, Australia clearly possesses a competitive advantage. We have a stable system of government where physical and political risks to mining enterprises are largely non-existent, making us an attractive option for investment from a mining perspective regardless of what those opposite might say.

Finally, there is one point I would like to make in this chamber. Though those opposite like to pat themselves on the back and call each other economic gurus, these gurus have never acknowledged flaws in the way mining operations are taxed as an alternative to the MRRT.

Government senators interjecting—

Senator TILLEM: There are many gurus yelling across the chamber. Mining operations have for some time been taxed at a state government level through a system of royalties.

Senator Heffernan interjecting—

Senator TILLEM: It's good to see that the senator opposite has woken up from his slumber! In Western Australia minerals extraction is taxed by a system of ad valorem and specific-rate royalties which return about 10 percent of the mine-head value of the resource. In Queensland a similar tax regime exists except that it is made more complicated by a sliding scale of taxation which is dependent upon the actual mineral being extracted. Both systems are undeniably problematic. Such royalties are completely inflexible in that they tax a mining enterprise regardless of how profitable it is at a given time. How can the coalition attack the MRRT while accepting a royalty regime as indiscriminate and clumsy as this?

Unlike these royalty regimes, the MRRT, as we know, applies to mining enterprises only during a specified band of profit. If an enterprise is unprofitable at a given point in time, it will be excluded from paying the MRRT. It is because of this that the MRRT is a tax that actually cushions mining enterprises from the perils of harsh and unreasonable taxation. Yet, unfortunately, there has never been any acknowledgement— (Time expired)

Senator IAN MACDONALD (Queensland) (13:58): I thank Senator Tillem for that speech and I wonder if we could borrow a copy of it so I could make it available to the good voters of Western Australia for next Saturday week!

Today we have seen the Labor Party knock off a bill to knock off the carbon tax, the tax that cost so much and which is so important to the state of Western Australia. Here they are wanting to retain the mining tax that is so debilitating to jobs in Western Australia. I cannot believe that the Labor Party have any interest in winning senators from Western Australia, because these two actions to retain the carbon and mining taxes are very bad news for the people and economies of Western Australia. I hope Western Australians are watching.

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): I inform the
Senate that Senator Cash, the Minister Assisting the Prime Minister for Women and the Assistant Minister for Immigration and Border Protection is absent from the Senate today because of personal reasons. For the purposes of question time I indicate that Senator Payne will represent the Minister Assisting the Prime Minister for Women and Senator Brandis will represent the Assistant Minister for Immigration and Border Protection.

QUESTIONS WITHOUT NOTICE

Sinodinos, Senator Arthur

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:00): My question is to the Minister representing the Prime Minister, Senator Abetz. Will Senator Sinodinos remain stood down until both ICAC anticorruption investigations examining his behaviour, Operation Credo and Operation Spicer, are concluded?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:01): Can I correct the Leader of the Opposition in the Senate. Senator Sinodinos has not been stood down. Senator Sinodinos stood aside on a voluntary basis, of his own volition—a decision that we on this side regret but respect. As Senator Sinodinos has indicated, it is his intention to continue to perform his duties as a senator for New South Wales and he has also indicated his intention to forego ministerial entitlements during this period.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:02): I invite the minister, perhaps on notice, to come back with an answer to the question about whether it is for the period of both Operation Credo and Operation Spicer. My supplementary question is: when did the Prime Minister become aware that Senator Sinodinos's conduct was the subject of two ICAC investigations? Was it before or after he appointed him to the Treasury portfolio?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:02): Once again I correct the Leader of the Opposition in the Senate: Senator Sinodinos is not the subject of an investigation; he is a witness who is willing to assist the inquiries in relation to those matters that have been put before it.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:03): Mr President, I ask a further supplementary question. I again invite the Leader of the Government in the Senate to respond on the question as to when the Prime Minister became aware that the conduct of Senator Sinodinos was the subject of two ICAC investigations? I also ask: given that the Wall Street Journal yesterday was told by the former Assistant Treasurer that he would 'soldier on' rather than stand aside, can the minister advise what new information was disclosed to the Prime Minister that resulted in the Assistant Treasurer vacating the front bench?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:03): Once again, a lot of nonsensical supposition in the Leader of the Opposition in the Senate's question.

Senator Wong: I am quoting!
Senator ABETZ: The question was about new information being provided to the Prime Minister's office.

Senator Wong: So what changed?

Senator ABETZ: 'What changed?' is the interjection, and I am willing to take it, Mr President, disorderly though it be.

The PRESIDENT: Interjections are disorderly!

Senator ABETZ: What changed was very clearly Senator Sinodinos coming to his own decision that, for the benefit of the government and for the country, to which he is absolutely committed on the basis of his previous lifelong service to the Australian people, that he would step aside to ensure that the sideshow—

Opposition senators interjecting—

The PRESIDENT: Order! Senator Abetz, you are entitled to be heard in silence. On my left! Order! Senator Abetz is entitled to be heard in silence.

Senator ABETZ: Senator Sinodinos was concerned to ensure that the sideshow that had developed here would not distract from the fundamental task confronting the government to get rid of the carbon tax, to get rid of the mining tax and get the economy back— (Time expired)

Carbon Pricing

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (14:05): My question is to the Minister representing the Minister for the Environment, Senator Cormann. I refer the minister to the fact that the carbon tax has a huge negative impact on business and on jobs while being of negligible if any benefit to the environment. Can the minister inform the Senate why scrapping the carbon tax is particularly important to the constituents of my great state of Western Australia and what support there is for scrapping the carbon tax from major figures in my Western Australian community?

Senator CORMANN (Western Australia—Minister for Finance) (14:06): I thank Senator Back for that question. We on this side of the chamber, of course, have said consistently for a very long time that the carbon tax is a bad tax. It is bad for the economy, it is bad for jobs and it does nothing to help reduce global greenhouse gas emissions; it just shifts them overseas. We know, of course, that we have had some very high level support from very senior people in the Labor Party over the years for that proposition, none more so the former Prime Minister Julia Gillard who, in the shadow of the 2010 election, said, 'There will be no carbon tax under a government I lead.'

Senator Lines interjecting—

Senator CORMANN: Senator Lines has invited me to remind the chamber that Senator Pratt—she who cannot be found in this chamber all week—went to the last election in Western Australia and said that Kevin Rudd and Labor had removed the carbon tax. Then we had Senator Bishop, who said after the election that the carbon tax is bad and Labor should drop it. Very sensible, Senator Bishop, and very sad that you are not contesting the next election.

Today, on the day the Labor Party votes against our legislation to scrap the carbon tax, we have had another Labor luminary come out into the public debate. There is a gentleman who
might not be well known to the chamber: Joe Bullock. He is the Don Farrell of the Labor Party in Western Australia. This is what he had to say in *The West Australian* today: 'Labor is scrapping the carbon tax.' This is taking things to a new level. We used to have the Labor Party saying one thing before the election and doing the other straight after the election. Now we have the Labor Party saying one thing before the election and doing the exact opposite on the very same day that the statement is made. The Labor Party is clearly totally confused. It is time that the good people on the right side of the Labor Party stood up for what is in the national interest. *(Time expired)*

**Senator BACK** (Western Australia—Second Deputy Government Whip in the Senate) *(14:08)*: Mr President, I ask a supplementary question. Can the minister inform the Senate of any impediments to the government's plans to repeal the carbon tax?

**Senator CORMANN** (Western Australia—Minister for Finance) *(14:08)*: The main impediment, of course, is the Australian Labor Party. I said before that the carbon tax is bad for the economy and bad for jobs while doing nothing for the environment, but clearly the carbon tax is bad for the Australian Labor Party too. It does very strange things to the Labor Party. Generally when we approach an election it creates a bit of a virus. That is when the Labor Party says, 'Us too! Us too! We are against the carbon tax too!' But on the very day when the Labor Party, here in Canberra, votes in this chamber to block our attempts to free the Australian people from the impost of the carbon tax, to bring down the cost of living for families and pensioners—in particular in my home state of Western Australia—by voting to keep the carbon tax, their lead candidate, he who cannot be found anywhere in Western Australia, whereas Senator Pratt cannot be found anywhere here in the chamber, comes out and says on the public record that Labor is scrapping the carbon tax. *(Time expired)*

**Senator BACK** (Western Australia—Second Deputy Government Whip in the Senate) *(14:10)*: Mr President, I ask a further supplementary question. Can the minister inform the Senate of the consequences for my home state of Western Australia of any delay in repealing the carbon tax?

**Senator CORMANN** (Western Australia—Minister for Finance) *(14:10)*: A delay in scrapping the carbon tax means that electricity prices will be higher than they otherwise would be. It means that the cost of living for families and pensioners will be higher than it otherwise would be. It means that the cost of doing business in Western Australia will be higher than otherwise would be. And of course we know that Senator Bishop, Senator Sterle, Senator Pratt and that likely wannabe Senator Joe Bullock all want Labor to get rid of the carbon tax. Why doesn't Labor get out of the way and let us do the right thing in the national interest? We know that Bill Shorten privately and in his heart would like to scrap the carbon tax, but clearly he is not strong enough to stand up for the national interest. He is not strong enough to stare down the Greens and people like Kim Carr and Senator Wong—the left of the Labor Party—

**The PRESIDENT:** Order! You need to refer to people in both places correctly by their title.

**Senator CORMANN:** It is clear that the Leader of the Opposition is not strong enough to stare down people like the member for Pyongyang—sorry, the senator for Victoria on the other side—and it is time that he— *(Time expired)*
Mental Health

Senator STERLE (Western Australia) (14:11): My question is to the Assistant Minister for Health, Senator Nash. I refer the minister to the Prime Minister's pre-election promise that, 'No cuts to health means no cuts to mental health.' Given that one in five Australians will at some point suffer from a mental illness, can the minister guarantee to the Senate that there will be no cuts to front-line services in mental health?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:12): I thank the senator for his question. I think there is no doubt that it is we on this side of the chamber who have the commitment to front-line services. Indeed, it is this government who have said that we are going to ensure that the commitment is to front-line services, that funding goes to where it is needed, and where it is needed most is those front-line services. Very clearly, mental health is a very important issue, particularly in rural and regional areas such as where I am from, as Senator Sterle would well know. This government will adhere to ensuring that the delivery of mental health services is done and that that delivery goes to front-line services. That is where the need is.

It is interesting that we are getting questions in this area from those on the other side, because when we look at their record on health and when we look at the fact of the three supposed historic health agreements—

Senator Moore: Mr President, I raise a point of order on relevance. The question was specifically about a guarantee of funding.

The President: I cannot tell the minister how to answer the question. The minister still has 57 seconds remaining to address the question.

Senator NASH: I was very clearly answering the question in stating the fact that this government's focus is going to be ensuring the delivery of front-line services, which includes mental health. That means ensuring that those services are available right across the nation, particularly to those in rural and regional communities. So indeed I am answering the question, Mr President.

When we look at the health record of those opposite, it becomes a stark contrast as to which side of this chamber is properly going to deliver health services for the regions and indeed the nation as a whole.

Senator STERLE (Western Australia) (14:14): Mr President, I ask a supplementary question. I refer the minister to the review of mental health funding promised by the coalition during the election. Can the minister guarantee that Partners in Recovery, a service that provides families and carers with a way of ensuring care for individuals that can be tailored to individual needs, will be safe from your chopping block?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:15): As the senator would know, there is no chopping block, and I certainly disagree with the assertion that the senator has made. Senators would be well aware of the economic situation that the previous Labor government has left for this nation. The government is considering future directions for a range of programs, as those on the other side well know. Unlike the previous government's—
Senator Moore: Mr President, I rise on a point of order, again in terms of direct relevance. This question was particularly about the Partners in Recovery program. Could you draw that to the attention of the minister?

The PRESIDENT: I cannot instruct or tell the minister how to answer the question. The minister is addressing the question and still has 31 seconds remaining to address the question.

Senator NASH: As I have indicated to the Senate, the government is considering future directions for a range of programs. We are doing so because, unlike the previous government's record of waste, economic management and ill-thought-through policy on the run, this government—

Senator Moore: Mr President, I again rise on a point of order going to relevance. After the last point of order particularly pointed out Partners in Recovery—

Honourable senators interjecting—

The PRESIDENT: Just wait a minute, Senator Moore. There is discussion going on across the table in front of me, as well as across the chamber, which is disorderly.

Senator Moore: In regard to relevance, Mr President, after the last point of order particularly pointed out Partners in Recovery, we now have 11 seconds and we have not heard about that program.

The PRESIDENT: Again I say that I cannot tell the minister how to answer the question, but the minister has 11 seconds remaining to address the question.

Senator NASH: I can indicate to the chamber that this government will be honouring all our commitments in relation to health, and we will be ensuring delivery to services where it is needed. (Time expired)

Senator STERLE (Western Australia) (14:17): Mr President, I ask a further supplementary question. Minister, why won't the government release the Commission of Audit until after the Western Australian Senate election? What cuts to mental health are you hiding?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:18): The matter of the timing of the release of the Commission of Audit was canvassed yesterday in this chamber, I believe, and the government is considering the report from the Commission of Audit. As those on the other side would know, the Henry tax review was considered 'for my eyes' by the previous Labor government, for a period of six months, as I understand it. So we will be ensuring the proper consideration of the Commission of Audit, and the proper processes will be followed in terms of releasing it.

Future of Financial Advice

Senator WHISH-WILSON (Tasmania) (14:18): My question is to Senator Cormann, in his capacity as acting or temporary Assistant Treasurer. Reserve Bank Assistant Governor Malcolm Edey recently made the following comment regarding risk management to help avoid another global financial crisis:

For regulators, that means holding financial players to better standards of probity and prudence than prevailed in the past.
This was backed by comments from Charles Littrell, the executive manager of APRA, who said:

If you show me a country where the politicians listen to bankers more than they listen to regulators, I will show you a country which is guaranteed to have a banking crisis.

Is this Liberal-National government still pursuing Senator Sinodinos's unpopular amendments to the future of financial advice legislation, supported only by the big banks in the financial services industry, by removing protection for consumers and subjecting them to more risk in financial investment?

**Senator CORMANN** (Western Australia—Minister for Finance) (14:19): I thank Senator Whish-Wilson for that question. With all due respect to the senator, he is mixing up a whole series of different concepts that are actually in different buckets. Let me just make a first point. Regulators like regulating, and if you leave regulators to their own devices they will always find a way to make things more stable and more safe. In the end, it will be so safe that none of us will move. Of course, in an economy that we want to grow, it is a matter of getting the balance right. You have got to make sure that you get the balance right between sensible regulation and making sure that economic activity can continue to happen in an efficient way. Of course, the banks, our financial institutions and so on play very important roles as facilitators in the economy, and it is fair to say, in the context of the global financial crisis, that the banking sector and the financial services sector in Australia actually performed very well.

When it comes to the future of financial advice changes, Labor, when in government, used the cover of the global financial crisis and the Storm Financial collapse to pursue a whole range of vested interest agendas that were very close to the heart of the union-dominated industry funds to essentially impose excessive, costly, unnecessary red tape, which makes—

*Opposition senators interjecting—*

**The PRESIDENT:** Senators on my left, order! It is Senator Whish-Wilson's question. He is entitled to hear the answer without your interjections.

**Senator CORMANN:** Our commitment in relation to financial services is to ensure that we get the balance right between appropriate levels of consumer protection and making sure that access to high-quality financial advice remains available and affordable. We said in opposition that Labor went too far and imposed too much costly red tape, pushing up the cost of doing business and pushing up the cost of advice for consumers, which led to increased concentration and lessening of competition in the financial services sector. These are all things that are not in the public interest. We are restoring some balance in the regulatory arrangements for the financial services—*(Time expired)*

**Senator WHISH-WILSON** (Tasmania) (14:22): In reflecting on whether we got the balance right in this country, Senator Cormann—

**The PRESIDENT:** You need a question.

**Senator WHISH-WILSON:** Considering that some financial advisers who recommended investments in collapsed forestry MI schemes received commissions of up to 10 per cent on each investment and that the structure of forestry MISs has been described as encouraging a type of Ponzi scheme where this year's fees are being used to pay last year's expenses, how will the government ensure that the repeal of the FoFA legislation does not revive the Liberal-
National Party's systemic failed model of managed investment schemes in this country and especially in Tasmania's forestry and agricultural sectors?

**The PRESIDENT:** Order! That is not the way I will respond to anything. It is disorderly.

**Senator CORMANN** (Western Australia—Minister for Finance) (14:23): Again, Senator Whish-Wilson is mixing up a whole series of different concepts here. Let me make the general point up front that the most stringent regulation is not going to eliminate criminal or fraudulent activity across Australia. You cannot regulate for a perfect world. If you are going to try to regulate for a perfect world, nobody is going to do anything. The second point I would make is that, for example, the so-called opt-in requirement legislated by Labor, forcing people to re-sign contracts on a regular basis with their financial advisers, would have done nothing to prevent the Storm Financial collapse. Storm Financial clients were actively engaged with their financial services provider but they were getting bad, inappropriate advice. The costly imposition of additional red tape on business and additional red tape on consumers, leading to increased concentration in the financial services market, would not actually improve the situation. Change is only good when it makes things better. *(Time expired)*

**Senator WHISH-WILSON** (Tasmania) (14:24): Mr President, I ask a further supplementary question. The National Farmers' Federation has stated:

… current MIS structures do not promote sound investment decisions in rural and regional areas, and as such have created a distortion of land values and/or commodity markets.

Minister, in light of this will you reconsider the tax engineering and dodgy Liberal-National Party industry development plans that underlie these schemes, beginning with a full review of MISs and the legislation surrounding them in the promised taxation white paper?

**Senator CORMANN** (Western Australia—Minister for Finance) (14:24): What I would advise Senator Whish-Wilson to do is to expand on his question with a submission to the tax reform white paper process. We will consider all of these sorts of suggestions among all of the submissions that are made.

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**National Disability Insurance Scheme**

**Senator FAWCETT** (South Australia) (14:25): My question is to the Assistant Minister for Social Services, Senator Fifield. During Senate estimates last month the community affairs committee heard that several reviews of the National Disability Insurance Scheme Agency had been commissioned by the agency board. Is the minister able to provide the Senate with an update on the status of these reviews?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:25): I thank Senator Fawcett for his strong interest in this area. I can advise the Senate that today I am releasing an independent review of the capability of the NDIS Agency, which is the body charged with delivering the National Disability Insurance Scheme. The capability review was commissioned by the board of the agency in response to my request in December last year for their assessment of the early operation of the scheme and the agency's capacity to plan and deliver full rollout. The review was undertaken by Mr Jeff Whalan AO, Dr Peter Acton and Dr Jeff Harmer AO. The findings of the capability review are both inspiring and sobering. They are inspiring because there are now several thousand Australians who are getting the better deal that they deserve. It is...
inspiring because the hardworking staff of the NDIS Agency have put in a herculean effort and achieved launch of the trial sites against the odds. But it is also sobering because the theme that runs through the report is that the decision by the previous government to bring forward by a year the commencement date of the trial sites has compromised key capabilities required to support and deliver the full scheme rollout. The review authors state:

The agency is like a plane that took off before it had been fully built and is being completed while it is in the air.

The review finds that the previous government's compressed time frame has been at the expense of planning for full scheme and has compromised the capacity of the agency to learn from the trial sites and to develop key capabilities.

Senator FAWCETT (South Australia) (14:27): Mr President, I ask a supplementary question. Can that minister expand on the findings of the review of the National Disability Insurance Agency which he has just released?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:27): I can, and I will quote directly from the review. It states:

The bringing forward of the commencement date, together with the results of compromises to the proposed design of the Scheme … has caused a large number of significant problems:

- The ICT system put in place was the best available at very short notice but is not fit for purpose
- the Board was not established until 1 July 2013.
- the data available from States is poorer than it would have been had there been time to cleanse it before commencement …
- the capability of the Agency is weaker than it otherwise would have been and the systems and processes to help ensure consistency of approach are less developed, and
- lack of clear guidance for staff on the way the Scheme operates, including eligibility and reasonable and necessary support.

These are the assessments of an independent review. It is a report to government, not of government. It could hardly have been more clear about the impact of the previous government's decision to bring the trial site commencement date forward. (Time expired)

Senator FAWCETT (South Australia) (14:28): Mr President, I ask a further supplementary question. Can the minister inform the Senate how the government and the NDIS Agency are responding to the findings of the independent review which he has just released?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:28): The review makes clear that the agency's foundations need significant work in order to deliver and sustain the full NDIS. In response to the capability review, the agency has developed an action plan and will provide further advice as to whether the current implementation timetable is consistent with a successful full scheme rollout. Let me be clear. Despite the challenges that we have inherited from the previous government, the coalition is absolutely committed to delivering the NDIS in full. We are determined to ensure that the NDIS is here to stay and that support gets to those who need it most. This is my sole objective when it comes to the NDIS, and that objective can only be
achieved by an honest assessment of the capabilities of the agency, an understanding as to why these issues have arisen, and a determination to lay sound foundations for the full national scheme.

**General Practice**

**Senator LINES** (Western Australia) (14:29): My question is to the minister representing the Minister for Health, Senator Nash. I would like to ask: has the Minister for Health asked his department to model the impact of a $6 GP tax?

**Senator NASH** (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:30): I thank the senator for her question. The government has not considered the introduction of a co-payment for Medicare services. I understand that there was some public comment around this issue which the senator may well be referring to, but I can indicate to the Senate that the government has not considered the introduction of a co-payment for Medicare services. Can I also indicate to the Senate that it is this government that recognises that Australians should have access to affordable, high-quality health care. It is this government, as opposed to the other side, that is going to consider measures and appropriate ways forward when it comes to health. Unlike those on the other side with their ill-thought-through policy on the run—

**Senator Moore:** Mr President, on a point of order. My point of order is about direct relevance. The question, I remind the minister, is about modelling of the impact of a GP tax.

**The PRESIDENT:** The minister has one minute and eight seconds remaining and I believe the minister is addressing the question. There is no point of order.

**Senator NASH:** I think I indicated very clearly to the chamber that the government had not considered it. But when we compare the record of those on the other side when it comes to health and that of this government, the absolute starkness of the contrast is there. Let's just for a moment perhaps look at the record of those opposite, as they are raising matters relating to health. Indeed, I think it was the Labor government that was—

**Senator Wong:** Mr President, I raise a point of order on direct relevance. The question was about whether or not the Minister for Health has asked his department to model the impact of a tax. If the answer is no, just say no. But this is nothing whatsoever to do with the topic of the question.

**The PRESIDENT:** As I have said repeatedly in this place, I cannot tell the minister or instruct the minister how to answer the question.

**Senator NASH:** As I have indicated to the chamber, the government has not considered it. When we compare the track record of those opposite to this government's, we can see a litany of waste, economic mismanagement and ill-thought-through policy by the previous Labor government. This government is not going to implement policy in the same way that the previous government did.

**Senator LINES** (Western Australia) (14:33): Mr President, I ask a supplementary question. What will the impact of this tax be on emergency departments in my home state of Western Australia?

**Senator NASH** (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:34): I thank the senator for her question. If the senator is so
concerned about the delivery of health services in Western Australia, perhaps under the previous government they may have done a better job. If the senator had then, while they were in government, delivered to Western Australia what she is now requiring this government to do—

Senator Moore: Mr President, on a point of order. Again it is on direct relevance to the question. It was about the impact of a tax on the emergency departments in the state of Western Australia. The minister has gone nowhere near that question.

The PRESIDENT: I do draw the minister's attention to the question.

Senator NASH: My understanding is that it has not been considered. But let's look at Labor's record in WA. When it comes to GP superclinics in Western Australia, Labor promised six GP superclinics and delivered only one. In 2007 they promised one in Wanneroo. In 2010 they again promised one in Wanneroo. It is still not built. In 2010 they promised one in Rockingham. It is still not built. Northam was promised one in 2010. It is still not built. Karratha was promised one in 2010. It is still not open. Coburn was promised one in 2007. It was again promised in 2010 and it was not delivered. (Time expired)

Senator LINES (Western Australia) (14:35): Mr President, I ask a further supplementary question. Why is the government keeping the Commission of Audit GP tax plan a secret until after the Western Australian Senate election?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:36): As we know, things like the Commission of Audit are considered. Indeed, as we canvassed yesterday in this chamber, under the previous government the Henry tax review was considered—apparently, according to the Leader of the Opposition in the Senate, Senator Wong—for six months. So these things are indeed considered.

We will in due course, after consideration, release that report. But can I just point out that when it comes to health it was Labor who cut $1.6 billion from state hospitals in the 2012 MYEFO statement. So perhaps the senator opposite may have had some clearer discussions at the time with her then Labor government about the fact that they pulled $1.6 billion from state hospitals. It is this government that will deliver health. It is this government that will deliver good health outcomes for Western Australia and indeed all of the country. (Time expired)

Closing the Gap

Senator O'SULLIVAN (Queensland) (14:37): My question is to the Minister for Indigenous Affairs, Senator Scullion. Can the minister outline to the Senate how this government is making a difference in closing the gap between Indigenous and other Australians?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:37): Can I congratulate the senator—

Opposition senators interjecting—

The PRESIDENT: Order! On my left! Senator Scullion, you are entitled to be heard in silence.

Senator SCULLION: I thank the senator for the question and congratulate him on his first speech and on his first question. This is a very important question, on National Close the
Gap Day. Today is a day of reflection. It involves around 165,000 people attending around 1,200 events around the country. I congratulate all of them and the National Close the Gap Committee. Despite billions of dollars being spent on a plethora of programs there have been few lasting outcomes.

The Closing the gap report, tabled in the House of Representatives, in February 2014, confirmed that there has been little to celebrate eight years after the Closing the Gap strategy commenced. National Close the Gap Day is part of a non-government Close the Gap campaign. A key focus is on health, an area my excellent colleague Senator Nash is working hard on. We all know that you cannot have a good health outcome for Aboriginal and Islander Australians without looking at the challenges that they face holistically. The government is making ‘Children go to school’ the government’s No. 1 priority in Indigenous affairs.

The Prime Minister has announced a new COAG target. Under the Remote School Attendance Strategy the government is providing $28.4 million for 400 Aboriginal school attendance officers, covering 40 communities. There are already over 600 more children attending school compared to last year. I acknowledge that it is early days but, in one school term, we have started to narrow that gap.

Senator O’SULLIVAN (Queensland) (14:39): Mr President, I have a supplementary question for the minister. Can the minister inform the Senate of the starting point this government faces in terms of the previous government’s performance on closing the gap for Indigenous Australians?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:39): Under this government the story of failure is starting to turn around, because we are willing to roll up our sleeves, get into the communities, talk to the communities and ensure that we are reflecting their wishes. This is just a start. The record of the previous government speaks for itself. A read of the 14 Closing the Gap targets shows that only two out of the eight targets set in 2008 are on track to be met. There has been no progress on reading, writing and numeracy. And I can tell you that, in remote areas, it is even worse. I along with my colleagues will not stop until there is real momentum for change in these areas.

Senator O’SULLIVAN (Queensland) (14:40): Mr President, I have a further supplementary question for the minister. Can the minister apprise the Senate of any other Closing the Gap targets which were not met by the previous government and how the coalition government intends to address them?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:40): Dismally, there has been no progress made under the employment gap target—a very, very important target. That is why the government commissioned a review of Indigenous training and employment programs, led by Andrew Forrest, one of the captains of industry. The review was commissioned in recognition by this government of the fact that you cannot have endless training for training’s sake if there are no real jobs at the end. We provide an expectation for our first Australians that if they start training and work hard at the training, there will be a job at the end for them. The last six years in that regard have been an appalling disappointment. The answer is real jobs that provide real skills that give Aboriginal and Islander people real jobs in this economy.
Imports

Senator XENOPHON (South Australia) (14:41): My question is to Senator Ronaldson, representing the Minister for Industry. In June 2013 the European Union applied antidumping duties to solar panels manufactured in China, following the US's application of similar duties in March last year. Australia has yet to apply any duties to these arguably dumped panels, although an application from Tindo Solar, in South Australia, has recently been lodged with the Anti-Dumping Commission. Does the minister acknowledge that Australia is lagging behind other nations in imposing such duties because the commission cannot investigate dumping claims until they have received an application and that the application process can be both lengthy and prohibitively expensive for manufacturers, especially small and medium enterprises? Does the minister also acknowledge that providing additional resources and funding could help shorten the application time and therefore put Australia at the forefront of these matters and protect Australian manufacturing jobs?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:42): I thank Senator Xenophon for providing the minister and therefore me with notice about this question. I do apologise.

Senator Kim Carr: So you got a brief today?

The PRESIDENT: Order! On my left—Senator Carr!

Senator RONALDSON: Senator Xenophon—

The PRESIDENT: Just wait a minute, Senator Ronaldson; I give you the call. Senator Ronaldson.

Senator RONALDSON: I think Senator Xenophon should ignore that, and I will answer the question. I do apologise to you. The last time you asked me a question there was a miscommunication. I did not have the answer and I do apologise to you, Senator.

The government is currently considering a range of reforms to improve the effectiveness and efficiency of the antidumping system and will comply with World Trade Organization provisions. We recognise the difficulties experienced by Australian industry when trying to navigate Australia's complicated antidumping system. The government is committed to simplifying the application processes and providing support to businesses submitting applications. In the light of our obligations under the WTO, Australian industries are responsible for submitting an application for antidumping. Only in exceptional circumstances can the Parliamentary Secretary to the Minister for Industry initiate an application. I can inform the Senate that currently there is no antidumping investigation regarding solar panels—

Senator Boswell interjecting—

Senator Bernardi interjecting—

Senator Scullion interjecting—

The PRESIDENT: Order! Just wait a minute, Senator Ronaldson. Senators Boswell, Bernardi and Scullion: Senator Xenophon is expecting to hear the answer, not the conversation that you are attempting to conduct across the chamber.
Senator RONALDSON: There is currently no antidumping investigation regarding solar panels being conducted by the Anti-Dumping Commission. The commission does not publicise the receipt of applications, once again in line with our World Trade Organization obligations. If and when an application is accepted, the commission will publish the decision to enable investigation. The International Trade Remedies Advisory Service is available for small to medium enterprises that need assistance in preparing antidumping applications.

The commission also assists potential SME applicants in understanding and accessing the antidumping system. The Department of Industry is currently conducting an evaluation of the advisory service to ascertain the effectiveness and efficiency of that service. The department is due to report its findings from the evaluation to the Minister for Industry in the near future.

(Time expired)

Senator XENOPHON (South Australia) (14:45): Mr President, I ask a supplementary question. The International Trade Remedies Advisory Service for SMEs can only exist within the Australian Industry Group and provides valuable support and assistance to SMEs in preparing antidumping and countervailing duty applications. I note that the service was originally established as a pilot program by the previous government and funding was due to end on 31 December last year. Can the minister confirm that the advisory service will continue to be funded over the forward estimates and whether the government will commit to providing further resources to meet the significant demand?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:46): I will just finish off my previous answer, Senator Xenophon. Following that evaluation, I will refer that to the government and we will consider the options available for making sure SMEs have appropriate assistance in accessing Australia's antidumping system.

In relation to your supplementary question, as you noted, the International Trade Remedies Advisor was established as a pilot project. The AiG is currently funded to continue delivering the pilot project until 30 June 2014. The Department of Industry is currently conducting an evaluation of the pilot process to assess the effectiveness and efficiency of the advisory service. The department is due to report the findings of the evaluation to the Minister for Industry in the near future. As I said earlier, following that evaluation the government will consider the options available for making sure small and medium businesses have appropriate assistance in accessing Australia's antidumping system.

Senator XENOPHON (South Australia) (14:46): Mr President, I ask a further supplementary question. I understand that the advisory service is required to provide support both to Australian companies applying for duties and to importers challenging such applications. Will the minister commit to providing additional funding so that the service is not forced to deal with this clear conflict of interest?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:47): As I indicated in my last answer, the International Trade Remedies Advisor pilot project is currently being evaluated. After considering the evaluation, the government will announce any appropriate changes to the assistance available to help small and medium businesses access Australia's antidumping system.
Future of Financial Advice

Senator MARK BISHOP (Western Australia) (14:47): My question is to the Acting Assistant Treasurer, Senator Cormann. I refer to the government's proposed changes to the financial advice legislation which removes the ban on sales commissions and other conflicted remunerations. Is the minister aware that Alan Kohler has described this ban as:

… the outlawing of a corrupt practice that has cost consumers billions of dollars and lowered trust in the entire financial advice industry.

Minister, why is the government bringing back a corrupt practice that hurts everyday Australians?

The PRESIDENT: I call the Minister representing the Assistant Treasurer.

Senator CORMANN (Western Australia—Minister for Finance) (14:48): I thank Senator Bishop for that question. With all due respect to Mr Kohler, he is wrong. That is not what we are doing. We are restoring some balance in the regulatory framework for financial services.

The previous, Labor government was guided by one thing and one thing only—and that was how best to promote the vested interests of union dominated industry funds. The one thing that the Labor Party was focused on was how to leverage its position as the government of Australia using legislation to impose one business model across the whole of the financial services market—the union dominated industry fund model.

We are committed to ensuring the financial services sector is as efficient, transparent and competitive as possible—

Opposition senators interjecting—

The PRESIDENT: Order! I need silence on my left so I can hear the answer.

Senator CORMANN: We on this side of the chamber are committed to ensuring we have the most efficient, competitive and transparent financial services system possible, with appropriately high corporate governance standards where people across Australia seeking access to financial advice can better—

Senator Moore: Mr President, I rise on a point of order on relevance. That last phrase from Senator Cormann almost got there, but the particular question was about a ban on sales commissions and other conflicted remunerations.

The PRESIDENT: There is no point of order. Senator Cormann is addressing the question.

Senator CORMANN: I know that the Labor Party do not want to listen to any of this, but it is a very important context for the question that was asked. The premise of the question is wrong. We are not reintroducing conflicted remunerations for personal advice. We are ensuring that there is an appropriate level playing field and a competitively neutral financial services regulatory framework when it comes to the provision of general advice. Guess what? The Labor Party gave a special deal to their friends in union dominated industry funds. They said, 'You can provide fund advice. You can charge a fee which is not disclosed or transparent to every member of that fund, irrespective of whether they access advice or not. You can keep going.' But they did not want anybody else to be able to— (Time expired)

Senator Wong: Mr President, I rise on a point of order. I have a point of clarification. The President referred to Senator Cormann as the Minister representing the Assistant Treasurer.
The Prime Minister in the House has referred to Senator Cormann as the Acting Assistant Treasurer. I seek some clarification as to whether Senator Cormann is answering in his representative capacity or, in fact, as Acting Assistant Treasurer.

The PRESIDENT: If Senator Cormann is in an acting capacity and I have been wrong there then I correct the record.

Senator MARK BISHOP (Western Australia) (14:52): Mr President, I ask a supplementary question to Minister Cormann. I refer the minister to correspondence to the other Assistant Treasurer from consumer advocates, including CHOICE and the Council on the Ageing, who have said that for any FoFA law changes:

… the balance needs to be in favour of protecting consumers and their retirement income, rather than protecting the income of financial advisers.

Why is the government putting the income of financial advisers ahead of Australian consumers?

Senator CORMANN (Western Australia—Minister for Finance) (14:53): The interest that this government is putting first is the public interest. The interest that this government is putting first is the consumer’s interest. You know what? Consumers have an interest in having affordable access to high-quality financial advice. It is very important that we get the balance right for the appropriate levels of consumer protection by making sure that access to high-quality financial advice remains available and remains affordable.

We understand that there is a particular commercial interest that is close to the heart of people on the Labor side, because every single one of those senators is a member of a union. Maybe some of them have been trustees on industry super funds in the past. Maybe some of them are lobby...
Senator CORMANN (Western Australia—Minister for Finance) (14:55): Thank you very much, Mr Premises—sorry, Mr President.

The PRESIDENT: Thank you, Senator Cormann!

Senator CORMANN: I was getting ahead of myself! Firstly, I completely reject the premise of the question, which relates to the suggestion in relation to Senator Sinodinos. Senator Sinodinos is a fine man of the highest integrity, who has been doing an outstanding job as the Assistant Treasurer. We all look forward to his return to the Assistant Treasurer position in due course.

In the meantime, I am very happy to confirm that the government will continue to implement the policy commitments that we took to the last election. We know that is a novel concept for people on the Labor side, who go to an election and promise one thing but do the exact other thing after the election. We know that the Labor Party has taken that to another level today: they promised one thing today and did the exact opposite on the same day. They promised one thing in Western Australia before the election and did the exact opposite in the chamber today. (Time expired)

Veterans

Senator BOSWELL (Queensland) (14:57): My question is to the Minister for Veterans' Affairs, Senator Ronaldson. Can the minister advise the Senate what commitments the government has made to military superannuants and how it is honouring them, particularly in my home state of Queensland?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:57): I thank Senator Boswell, who for decades has been a great supporter of veterans throughout Queensland and throughout Australia.

Opposition senators interjecting—

The PRESIDENT: Order!

Senator RONALDSON: Today, a wrong has been righted. Today, in the House of Representatives, legislation was introduced to address the DFRDB indexation issue. It was an unfair situation that had been there for decades for people who have served this nation. We took to the last election a commitment to address this unfair indexation issue. Today, that promise was delivered. Today, we again recognise the uniqueness of military service. Today, we acknowledge those 57,000 families throughout this nation who have not had the same indexation methods as service and age pensioners. Today, we start assisting those in Senator Boswell's home state.

There are 15,000 people in Queensland who will be helped by this decision today through the introduction of this legislation. In the seat of Longman alone, there are 894 families who will benefit from this change. I will just also say this to Senator Boswell: there are 45,000 military superannuants who will benefit immediately from this decision. That is those who are aged over 55. That payment will commence on 1 July this year. This is a commitment made by a government that keeps its promises. This is a commitment that those opposite have tried on two occasions to stop. They have tried to stop people who have served this country from getting fair indexation. (Time expired)
Senator BOSWELL (Queensland) (15:00): Mr President, I ask a supplementary question. Can the minister advise the Senate of any alternative policies to those he has just outlined.

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (15:00): I thank Senator Boswell for that supplementary question. Those behind me and those opposite will remember the disgraceful day in this place when the Australian Greens and the Australian Labor Party voted down the Fair Indexation of Military Superannuation Entitlements Bill.

Opposition senators interjecting—

Senator RONALDSON: If you think that is a yawn, go out and tell the 57,000 families that you think it is a yawn. I am happy to repeat that right across this nation.

The realities are, as Senator Boswell knows, that the Australian Labor Party, having pilloried anyone who suggested there should be a change, in the 10 days before the last election to save the seat of Mike Kelly in Eden Monaro, came up with a half-baked, half-cocked plan to change indexation. It did not address the proper indexation—it was for those over 65—and those on the opposite side of the chamber stand utterly condemned for what they have done to date.

Senator BOSWELL (Queensland) (15:01): Mr President, I have a further supplementary question. Will the minister tell the Senate why the coalition is now finally able to deliver on its longstanding promise to fairly index military pensions?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (15:01): Senator Boswell, we are doing this because it is the right thing to do. We are doing this because we said we would do it. I will throw a challenge out today to the Australian Labor Party and the Greens. I just wonder whether they are prepared to follow the lead of Senator Xenophon, who wrote to me this morning and said that he will be supporting this legislation.

Are Senator Wright and Senator Farrell going to stand up here today and say they are supporting this legislation and put it through immediately as non-controversial legislation, or are they going to keep on playing games with the lives of 57,000 families in this country?

You have a big decision to make. You can do it today—resolve this—and send the message out, Senator Farrell, that you are serious about these families, or you can continue to prevaricate and oppose measures that are fair and decent for honest people who have served this nation.

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

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Sinodinos, Senator Arthur

Senator WONG (South Australia—Leader of the Opposition in the Senate) (15:03): 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 Wong today relating to Senator Sinodinos.

Senator Abetz today continued what has now become a well-worn tradition—insofar as a government that has been in place for six months can have a well-worn tradition—of not being up-front with the Australian people. They have not been up-front with the public about
what the Prime Minister knew about the details that Senator Sinodinos had in relation to Australian Water Holdings.

There are two bases on which Senator Abetz refused to answer or ducked the question. First, he asserted that Senator Sinodinos's conduct was not being investigated and his behaviour was not being examined; he was simply a witness. I simply refer Senator Abetz to some of the explosive evidence we have heard in the Independent Commission Against Corruption today and previously. I refer him to the opening submission of the counsel assisting, where, in part, he said that Mr Sinodinos would have enjoyed a $10 million or $20 million payday. He said:

It is presently difficult to offer observations on the conduct of Mr Sinodinos. He has other involvements which will come under scrutiny in Operation Spicer.

He went on to say more. So I again say that there are serious questions that Senator Abetz should have answered in relation to the Prime Minister's knowledge of certain matters, and also in relation to this particular issue.

In my first question I asked whether or not Senator Sinodinos would be stood down until both the anti-corruption investigations examining his behaviour—Operation Credo and Operation Spicer—are concluded. That was not answered.

In my second question I asked when the Prime Minister became aware that Senator Sinodinos's conduct was the subject of two investigations by the Independent Commission Against Corruption, and whether it was before or after the Prime Minister appointed him to the Treasury portfolio. One would think, given the controversy of this issue and the focus on this issue, that it is incumbent on Senator Abetz to provide that answer. It is inconceivable that the Prime Minister would not know about these matters, given what has occurred. I think it is relevant to the Australian people to know, when their Prime Minister appointed Senator Sinodinos to the position of Assistant Treasurer, what the Prime Minister knew about these two separate Independent Commission Against Corruption investigations.

The fact is that we have seen this week a Prime Minister that is not up-front with the Australian people. We have seen a Prime Minister that presides over a government which is secretive and arrogant and which refuses to account to the public for its actions. We have seen, in this chamber, the Assistant Health Minister, who took down the health-star-rating system web site after a phone call from a food industry lobby group. We have seen her mislead the Senate and refuse to answer legitimate questions about this affair.

Then we had Senator Sinodinos, who refused, prior to standing down, to make an explanation to the Senate about his involvement in Australian Water Holdings and to explain how it was that his statement could sit alongside the evidence that has been given to the Independent Commission Against Corruption—including, for example, what he knew about the Obeid family investment in AWH, and what he knew about donations to the Liberal Party being made while he was an office holder, both of the Liberal Party and Australian Water Holdings.

The facts are these: Senator Sinodinos has failed to explain his inconsistencies and he has failed to explain how his statement to the Senate can sit with the evidence that has been led or referenced at the Independent Commission against Corruption. This Prime Minister is a prime minister who promised an accountable and transparent government. Instead, what the public
have got is arrogance. They were promised accountability; instead they have got arrogance. In this last period, what we have seen from the Abbott government is this: one minister gone, another minister censured and a chief of staff who has quit over a conflict of interest. What is clear is that Prime Minister Abbott is not leading the sort of government he told people he would; instead, he is leading a secretive, slipshod and arrogant government. We saw more of that on display in question time today with Senator Abetz refusing to answer straightforward questions about what the Prime Minister knew. (Time expired)

Senator BIRMINGHAM (South Australia—Parliamentary Secretary to the Minister for the Environment) (15:08): Again today we have seen from the Australian Labor Party a party that cannot get on with the proper business and policy issues confronting Australia—a party that want to be distracted by the politics of smear, by the politics of envy and by the politics of distraction. Listening to Senator Wong then it is clear that the smear continues from the Australian Labor Party—the desperate smear they have been engaging in all week continues against Senator Sinodinos and they have been attempting to spread it across the government.

There could not be a more ethical act that Senator Sinodinos could have undertaken than to stand aside as he has done this week. There could not have been a more ethical act than of his own volition to have stood aside from his duties entirely, whilst he simply gives evidence to the ICAC—evidence to the same body that Mr Greg Combet has given evidence to and that Senator Doug Cameron last year gave evidence to. Senator Sinodinos will give evidence to exactly the same body. Because he is a man of such ethical conduct, because he is a man who puts country before self and because he is a man who puts government before self, he has stood aside from his duties so as not to be a distraction and to allow us to get on with the proper business of government. That is not the Labor Party's interest; their interest is to continue this politics of smear and to now allow any proper running of the country to occur.

It is not just the politics of smear, but, as I said, it is also a politics of envy. You note, Mr Acting Deputy President, that when the Labor Party are challenged to say what the allegations are—what the actual wrongdoing is—they can never cite them, but they will suggest: 'Senator Sinodinos perhaps was making money in an occupation he held prior to being in the Australian Senate.' They will throw around figures of what was earned or what could have been earned had business dealings gone through. They are not alleging a particular wrongdoing. They are, of course, trying to insinuate by the potential for income to have been made prior to him even being in this place that there is somehow some wrong attached to that. It is base class politics—politics of envy—coming from the Labor Party that people in business might occasionally make money out of being in business. There is nothing wrong with people in business seeking to make money. The Labor Party, rather than insinuating there might be something wrong about it, might make the allegation about it point blank.

Lastly, it is not just the politics of smear and the politics of envy, from those opposite but also the politics of distraction. On this day when they came into this chamber and voted against the repeal of the carbon tax, they were desperate to be talking about anything other than those matters that impact directly on Australian families and Australian businesses. Today the Labor Party voted to keep higher electricity prices and to put those electricity prices up again on 1 July of this year. That is what Labor senators did. They may have gone to the last election claiming that they had abolished the carbon tax and their lead candidate in the West Australian Senate by-election may even have been out there today claiming that he
stood to abolish the carbon tax, but today every single Labor senator came in here—aside from Senator Pratt, who does not seem to be able to get to the Senate nowadays—and voted to keep the carbon tax. They voted to keep the carbon tax and to put it up on 1 July this year, costing businesses and families ever more.

Little wonder that they are trying to hide behind the politics of smear, the politics of envy and the politics of distraction at a time like this—rather than standing up for Australian people, Australian families, Australian businesses, Australian jobs and the policies this government is attempting to deploy to make this country competitive again, to reduce the cost-of-living pressures on Australians and to create new jobs for the future. These are the things we should be debating in this place. Senator Sinodinos wants to see our government get on and do that, and that is why he has done the honourable thing. It is a shame those opposite are incapable of doing it. (Time expired)

Senator CAMERON (New South Wales) (15:13): It is always interesting to hear coalition politicians defending their own. What we had today was defence from Senator Abetz and now it is defence from Senator Birmingham using terms like 'smear' and 'sideshow'. Senator Abetz said that this is about a sideshow. Tell the Australian public that earning $200,000 for 100 hours work is a sideshow or standing up and saying that you are the chair of a company that cannot pay its tax while ripping $200,000 out of that company is a sideshow. I do not think the Australian public see that as a sideshow. I do not think the Australian public see making a personal gain of between $10 million and $20 million out of a company that was struggling to pay its tax bill as a sideshow. These things are not sideshows; these are serious issues for the Australian public and serious issues for this Senate.

I think it is a serious issue when massive executive salaries are paid to people in this company who are directly engaged with the Liberal Party—massive executive salaries when a company cannot pay its tax. That is not a sideshow by any stretch of the imagination. It is not a sideshow when you have donations to Treasurer Hockey's campaign from a company that can hardly pay its tax bill. I do not see that as a sideshow at all. And I do not see it as a sideshow when donations are going not only to the Treasurer but also to the Liberal Party itself from a company that cannot pay its tax bill. I do not see that as any kind of sideshow. And I do not see a sideshow when Michael Photios, the former Liberal minister, has a fee negotiated by Senator Sinodinos on his behalf to pay him a $5,000-a-month retainer and a $1 million success fee from a company that can hardly pay its tax bill. That is not a sideshow; it is a matter of serious public concern.

And I do not think it is a sideshow when Senator Sinodinos told this parliament that he resigned from AWH as soon as he found out that the Obeids were part of the show and then we suddenly find out that the Obeids have been there the whole time. On the second day of Senator Sinodinos becoming the chair of the company, the Obeids were buying $3 million worth of that company. It just beggars belief that someone who had been a director beforehand and was then the chair of the company was unaware of who was behind a $3 million buy into the company, when it was the Obeids. It just beggars belief. Again, that is not a sideshow at all.

And it is not a smear when we say there are serious issues to be answered by Senator Sinodinos here in this place and there are serious issues before ICAC. It is not us saying that
there is a problem; it is ICAC itself. On the opening day of ICAC, what did the counsel assisting say about Senator Sinodinos? He said:
Based upon the PricewaterhouseCoopers valuation … Mr Sinodinos would have …$10 to $20 million …
He went on to say:
He has other involvements which will come under scrutiny …
Further, he said:
It is quite transparent that Mr Sinodinos’ true role … was … communication with the Liberal Party.
That is not a smear from the Labor Party; that is what counsel assisting ICAC is saying. All their mates are in there looking after each other. This is a big public problem and it is anything but a sideshow. *(Time expired)*

**Senator McKENZIE** (Victoria—Nationals Whip in the Senate) *(15:18)*: It seems the Labor Party is adopting President Obama's tactics of distraction and class warfare. I mention that only having heard the questions during question time, but after Senator Cameron's tirade over the last five minutes it has confirmed for me that that is your tactic: distraction. But it is not working, Senator Cameron, because of the strength of character and the example that Senator Sinodinos set us all as he stood aside yesterday. He was not stood down, as Senator Wong claimed. It is so typical of the Left to grab language and linguistics to enshrine their entrenched negative perspective on things. It is important that we bell the cat on it every time.

It is a distraction from the debt Labor left us and the $33 million in interest every day—Senator Cameron, as you leave the chamber. Every day we have to pay that off because of your reckless spending over the last six years. It is a distraction from the fact that at the last change of government you were left with zero debt—nothing to pay off—and yet you return it to us riddled with debt. We are borrowing $129 million a day just to service it, and there are some structural deficits within our budget that are going to take us some significant work to address and get under control. It is a distraction from the fact that you just cannot get over the election result. Here we are six months after the election and we are still unable to repeal the mining tax and the carbon tax, which they voted you out to do, before WA go to their Senate election. You are seeking anything that will ensure a distraction from that particular case.

There is the contrast between Senator Sinodinos's actions and the ALP. There is Senator Sinodinos's confidence in the process that is underway within ICAC, where he has been called as a witness. It is laid out in the statement he made in February last year that he is confident that the process will deliver the result that will see him back on our front bench as soon as possible, as soon as the process is concluded. It is honourable action; it is selfless. It is so typical of this man who has served Australia, has served his party, has served this government and has served this Senate with distinction. I refer the opposition to his statement on 28 February last year and call on them to allow the process to take its course. Do not come in here and use this place to chase phantom accusations. The opposition refuse to identify the accusations today—as I think Senator Fifield called on them to do—and they could not identify them yesterday either.

Earlier today in Senator Wong's contribution, she said we lacked, as a government, transparency. I would like to take the Senate to the Labor Party's version of transparency and the Noble House Chinese Restaurant in Sydney. According to a media report, former minister
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Albanese and Senator Cameron had a meeting with six senior Left Labor figures, including Mr Foley, at the Noble House Chinese Restaurant. They came to the 'consensus view' that Mr Macdonald—who, from ICAC reports, was found to be corrupt—would not be stripped of his preselection.

The way the Labor Party deal with transparency and accountability is very, very different from how we choose to do it. It is absolutely abhorrent that the opposition come in here and claim that our government lacks transparency and accountability. You claim we lack accountability. Let us look at the way you chose to govern this nation, the way you overrode cabinet processes, the way you rejected the people's will, the way you rejected parliamentary and committee processes and the way you rejected your own caucus processes. You have no track record on accountability or moral or ethical standing in this argument.

I refer to the statement that Senator Sinodinos made on 19 March in this place. He stood aside so that we could continue to do what the Australian people have elected us to do, and that is to get on with governing and with fixing Labor's mess. He stated that he is proud to serve in our government. We are very, very proud to serve with him and we look forward to the day when he continues to serve with us in delivering on the promises we made to the Australian people at the last election—the promises you are failing to let us deliver on.

Senator O'NEILL (New South Wales) (15:24): I rise to take note of answers to the questions that were put to Senator Abetz, the Minister representing the Prime Minister today. Senator Wong asked the minister to give some plausible indication of what the future arrangements are around the standing down of Senator Sinodinos, now departed for an unknown period from his role as the Assistant Treasurer while Operation Credo and Operation Spicer are concluded. We think it would be in the public interest to know some time frame is being considered by the government. Certainly the financial services sector would like to know, given the massive and dangerous changes being proposed by this government to the FOFA reforms, which come under that minister's responsibility.

I have to say that I am disappointed but not surprised by the minister's response. I am disappointed but not surprised because there is an emerging pattern here. Given the opportunity to put on the record the sort of transparent, clear and factual plan of the government to deal with the fact that it has had to distance itself from one of its senior ministers around the area of probity, the minister representing the Prime Minister in this chamber, Senator Abetz, chose to avoid the facts and to use instead weasel words to cover up.

We got a lesson in one thing today: this government's seeming obsession with prepositions. We were told 'Senator Sinodinos stood aside'—stood aside, not down. The fact is that Senator Sinodinos is off the front bench and he is out of his role because there are concerns about the probity of this minister. I doubt anyone was impressed by the affirmation from Senator Abetz today that Senator Sinodinos is intending to forgo his ministerial entitlements. I think ordinary Australians would have expected that was immediately the case, not a mere expressed intention.

I return to take note of what was not answered by Senator Abetz, who is representing the Prime Minister here today. The fact is that there is a now a great deal of uncertainty around the portfolio area that Senator Sinodinos was responsible for, with the former minister now caught up with Operation Credo and Operation Spicer. Surely the stakeholders in the portfolios that were overseen by the former Assistant Treasurer deserve a little clarity moving
The questions we asked remain unanswered. How long will Senator Sinodinos be out? The fact is that his former portfolio is now being held, in addition to his finance portfolio responsibilities, by Senator Cormann. What is going on there? Is this just a holding pattern? Surely, the Australian people deserve a bit more information than we got from Senator Abetz at question time today?

Further, despite the opportunity here today to put on the record a clear and transparent indication of when the Prime Minister became of aware of Senator Sinodinos's conduct, which is now subject to not one but two ICAC investigations, we are still none the wiser as a result of Senator Abetz's responses in this place today as to what the Prime Minister knew and when he or his office knew it. Operation Credo and Operation Spicer are no small investigations. Surely, someone from the former Assistant Treasurer's office or perhaps Senator Sinodinos himself would have advised the Prime Minister, his chief of staff or someone—anyone—in the Prime Minister's office that these investigations were underway and that Senator Sinodinos was caught up in them? Sadly, despite the opportunity to give us a clear and honest answer to the question about what changed between Tuesday, when Senator Sinodinos had the Prime Minister's full confidence, and Wednesday this week, when he clearly did not, we just cannot seem to get an answer from Senator Abetz. There is no fulsome explanation and there is no acknowledgement that something shifted between Tuesday and Wednesday this week. They are not revealing important pieces of information the Australian people have a right to know.

Why is he hiding from the Senate the new information that must have emerged to so change the Prime Minister's view in that 24-hour period—and all this just six months after forming a government? The fact that the questions today were not answered is another concern. It is alarming that, despite the outrage that is being expressed by the determined secrecy of this new Abbott government, we cannot get answers to these questions. We are concerned. Here is a government compromised from within already; a government that, after six months, is trying cover its tracks, deny facts and hide the truth from the Australian a people; a government that is secretive, slipshod and arrogant; and a government that is already unravelling because of its entrenched arrogance. The Australian people deserve answers to the questions asked today and this week, and this arrogant government—(Time expired)

Question agreed to.

**Future of Financial Advice**

**Senator WHISH-WILSON** (Tasmania) (15:29): I move:

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

What really puzzles me is why these FOFA reforms are being pursued by the government. I did sit in on the ASIC inquiry and it was very clear to me that most of the stakeholders—in fact, all of the stakeholders—that gave evidence in that inquiry supported the existing regulations in place in relation to financial advice. Over the decade or so that I was looking at Australian banks and was in the investment industry myself, I remember the growing trend that banks had of what was called non-interest income. Banks used to make their money out of interest margins. How do they make their money now? A big portion of their profits is
made from non-interest income, and that is primarily what we call fees, on a whole range of products. In fact, bank customers are sold products from right across the range, from insurance through to superannuation advice and MISs, managed investment schemes—a whole range of different things. That is how banks make their money.

On the one hand, I can see the interest of the banks in these reforms—and they seem to be the only party supporting these FOFA reforms—and, on the other hand, I can see the broader interest of the financial services industry in a set of regulations that have been arrived at after extensive consultations that, to use Senator Cormann’s own words, seem to have ‘got the balance right’. However, they are being changed by an incoming government and by Senator Sinodinos, the Assistant Treasurer, and it is very clear that these reforms are designed to help the big banks make more money—and, certainly, to protect the existing non-interest income that they make from these types of products. Given that is billions of dollars, I can see their vested interest in making sure that these so-called reforms go through and are put in place.

The answer that Senator Cormann gave me, that somehow more regulation or even the regulation we have in place is not going to stop bad eggs from doing the wrong thing, is right in one respect. But what he totally ignores is that most of the regulations that we have put in place over the years—or have failed to put in place, in cases where we have had catastrophic market failure—have been systemic conflicts. Conflicts of interest are the most common thing. We talked a little bit about conflicted remuneration, which is exactly the issue relating to the FOFA reforms. So I certainly dispute that, and I remind Senator Cormann that I have had some experience in these areas. When we look at the rorts that have occurred around MISs, the example I used today, or the collapse of Storm Financial and the extensive investigations of those, or more broadly what happened around the mortgage securitisation market in the US, the systemic conflicts of interest that were inherent in those structures were very obvious, yet governments failed to put in the necessary regulations. No sane or knowledgeable person on this subject could argue that these issues, such as Storm Financial, the sale of dodgy MISs or Ponzi schemes, could not have been avoided with better regulation.

Even if regulation is not going to help, the next conclusion we have to go to is that we need better policing of the so-called bad eggs that Senator Cormann referred to. It is very sad, having gone through the work that we have in the Senate on the ASIC inquiry, that we now see ASIC losing funds and losing staff. That is exactly the opposite of what we need if we are going to crack down on white-collar crime—one again, the bad eggs that Senator Cormann refers to—in this country, not to mention the avoidance of these systemic failures that we have seen.

I talked about MISs today in question time today because there has been a lot of reporting in the last few days of concerns, particularly from agricultural communities, about the proliferation of MISs. It was reported in The Weekly Times that Mr Hockey himself has promised stakeholders that MISs are up for review in the government’s white paper on tax. What I really wanted was confirmation that discussions had taken place between Mr Hockey and stakeholders in this respect, because there is no doubt, looking at Tasmania, that the rollout of MISs there has been a catastrophic disaster in so many ways—for the farmers that are stuck with them on their land, for the investors in these schemes and for the communities that have seen other industries disappear because of tree farms. Certainly, in my industry, the wine industry, who has been policing the claims being made by MIS proponents?
We need more regulation. We need the right regulation, and that is in place—and we do not need to be unpicking it through these FOFA reforms. *(Time expired)*

Question agreed to.

**COMMITTEES**

**Law Enforcement Committee**

**Rural and Regional Affairs and Transport References Committee**

**Government Response to Report**

**Senator CORMANN** (Western Australia—Minister for Finance) (15:35): I present two government responses to committee reports as listed at item 14 on today's *Order of Business*. In accordance with the usual practice, I seek leave to have the documents incorporated in *Hansard*.

Leave granted.

*The documents read as follows—*

**Parliamentary Joint Committee on Law Enforcement report: Examination of the Annual Report of the Australian Crime Commission 2011-12**

**Government Response**

The Government welcomes the Committee's report. The Committee makes two recommendations about Key Performance Indicators (KPIs) used to assess the Australian Crime Commission's (ACC) performance against the targets set out in its annual Portfolio Budget Statements. The Government is pleased to accept both recommendations.

**Recommendation 1**

3.18: The Committee recommends that the Australian Crime Commission review and re-examine its KPI concerning the Australian Criminal Intelligence Database [ACID] and the Australian Law Enforcement Intelligence Network [ALEIN].

The Government accepts the Committee's recommendation.

The relevant KPI assessed the performance of ACID and ALEIN on the basis of their availability to users, with a target availability rate of 98 per cent. While the availability rate for 2011-12 exceeded this target, the overall number of searches made using ACID dropped significantly over the same period. This continued a three-year trend of decreasing use of the system.

The Government recognises the Committee's concern that the KPI may no longer provide an accurate measure of the value of ACID and ALEIN.

The ACC is currently undertaking a scoping study to determine business requirements for an information technology system to replace ACID and improve ALEIN. The ACID/ALEIN scoping study will assess opportunities to harness technological advances to support the ACC's management of its criminal intelligence holdings.

The ACC has amended its KPI for ACID and ALEIN for the 2013–14 Portfolio Budget Statement. The performance of ACID and ALEIN will now be measured against the following: provision of a national criminal intelligence database and analytical tools, which facilitate the sharing and analysis of criminal intelligence across jurisdictions.

This new KPI more accurately reflects the ACC's role in maintaining a national database of criminal intelligence, and its efforts to investigate options to further enhance the ACC's criminal intelligence holdings and systems.

**Recommendation 2:**
3.37 The committee recommends that the Australian Crime Commission work towards establishing a balance of qualitative and quantitative Key Performance Indicators (KPIs) which can be measured over time.

3.38 The committee recommends that the 2012–13 Annual Report of the Australian Crime Commission provide information on progress made towards establishing a balance of qualitative and quantitative KPIs.

The Government accepts the Committee's recommendations.

The ACC has recently developed a revised performance management framework to support the ACC’s new Strategic Plan 2013-18. The revised framework informed the development of the ACC's Portfolio Budget Statement for 2013-14 and corresponding KPIs.

The new KPIs aim to convey the full scope of the ACC's role in combating serious and organised crime in Australia by including both quantitative and qualitative performance measures.

The new performance management framework is designed to show traditional law enforcement outcomes through measures such as arrests, charges and seizures of illicit commodities. However, it will also provide a basis for qualitative assessment of the value of the ACC’s contribution to broader law enforcement outcomes through activities such as those aimed at developing criminal intelligence holdings, informing policy and legislative approaches to key serious and organised crime issues and enhancing partnerships with a range of law enforcement, government and industry partners.

The revised performance management framework will require the ACC to develop new systems for collecting performance data, which will be implemented over the five year operation of the Strategic Plan. The ACC reported on its progress in establishing the new KPIs in the Annual Report of the Australian Crime Commission 2012-13.

**Senate Rural and Regional Affairs and Transport References Committee report: Aviation accident investigations**

**Government Response**

**Introduction**

On 13 September 2012, the Senate agreed that the following matters be referred to the Rural and Regional Affairs and Transport References Committee (the Committee) for inquiry and report by 29 November 2012:

a) the findings of the Australian Transport Safety Bureau into the ditching of VH-NGA Westwind II, operated by Pel-Air Aviation Pty Ltd, in the ocean near Norfolk Island Airport on 18 November 2009;

b) the nature of, and protocols involved in, communications between agencies and directly interested parties in an aviation accident investigation and the reporting process;

c) the mechanisms in place to ensure recommendations from aviation accident investigations are implemented in a timely manner; and

d) any related matters.

The Committee delivered its report on 23 May 2013.

The Australian Government thanks the Committee for its examination of these important matters and the recommendations it has presented for consideration.

**Australia's Aviation Safety System**

Aviation plays a key economic and social role in Australia facilitating economic and productivity growth.
With strong international and domestic aviation passenger growth forecast to continue over the next
decade, and with the Asia-Pacific being the fastest growing aviation market in the world, the
Government has emphasised in its aviation policy the need to create a regulatory environment in
Australia which facilitates this growth.

However in the context of this forecast growth, the Australian Government's highest aviation priority is
to maintain and further improve our high aviation safety standards.

The strength of Australia's aviation safety framework depends upon our governance arrangements and
clearly setting out the roles and responsibilities, processes and procedures to be consistently followed
by our Government aviation agencies and industry.

The Government welcomes the Committee's report as an important contribution to further improve
these arrangements.

Since the report was released there have been a number of important initiatives announced which
address many of the Committee's recommendations.

In August 2013 an independent peer review was established by the Australian Transport Safety Bureau
(ATSB) to examine the ATSB's methodologies and processes, concerns over which were raised in the
Committee's report. The peer review report is scheduled to be completed by May 2014.

Also in August 2013 the Civil Aviation Safety Authority (CASA) released a Notice of Proposed Rule
Making (NPRM) for public and industry comment proposing better safety standards for air ambulance
flights. At the request of industry, the comment period for the NPRM was extended until October 2013.

Finally, consistent with this Government's Aviation Policy we have announced the establishment of an
Aviation Safety Regulation Review to investigate the structures and processes of all aviation agencies
involved in aviation safety.

The review is being conducted by a panel of international aviation experts.

Having regard to these significant developments, the Government's responses to the Committee's 26
recommendations, and the supplementary recommendation of a participating member of the Committee,
are attached.

This is the Government's initial response to the Committee pending the completion of the above
significant reviews.

**Recommendation 1**

The Committee recommends that the ATSB retrieve VH-NGA flight data recorders without further
delay.

**Response**

The Government notes this recommendation.

However advice from our independent aviation safety agencies, the ATSB and CASA, does not support
retrieval of the recorders.

The ATSB has given detailed consideration to the Committee's recommendation. The ATSB has
reached its position on the basis that:

- the cockpit voice recorder (CVR) covered communication between the crew for the last
two hours of the flight which is after the critical instances and decision points of the flight
i.e. receipt and assimilation of the various weather updates and decisions on flight planning
and fuel management; and

- the flight data recorder (FDR) only recorded five basic parameters and would provide
limited benefit to the understanding of the accident.
Therefore with respect to the ditching of aircraft VH-NGA, the ATSB advises that data to be obtained from the CVR and FDR would offer little information directly relevant to the key safety issues in the investigation not already available from other sources.

The ATSB has also advised that any information obtained would not likely lead to any commensurately significant safety learning or improvement to transport safety. Retrieval of the recorders would also not represent a proper use of limited public resources, consistent with the provisions of the Financial Management and Accountability Act 1997 and the Public Service Act 1999, with which the Chief Commissioner is obliged to comply. It is considered unlikely to lead to a better understanding of any significant lessons learned for the aviation industry.

The current international position, which is what applies to the Committee's recommendation, is that the relevant International Civil Aviation Organization (ICAO) Annexe 13 provides that effective use shall be made of flight recorders in accident or incident investigations.

Determining effective use involves weighing up the likely safety benefits to be derived from the information obtained, alongside the cost of the recovery action and having regard to where a crash site is difficult to access.

The Government is however cognisant of the Committee's concerns over the carrying out of the investigation and therefore supports the current Canadian Transportation Safety Board peer review of the ATSB investigation methodologies and processes having regard to Australia's obligations under ICAO Annex 13. The peer review report is scheduled to be completed by May 2014.

**Recommendation 2**

That the Minister, in issuing a new Statement of Expectations to the ATSB, valid from 1 July 2013, make it clear that safety in aviation operations involving passengers (fare paying or those with no control over the flight they are on, e.g. air ambulance) is to be accorded equal priority irrespective of flight classification.

**Response**

The Government supports this recommendation.

The Government notes that the updated Statement of Expectations (SOE) provided to the ATSB in April 2013 continued to give priority to transport safety investigations that have the potential to deliver the best safety outcomes for the travelling public.

The ATSB has also committed, acknowledging a finite level of resources, to investigate all fatal accidents involving powered aircraft with a civil registration (VH), regardless of the nature of the operation, including aeromedical flights.

The Government will consider any further changes to the ATSB SOE arising out of the recommendations of the independent Aviation Safety Regulation Review.

**Recommendation 3**

That the ATSB move away from its current approach of forecasting the probability of future events and focus on the analysis of factors which allowed the accident under investigation to occur. This would enable the industry to identify, assess and implement lessons relevant to their own operations.

**Response**

The Government supports this recommendation in-principle.

However it is important to note that the current ATSB investigation approach is not just focussed on future events but involves establishing the facts pertaining to an occurrence, conducting the associated analysis of those facts to identify safety factors and issues contributing to, or arising from, the occurrence, and then considering the risk to future safety associated with those factors and issues.
The ATSB's investigation policies and procedures are currently being reviewed with a view to considering how the visibility of safety factors, identified as part of the investigation, can be enhanced and other improvements to its risk analysis processes.

The Canadian Transportation Safety Board peer review of the ATSB's methodologies and processes will consider investigation management and governance; reporting processes; external communication strategies; and will have regard to obligations under ICAO Annex 13 and issues raised in the Committee's report.

**Recommendation 4**
That the ATSB be required to document investigative avenues that were explored and then discarded, providing detailed explanations as to why.

**Response**
The Government supports this recommendation.

The ATSB's investigation policies and procedures currently require investigators to document investigative avenues that were explored and discarded. However ATSB policies and procedures are being reviewed with the objective of ensuring that information is published more explicitly in investigation reports.

The Canadian Transportation Safety Board peer review of the ATSB investigation methodologies and processes will also examine this issue.

**Recommendation 5**
That the training offered by the ATSB across all investigator skills sets be benchmarked against other agencies by an independent body by, for example, inviting the NTSB or commissioning an industry body to conduct such a benchmarking exercise.

**Response**
The Government supports this recommendation.

It is proposed that benchmarking be undertaken as part of an ongoing ATSB training process not a "one-off" exercise.

The ATSB has previously benchmarked its training arrangements and also consults and collaborates with its international counterparts, through a range of forums, on issues of shared interest.

The ATSB will consult with members of the International Transport Safety Association to pursue further benchmarking of member agency training.

The ATSB is a Registered Training Organisation that is subject to regular external audit. Its training programs are also regularly used by safety professionals and industry participants, including staff from regulators and other investigative agencies.

**Recommendation 6**
That, as far as available resources allow, ATSB investigators be given access to training provided by the agency's international counterparts. Where this does not occur, resultant gaps in training/competence must be advised to the Minister and the Parliament.

**Response**
The Government supports this recommendation in-principle.

However training of ATSB investigators should include a range of on-the-job experience and professional development and not just revolve around access to international counterparts.

The ATSB has established processes for professional development, including through engagement with overseas counterparts and attendance at international investigator and transport safety forums. The ATSB also engages with industry to ensure familiarity with technological advancements.
While the ATSB's auditing and benchmarking exercises have not identified any gaps in its training program, the ATSB will continue to identify enhancements where possible.

The Minister and the Parliament will be advised on the ATSB's training strategies and outcomes through the ATSB Annual Report.

Recommendation 7
That the Transport Safety Investigation Act 2003 (TSI Act) be amended to require that the Chief Commissioner of the ATSB be able to demonstrate extensive aviation safety expertise and experience as a prerequisite for the selection.

Response
The Government does not support this recommendation.

The ATSB is a multi-modal safety investigation agency and the current provisions in the TSI Act regarding appointment of commissioners ensure an appropriate balance of expertise across transport modes.

The Chief Commissioner is supported by staff with a diverse range of transport expertise, including expertise in aviation as well as maritime and rail transport.

The ATSB's workforce planning aims to ensure it has access to the skills and competencies necessary to function as a modern transport safety agency. To assist in achieving this key objective, the ATSB will develop, and update annually, a strategic workforce plan setting out its approach to meeting and maintaining future workforce and skills requirements.

Recommendation 8
That an expert aviation safety panel be established to ensure quality control of ATSB investigation and reporting processes along the lines set out by the committee.

Response
The Government does not support this recommendation.

Australia's internationally recognised aviation safety governance arrangements do not require another layer of oversight as proposed by the Committee.

The ATSB is an independent statutory authority with that independence being specifically provided for under the TSI Act.

Independence for accident investigation authorities is important for avoiding conflicts of interest and external interference, and is consistent with international standards. In this regard, standard 5.4 of Annex 13 to the International Convention on Civil Aviation (the Chicago Convention) provides that "the accident investigation authority shall have independence in the conduct of the investigation and have unrestricted authority over its conduct."

Establishing a separate body to quality control the work of the ATSB would undermine these arrangements.

The Government considers that the ATSB should use its established quality control processes to ensure the veracity of its findings and is prioritising enhancements to its Safety Information Management Systems and Safety Investigation Quality System to further enhance the quality and timeliness of its investigations.

The ATSB investigation procedures also require that investigation reports are subjected to a range of internal management and peer reviews, and consultation with involved parties, before reports are submitted to the Commission for approval.

The Canadian Transportation Safety Board peer review of the ATSB will also assess the adequacy of quality control procedures and make recommendations as appropriate as to how the ATSB can further improve these procedures.
Recommendation 9
That the Government develop a process by which the ATSB can request access to supplementary funding via the Minister.

Response
The Government supports this recommendation.

The Government is committed to ensuring that suitable mechanisms continue to allow the Chief Commissioner of the ATSB to request additional funding on an as required basis to ensure the high standard of investigations is maintained.

Accordingly the Chief Commissioner and the Secretary of the Department of Infrastructure and Regional Development will be providing joint advice to the Government on the most effective means of giving effect to the Government's commitment.

Recommendation 10
That the investigation [of the Pel-Air Incident] be re-opened by the ATSB with a focus on organisation, oversight and broader systemic issues.

Response
The Government notes this recommendation.

Consistent with undertakings given to the Committee, the ATSB will be amending the Pel-Air investigation report to correct administrative errors which have been brought to its attention, including at the inquiry hearings.

However the re-opening of investigations is ultimately a matter for our independent aviation safety investigatory body, the ATSB.

In this regard, in accordance with ICAO Annex 13, the reopening of an investigation should be considered by the investigating agency where significant new evidence comes to light.

The ATSB's Commission has closely monitored the proceedings of, and submissions to, the inquiry and has advised the Government that it does not consider that any significant new evidence has arisen on issues that have already been considered which are likely to have contributed to the accident.

The ATSB investigation report included the identification of two safety issues which are focussed on organisation, oversight and broad systemic considerations:

- the available guidance on fuel planning and on seeking and applying en route weather updates was too general and increased the risk of inconsistent in-flight fuel management decisions to divert; and

- the operator's procedures and flight planning guidance managed risk consistent with regulatory provisions but did not effectively minimise the risks associated with aeromedical operations to remote islands.

Further organisation, oversight and systemic issues have been assessed and addressed by the operator, CASA, and other parties, which is acknowledged in the ATSB report.

Therefore the ATSB does not consider that re-opening its investigation will add further safety benefits, but would unnecessarily divert investigative resources currently involved in other ongoing investigations.

The Government also notes the Committee's concerns regarding aspects of the investigation and these will be examined as part of the Canadian Transportation Safety Board peer review of the ATSB investigation methodologies and processes having regard to Australia's obligations under ICAO Annex 13.
Recommendation 11
That CASA processes in relation to matters highlighted by this [Air Accident] investigation be reviewed. This could be an evaluation benchmarked against a credible peer (such as FAA or CAA) of regulation and audits with respect to: non-RPT passenger carrying operations; approach to audits; and training and standardisation of FOI across regional offices.

Response
The Government supports this recommendation.
Since 2009 CASA has advised that it has been acting consistently to improve its performance in each of the areas highlighted by the Committee including:

- the release of a Notice of Proposed Rule Making proposing better safety standards for air ambulance flights and ongoing work on proposed regulatory provisions covering passenger charter flights;
- increased specialised training, in particular for technical staff such as inspectors, and often with industry participation;
- greater standardisation and coordination of surveillance and enforcement activity, including through the use of new IT systems, new and regularly updated Surveillance, Air Operator's Certificate and Enforcement manuals and centralised oversight of both surveillance and enforcement activities; and
- the establishment of a Safety Systems Office to analyse available safety data to identify any adverse safety trends and propose relevant safety interventions to mitigate risks and systemic issues.

- Australia's aviation safety system will be monitored under the ICAO Continuous Monitoring Program. This is an appropriate mechanism for the evaluation of aviation safety regulation in Australia.

The Government will also consider further improvements to CASA processes arising out of the recommendations of the independent Aviation Safety Regulation Review once completed.

Recommendation 12
That CASA in consultation with an Emergency Medical Services industry representative group (e.g. Royal Flying Doctor Service, air ambulance operators, rotary wing rescue providers) consider the merit, form and standards of a new category of operations for Emergency Medical Services. The Minister should require CASA to approve the industry plan unless there is a clear safety case not to. Scope for industry to assist as part of an audit team should also be investigated where standardisation is an issue. This should be completed within 12 months and the outcome reported publicly.

Response
The Government supports this recommendation in-principle.
On 5 August 2013, CASA released a Notice of Proposed Rule Making (NPRM) which provides for better safety standards for air ambulance flights.

The benefits of the classification of air ambulance flights as passenger transport include:

- higher levels of training and checking for pilots;
- more robust aircraft equipment requirements;
- fatigue risk management specific to aeromedical operations;
- greater operational and tasking flexibility for some operations; and
The NPRM was published last year seeking comments from the public with an extended timeframe for consultation until October 2013. CASA is currently considering comments.

CASA, as part of its legislated responsibilities, is Australia's aviation safety regulator charged with both the development and implementation of the aviation safety regulations.

Therefore the Government does not support industry effectively drafting its own regulations through an "industry plan" as suggested by the Committee. Industry however should be closely consulted in the development of aviation safety regulatory proposals and CASA will continue to draw on industry expertise as part of regulatory development and review processes.

Similarly, it would not be appropriate for passenger transport industry members to participate in safety audit activities given the clear potential for conflicts of interest.

Recommendation 13
That a short inquiry be conducted by the Senate Standing Committee on Rural and Regional Affairs and Transport into the current status of aviation regulatory reform to assess the direction, progress and resources expended to date to ensure greater visibility of the processes.

Response
The Government supports this recommendation in-principle.

The Government has announced the establishment of an Aviation Safety Regulation Review to investigate the structures and processes of all aviation agencies involved in aviation safety.

The review will consider, amongst other issues, the current status of aviation safety regulatory reform and the outcomes and directions of the regulatory review process being undertaken by CASA.

The Government would welcome the input of the Committee members as part of the consultation process for the review.

Recommendation 14
That the ATSB-CASA Memorandum of Understanding be re-drafted to remove any ambiguity in relation to information that should be shared between the agencies in relation to aviation accident investigations, to require CASA to:

- advise the ATSB of the initiation of any action, audit or review as a result of an accident which the ATSB is investigating; and
- provide the ATSB with the relevant review report as soon as it is available

Response
The Government supports this recommendation.

A revised Memorandum of Understanding (MoU) between the ATSB and CASA will be put in place following the completion of the Aviation Safety Regulation Review.

Recommendation 15
That all meetings between the ATSB and CASA, whether formal or informal, where particulars of a given investigation are being discussed be appropriately minuted.

Response
The Government supports this recommendation.

The two agencies have confirmed that procedures are in place to ensure outcomes of meetings and discussions are recorded and filed. These procedures will be reviewed by the two agencies, as appropriate, to ensure their ongoing adequacy and effectiveness.
Recommendation 16
That, where relevant, the ATSB include thorough human factors analysis and discussion in future investigation reports. Where human factors are not considered relevant, the ATSB should include a statement explaining why.

Response
The Government supports this recommendation.

The ATSB confirms that human factors are an essential part of its investigation process, and its policies and procedures governing the investigation of human factors are consistent with ICAO guidance on human factors.

ICAO guidance states that human factors information should be integrated into the appropriate areas of the factual part of the report, rather than under a separate heading, to ensure that human factors issues are appropriately addressed in investigations and reports.

The Canadian Transportation Safety Board peer review of the ATSB investigation methodologies and processes will examine the consideration of human factors issues and make any recommendations for further improvements as appropriate.

Recommendation 17
That the ATSB prepare and release publicly a list of all its identified safety issues and the actions which are being taken or have been taken to address them. The ATSB should indicate its progress in monitoring the actions every 6 months and report every 12 months to Parliament.

Response
The Government supports this recommendation.

The ATSB publishes on its website a list of all safety issues and actions highlighted in its investigation reports, including recommendations. The status of these issues and actions is updated quarterly.

The ATSB Annual Report to Parliament also provides details of safety issues and advices published in the ATSB investigation reports and advice on the status of recommendations.

Recommendation 18
That where a safety action has not been completed before a report being issued that a recommendation should be made. If it has been completed the report should include details of the action, who was involved and how it was resolved.

Response
The Government supports this recommendation in-principle.

ATSB policies and procedures require that the details of actions taken in response to safety issues identified as part of an investigation are included in the investigation report. The ATSB website provides an ongoing status report on the action undertaken in response. The ATSB reviews and updates this information quarterly.

The ATSB will review its policy on the use of recommendations, including in relation to international best practice and having regard to the final report of the Canadian Transportation Safety Board peer review.

Recommendation 19
That the ATSB review its process to track the implementation of recommendations or safety actions to ensure it is an effective closed loop system. This should be made public, and provided to the Senate Regional and Rural Affairs and Transport Committee prior to each Budget Estimates.

Response
The Government supports this recommendation.
The ATSB has processes in place to track and report action in response to safety issues identified through its investigations. The safety issue and action information gathered by the ATSB is publicly available on the ATSB website.

Consistent with Recommendation 18, the ATSB will review its processes to ensure transparency and timely closure in relation to safety actions and recommendations.

As appropriate, the ATSB will also assist the Secretariat to the Senate Regional and Rural Affairs and Transport Committee to access the safety issue and action information published on the ATSB website prior to each Budget Estimates.

**Recommendation 20**

That where the consideration and implementation of an ATSB recommendation may be protracted, the requirement for regular updates (for example 6 monthly) should be included in the TSI Act.

**Response**

The Government notes this recommendation.

The ATSB advises that there are already existing arrangements for regular public reporting on the status of safety recommendations and safety actions. For example, the ATSB already publishes on its website a list of all safety issues and actions highlighted in its investigation reports, including recommendations. The status of the issues and actions is updated quarterly. Therefore, based on this advice, amendment to the ATSB's governing legislation, for an administrative reporting matter, is not necessary.

**Recommendation 21**

That the Government consider setting a time limit for agencies to implement or reject recommendations, beyond which ministerial oversight is required where the agencies concerned must report to the Minister why the recommendation has not been implemented or that, with ministerial approval, it has been formally rejected.

**Response**

The Government notes this recommendation.

All recipients of recommendations are required to respond with details of intended action (if any) within 90 days and this response is published by the ATSB. This arrangement provides for oversight of implementation and the identification of related factors or processes impacting the timeframe for implementation of specific recommendations.

The implementation of safety actions, including the time needed and the resources involved, may vary on a case by case basis. Further, the implementation of some safety actions may be tied to the implementation of others, or other regulatory initiatives, meaning that implementation needs to be accommodated within broader aviation safety regulatory processes.

Ministerial intervention in safety actions by its independent safety agencies is not necessary and could undermine the proper independence of our statutory agencies in acting in accordance with their legislative mandates.

**Recommendation 22**

That Airservices Australia discuss the safety case for providing a hazard alert service with Fijian and New Zealand ATC (and any other relevant jurisdictions) and encourage them to adopt this practice.

**Response**

The Government supports this recommendation in-principle.

Airservices Australia (Airservices) has confirmed that Australia, Fiji and New Zealand all follow internationally agreed protocols which define the nature and obligations for the provision of information to flight crews by air traffic control. This includes the provision of a Flight Information Service (FIS),
as defined by ICAO, which includes relevant weather information and other information likely to affect safety.

Airservices notes that it uses the term "hazard alert" to describe information provided under the FIS which is new and not yet captured in a meteorological report or formal Notice to Airmen (NOTAM). While Fiji and New Zealand do not use the term "hazard alert", the service provided in all cases is effectively the same internationally agreed FIS.

Airservices has drawn Fijian and New Zealand air traffic authority's attention to the safety lessons learnt from the Pel-Air accident, both in writing and at the South West Pacific Safety Forum in May 2013. Airservices made a presentation at the Forum which reviewed the lessons learnt from this event and the importance of accurate and timely communication and information between air traffic service providers and air crew which can include the provision of advice of deteriorating and hazardous conditions.

**Recommendation 23**

That the relevant agencies review whether any equipment or other changes can be made to improve the weather forecasting at Norfolk Island. The review would include whether the Unicom operator should be an approved meteorological observer.

**Response**

The Government supports this recommendation.

The Bureau of Meteorology (BoM) upgraded its equipment at Norfolk Island subsequent to a relevant ATSB report in 2000. This included the provision of instruments that measure cloud height and visibility automatically. A radar unit was also installed in 2003 for upper air measurements and weather watch. The Bureau of Meteorology (BoM) will be undertaking the review relating to Norfolk Island in consultation with other agencies and industry and expects to complete the review by 30 June 2014. BoM reports that new international higher resolution satellite imagery is scheduled to be available in 2015. This additional information may lead to improvements in monitoring and forecasting of weather services at Norfolk Island.

BoM also advises that it currently runs approved training courses for authorised weather observers which can be accessed by any airport staff.

**Recommendation 24**

That the relevant agencies investigate appropriate methods to ensure that information about the incidence of, and variable weather conditions at, Norfolk Island is available to assist flight crews and operators managing risk that may result from unforeseen weather events.

**Response**

The Government supports this recommendation.

BoM currently provides information on various meteorological hazards to aviation through a number of publications, including the Manual of Aviation Meteorology. BoM staff also provide presentations at safety forums for pilots which include weather issues related to destinations such as Norfolk Island. Through the BoM's aviation web site, specific information on climatological conditions at Norfolk Island can be found in Aerodrome Climatologies, which provides information about the frequency of low cloud and reduced visibility at Norfolk Island.

To supplement this information, the BoM has worked with Airservices and CASA to produce a brochure on aviation weather hazards at Norfolk Island. This brochure was developed and made available on the BoM web site in December 2013. It will also be made available at meetings with industry.

**Recommendation 25**
That the Aeronautical Information Package (AIP) En Route Supplement Australia (ERSA) is updated to reflect the need for caution with regard to Norfolk Island forecasts where the actual conditions can change rapidly and vary from forecasts.

**Response**

The Government supports this recommendation in-principle.

Variability of weather conditions from forecast is something for which flight crews should always anticipate and plan irrespective of which airport they operate to, including island destinations.

There are however, some concerns with the Committee's recommendation.

The specific identification of weather variability for a single location within the AIP could introduce its own risks. There is potential for a lack of such a statement at other locations to imply that weather is not variable, or forecasts are more accurate, at those other locations.

Commentary or classification about the reliability of weather forecasts of susceptibility to weather changes should not be done in isolation at a single location unless the safety implications have been assessed by the relevant agencies. Accordingly, Airservices is consulting with the BoM and CASA to determine whether the current ERSA provisions should be updated for Norfolk Island. If agreed, changes will be incorporated into the next scheduled issue of ERSA.

**Recommendation 26**

That in relation to mandatory and confidential reporting, the default position should be that no identifying details should be provided or disclosed. However, if there is a clear risk to safety then the ATSB, CASA and industry representatives should develop a process that contains appropriate checks and balances.

**Response**

The Government supports this recommendation in-principle.

The updated Statements of Expectations applying to ATSB and CASA, issued in April 2013, require that both agencies work closely together to ensure that arrangements are in place for the appropriate sharing and use of safety information by the ATSB and CASA. The Statements also require that these arrangements are transparent to the aviation industry and consistent with a strong reporting culture.

In response, the ATSB and CASA publicly released a joint Safety Policy Information Statement in June 2013 clarifying the use of information by both agencies and as a guide to further consultations with industry on the implementation of this policy in the operations of both agencies. Any legislative changes that may be developed to give effect to the Statement would be subject to public and industry consultation.

The information sharing approach outlined in the joint Safety Policy Information Statement is entirely consistent with international best practice and is reflected in the recommendations of the ICAO multidisciplinary taskforce formed to specifically consider information sharing issues.

**Additional Comment (Recommendation) by Participating Member**

That the Government establish, as a matter of urgency, the role of Inspector-General of Aviation Safety, with the necessary powers, resources and expertise to oversee and independently review the activities of CASA, the ATSB and other relevant organisations to an appropriate level.

**Response**

The Government does not support this recommendation.

Australia's internationally recognised aviation safety governance arrangements do not require another layer of administration or oversight.

CASA and the ATSB are independent statutory authorities, with that independence being specifically provided for in their relevant enabling legislation and both are accountable to Parliament.
The Government sets out Statements of Expectations for both agencies consistent with their respective enabling legislative provisions. These will be updated for CASA and ATSB in the first half of next year once the independent safety review is completed and its recommendations considered by the Government.

Independence for regulatory and accident investigation authorities is vital for avoiding conflicts of interest and external interference, and is consistent with international best practice and ICAO standards. Therefore establishing a separate body to oversee and review the work of the CASA and the ATSB would undermine well established, governance and oversight arrangements, which enjoy bipartisan support and strike an appropriate balance between independence and accountability.

**DOCUMENTS**

**Greste, Mr Peter**

**Tabling**

The **ACTING DEPUTY PRESIDENT** (Senator Marshall) (15:35): I present a response from the Minister for Foreign Affairs, Ms Bishop, to the resolution of the Senate of 13 February 2014 concerning Mr Peter Greste.

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (15:35): I seek leave to move a motion in relation to the response by the Minister for Foreign Affairs to the resolution of the Senate of 13 February 2014 concerning Mr Peter Greste.

Leave granted.

**Senator MILNE:** I move:

That the Senate take note of the document.

Peter Greste, as we all know, is currently in jail in Egypt in quite appalling conditions. He has been wrongly detained. He is one of several journalists from the al-Jazeera network being detained in prison and suffering there. He is living in a dark, three-by-four-metre cell which he is sharing with other journalists. Until recently, they had been denied reading material. There are still not allowed to have pens and paper. They had a little sign, 'Freedom now', and that was taken away from them. They are under enormous pressure. We all saw the television coverage of the trial, where Mr Greste did not even have the services of an interpreter.

He called out from behind the bars for the Prime Minister to speak out on his behalf. He said, 'From the White House, from the United Nations down, people have been speaking out.' John Kerry, the US Secretary of State has spoken out. The United Nations has been speaking out. It is time for our Prime Minister to speak out.

I acknowledge the work that has been done, particularly by the consular staff on the ground. I believe they are doing everything they possibly can to serve the best interests of Peter Greste and everything they can to argue for his release. But this is not about the consular staff; this is about where the politics takes it. That is why I am again calling on the Prime Minister to stand up and make a statement—not only for the release of Peter Greste but also for the principle of freedom of the press. This is incredibly important.

This is an important moment because the Egyptian President has taken quite an unusual step in writing to the parents of Peter Greste—Lois and Juris Greste. In that letter he said: Notwithstanding the independence of the judiciary authority and foremost all the rights guaranteed by the law, I would like to assure you in my capacity as president of Egypt that I will spare no effort to
work towards the speedy resolution of the case in a fashion consistent with the law and that guarantees the resumption of the family in the near future.

That is an unusual step and suggests to me that the international pressure currently being brought to bear on the Egyptian government from all around the world—as I said, from as high as the United Nations and John Kerry, the US Secretary of State, as well as from other governments in the region—is starting to have an impact in Egypt. The Egyptian government is being seen for what it is in detaining these journalists. It is being seen that this is all about covering up what is going on in Egypt and attacking freedom of speech. So I really think it is time the Prime Minister stood up on the world stage and said: 'We respect the freedom of the press. We think it is a critical part of civil rights and humanity. We also think that the arrest of Peter Greste and the other Al-Jazeera journalists on trumped-up charges is unacceptable and that they should be released.'

The Minister for Foreign Affairs received guarantees from her Egyptian counterparts that due process would be followed—but it was not followed. How can it be suggested that sending someone to court without allowing them to get their defence team together and without having interpreters on hand is anything but a sham trial? Here in Australia we need to understand that one of our citizens, a well-respected journalist, has been thrown in jail in Egypt on sham charges and is now going through a terrible time in an Egyptian prison—and that we are not, at the highest levels of our government, speaking out on the world stage for him.

I reiterate my thanks to the consular staff. I think they are doing a great job. I appreciate that the Minister for Foreign Affairs has met with her counterpart and is talking to others at her level around the world. My point, however, is that it is time for the Prime Minister to step up. He was prepared to personally intervene for two businesspeople held in the Middle East—and they had actually been convicted. He went there personally, intervened and had the charges overturned. He was prepared to do that for two businesspeople but, when it came to Colin Russell and the Arctic Sunrise, he said nothing for environmentalists who had been engaged in non-violent protest and who had been hijacked—their boat was taken while they were in international waters. The Prime Minister said nothing about that and now he is not saying anything about the principle of freedom of the press.

I am again today calling on the Prime Minister to stand up on the world stage and send a very strong message to the Egyptian government and other governments like it around the world. He needs to make it clear that this is a nation that appreciates freedom of the press and that this is a nation that will stand up for any of its citizens arrested on trumped-up charges and held in appalling conditions—no matter where in the world. He should call on the Egyptians to let Peter Greste come home. That is the key message that needs to go out. The Prime Minister needs to reassure Peter Greste's family that, at the highest levels of this government, as well as through the parliament, everybody stands behind Peter Greste and that we are all doing all we can to get Peter Greste home as quickly as possible.

Senator MOORE (Queensland) (15:42): I want to associate myself with the comments just made by Senator Milne. The family of Peter Greste has been in contact with many people in this place. I have myself been able to converse with them via email on a number of occasions. Peter and the other journalists have now been held in Egyptian prisons for several months. We understand that the right to trial is well established in the Egyptian legal system,
but it is also my understanding that, as Senator Milne has pointed out, throughout the process Mr Greste has not had access to effective translation and so has not been able to see the case against him or even the full charges. This is directly opposed to everything we believe in about effective justice processes and freedom of speech.

The Media Entertainment and Arts Alliance, or MEAA, have a strong record of standing up for the rights of journalists and have helped publicise what is happening internationally. They are particularly concerned about what has happened in the Egyptian case. The MEAA are terrified that this will continue to be a standard practice, that there will not be any possibility of independent coverage of events—not just in Egypt, although that is the focus at the moment, but in other countries as well. It will be impossible for independent journalists to report on what are, in some cases, horrific examples of human rights abuse.

Mr Greste has received strong support from consular staff. His family are very grateful for that and have mentioned that publicly. However, I believe we must, as a nation, speak out publicly at the international level to support the need for clear justice processes for this man and the others being held. We need to reassure Peter Greste's family that our government is behind him at this extraordinarily difficult time. For the record, I strongly support the words of Senator Milne.

Question agreed to.

COMMITTEES

Rural and Regional Affairs and Transport References Committee

Government Response to Report

Senator XENOPHON (South Australia) (15:45): I seek leave for the Senate to reconsider the matter relating to the Rural and Regional Affairs and Transport References Committee report into air safety and accident investigations.

Leave granted.

Senator XENOPHON: by leave—I move:
That the Senate take note of the document.

At the outset, I would like to acknowledge the incredible work of the committee secretariat on this report. It is a very complex, technical area, and I believe this report should be held up as the gold standard of what a dedicated Senate committee can achieve. At the risk of embarrassing her, I would like to acknowledge my legislation and policy adviser, Hannah Wooller, who did extraordinary work on this, and who probably knows more about air safety investigations and air accident investigations than she ever thought she would want to know when she started work with me.

I fear that I may not be able to say the same about the government response, in comparison to the way that the secretariat has dealt with this. I note that the government has already established its review into aviation safety, and that the ATSB has already invited the Canadian transport safety board to consider its investigative and reporting processes in relation to the Pel-Air incident and other matters. But I do have serious concerns about the Canadian process. Those concerns are not about the integrity of the Canadian transport safety board, but about the fact that it seems that their terms of reference are so circumscribed. They
have yet to interview or obtain information from the Senate committee, from the pilot
involved in that incident or from experts who gave evidence to that committee.

What is vitally important about the recommendations from this report is that they do not
stand alone. They were made in the context of evidence that showed a serious and systemic
lack of rigour from both the ATSB and CASA. Any responses from the government that
claim that existing policy or procedure addresses the committee's concerns cannot be
accepted, because this report clearly shows that existing policies and procedures do not work.
Instead, the flight crew of VH-NGA were made scapegoats for regulatory failures.

I note, in particular, the comments from ATSB Chief Commissioner Mr Dolan, who
admitted during questioning that he was 'not proud' of the ATSB's report into the Pel-Air
incident. The committee even went so far as to state that Mr Dolan's standing as a witness
before the committee had been eroded by his evidence relating to the ATSB's failure to
retrieve the flight data and cockpit voice recorders. Mr Dolan justified this position by
quoting a version of the statement that sets out the ATSB's international responsibilities in this
regard—ICAO Annex 13—that was not in force at the time of the accident or investigation. I
pay tribute to Senator David Fawcett's cross-examination of Mr Dolan in this regard, which
elicited very valuable information. A reading of the current Annex 13 may leave some room
for discretion as to whether the recorders are to be retrieved. A reading of the annex that was
in force at the time of the incident and subsequent investigation—and therefore should have
been the one used by the ATSB to reach a decision—does not provide for this discretion. The
committee report states:

The committee does not accept this argument—
that is, the argument of Mr Dolan.

At the time the decision against retrieving the FDR was made the imperative existed for the ATSB to do
so. To ignore this imperative by arguing that the benefit did not justify the cost appears disingenuous.
To imply that the revised wording in the current version of Annex 13 was the basis for the ATSB's
decision in 2009/2010, before this version was in force, is even more disingenuous.

This report also called into question the relationship between the ATSB and CASA, and
whether the intention of the memorandum of understanding between them is being met. The
purpose of CASA is to ensure Australia's aviation safety regulations are being met and are
serving their purpose. Therefore, if an incident investigated by the ATSB reveals a gap in that
oversight, it is the ATSB's duty to report it.

I would like to share an email from an ATSB officer to Mr Dolan and Mr Ian Sangston of
the ATSB regarding the investigation, which reads in part:

We were discussing the potential to reflect the intent of our new MoU that describes the 2 agencies as
'independent but complementary'. We discussed the hole CASA might have got itself into by its
interventions since the ditching, and how you might have identified an optimum path that will maximise
the safety outcome without either agency planting egg on the other agency's face. Right now, I suspect
that CASA is entrenching itself into a position that would be hard to support. If we were to contemplate
an exit strategy, or an 'out', then CASA would need to recognise that it is 'in' something in the first
place.

It is important to note that the final ATSB report makes no reference to the officer's concerns.
What this email clearly indicates is that there was a belief inside the ATSB that CASA had
'got itself into a hole', and that the ATSB's priority was avoiding conflict between the two agencies, rather than holding CASA to account.

On its own part, CASA concluded a special audit of Pel-Air after the ditching and found multiple significant safety breaches on the part of Pel-Air. A further audit CASA undertook on its oversight of Pel-Air found that CASA had failed in its role as regulator. CASA did not share this information with the ATSB, despite the MoU between them requiring it. As such, the ATSB did not have access to information that showed the broader context in which the incident occurred. What is even more concerning is that, after receiving the information as part of the committee process, the ATSB defended its investigation and stated that access to that information would not have changed their conclusion. Again, this is the report of which the chief commissioner of the ATSB is 'not proud'.

In aviation safety, it is vital to look at the contributing factors to consider the bigger picture in which an incident occurred. For example, were the staff adequately trained? Did the company employing them provide appropriate and continuous access to training and other support? Was there a safety culture in the organisation, or did the operator encourage their staff to take risks and 'just get the job done', so to speak? All of these questions, and more, should be asked so investigators can understand the environment in which an incident occurred. In that way, the environment itself can be addressed to prevent that same, or similar, incidents happening again.

The government should take a similar approach to considering this report. Sadly, it has not. In what environment is the ATSB and CASA operating? What are their cultures like? Are they likely to enforce the systems and procedures already in place, or do changes need to happen? This report gives us the answer to many of those questions. The next question is whether the government will take them into account and act appropriately. I seek leave to complete my remarks later.

Leave granted.

**Senator FAWCETT** (South Australia) (15:52): I want to follow Senator Xenophon with a couple of brief comments. I welcome his contribution to this and the role he has played, along with Senator Sterle and Senator Heffernan, in the committee inquiry that led to this report. I welcome the fact that the response to this report from the government has finally come. It is a report that deals with a range of serious safety issues. As a member of the committee, and not of the executive government, I have yet to read the response. I intend to do so and look seriously at how these recommendations, which go to serious safety issues for the aviation community, have been responded to.

Recommendation 7 goes to the issue of competence in terms of the governance of organisations. We saw legislation tabled this week in the lower house and we are here in the Senate today looking at a bill for increasing governance on the board of CASA. The minister commented that he is looking to have people with both operational and technical experience on the board. That was a strong theme that came through this inquiry—the need to have appropriate, competent guidance for both CASA and the ATSB so that we have leadership that recognises what is important and gives appropriate direction to the practitioners.

Recommendation 13 is that a short inquiry be conducted by the Senate Standing Committee on Rural and Regional Affairs and Transport. The government has essentially pre-
empted that recommendation with the review being led by Mr David Forsyth into the regulatory reform process. That has been widely embraced by the aviation community. I look forward to the tabling of that in the implementation.

While the response by the former government, and even this one, is far later than should have been the case for something that is so important, I welcome the fact that the response has been tabled and I look forward to reading it in detail. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS

Maules Creek Project

Order for the Production of Documents

Senator CORMANN (Western Australia—Minister for Finance) (15:54): I table a document relating to an order for the production of documents concerning the Maules Creek coal project.

Senator WATERS (Queensland) (15:55): by leave—I move:

That the Senate take note of the document.

Thank you, Minister, for the provision of your letter. I understand that you are intending to comply with the order for the production of documents and supply the report that we sought by 15 April. We welcome that. We have been waiting for this report for three months, so it is very much needed. The context here is that Whitehaven Coal's Maules Creek coalmine was approved on the basis that the destruction of critically endangered box gum woodland could be offset by protecting box gum woodland elsewhere. The independent report that has been prepared by ecologists engaged by the community found that the area proposed to be tested so that the mine could slash the Leard State Forest is barely box gum woodland at all, it is five per cent the same ecosystem and 95 per cent a completely different ecosystem. Hence the genesis for this independent investigation into whether the company actually misled the government in getting an approval, making claims about offsets that have now been shown to be false or misleading.

There is a reference in your letter, minister, to the fact that the report may be prejudicial to law enforcement operations. I welcome that. There has been an investigation on foot for more than a year now. The government is criminally investigating this company, and well it should. I hope that that investigation soon comes to its conclusion and that this company is prosecuted—if indeed the report shows that false or misleading information was provided by the company.

I wish to place on record my thanks and pay tribute to the blockaders at the Maules Creek community. For 560 days they have been blockading the Maules Creek mine, protecting the wonderful biodiversity values of this box gum woodland, the Leard State Forest, and protecting the world's climate from this massive open-cut coalmine. I wish to thank the community and ensure them of the Greens' support not only for the protection of water and biodiversity but also for the protection of the climate. I wish to take the opportunity also to apologise to the Gomeroi traditional owners of that area and the elders who sought heritage protection for some Indigenous heritage which I
understand has now, sadly, been bulldozed because the application to protect it lay dormant on the department's table for more than 100 days. I take this opportunity to give my heartfelt apology to those elders for the destruction of their heritage.

We look forward to the provision of this report, Minister. The community is very aware of the contrast in the treatment of Mr Jonathan Moylan, who put out a misleading press release about this project, and the treatment of Whitehaven Coal. This company provided false or misleading information about the offsets but it was not prosecuted; in fact, it was awarded with an approval. So I welcome this independent investigation, I look forward to the report, and I look forward to the government prosecuting this company if it is shown that they provided false or misleading information.

Question agreed to.

**DOCOMENTS**

**Tabling**

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

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

**Indexed Lists of Departmental and Agency Files**

**Tabling**

The Clerk: Statements of compliance are tabled in accordance with the continuing order of the Senate relating to departmental and agency files.

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

**STATEMENTS**

**Forced Adoption**

Senator SIEWERT (Western Australia—Australian Greens Whip) (15:59): I thank the chamber for agreeing to set aside this time so that we can commemorate the first anniversary of the historic National Apology for Forced Adoptions. I am not going to read the whole apology because it would take my whole time, but I do want to remind people of some of the words and the sentiment of the national apology. I also want to talk about some of the things that have happened since the national apology and, hopefully, my colleagues will too. I also point out that the Forced Adoptions Implementation Working Group has been meeting, hence Senator Moore and I have been running in and out of the chamber, and I think some members of the working group will be joining us at some stage.

I am not supposed to be using props but this document is a copy of the apology. It has been hanging very proudly in my office for the last 12 months, and tomorrow is the actual first anniversary of the apology. The apology starts:

1. Today, this Parliament, on behalf of the Australian people, takes responsibility and apologises for the policies and practices that forced the separation of mothers from their babies, which created a lifelong legacy of pain and suffering.
2. We acknowledge the profound effects of these policies and practices on fathers.
3. And we recognise the hurt these actions caused to brothers and sisters, grandparents, partners and extended family members.

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CHAMBER
It then goes on to acknowledge these appalling practices that caused so much pain and suffering for so long, for decades, in this country. I would like to go to the end of the apology, which says:

18. We resolve, as a nation, to do all in our power to make sure these practices are never repeated. In facing future challenges, we will remember the lessons of family separation. Our focus will be on protecting the fundamental rights of children and on the importance of the child’s right to know and be cared for by his or her parents.

19. With profound sadness and remorse, we offer you all our unreserved apology.

I would like to remind everybody that that is what we did a year ago tomorrow. We also, today, passed a motion in this chamber with the total support of the chamber. One of the valuable things I will always remember from the Senate is that when we are dealing with important matters, we can deal across parties as a whole and can recognise the importance of these moments in our history. The apology was important last year and continues to be a very important moment in our history.

We, again, today acknowledged the ongoing pain and suffering of mothers, children and fathers affected by unethical, dishonest and sometimes illegal practices of the past. We also went on—and this is where I want to look to the future—to commend the work of the National Archives of Australia. Today the website was launched, and they have done a marvellous job to get that completed in 12 months. Congratulations to them, and I urge everybody to look at the website and look at the history project. It really is going to be a very profound resource to our community.

We also congratulate the Institute of Family Studies, who have done an outstanding job in their research and scoping work. The Department of Social Services have been doing a marvellous job supporting the working group and they are really trying to make sure that they implement the commitments of both the previous government and this government with regard to the recommendations of the Community Affairs References Committee report. Many of the commitments that were made have come from those recommendations. Also, of course, the Forced Adoptions Implementation Working Group have been working really hard to progress the recommendations.

I want to touch on and acknowledge that an apology is only a part of the healing process. Nothing magically happens that takes away what is lifelong suffering and pain which has been caused by these practices, but it is an essential part of the journey. That is why it is so important that the implementation working group continues to do its work and that the recommendations get implemented, and I look forward to them all being implemented in the not-too-distant future. It is extremely important that we do not lose these recommendations or this work and that they are implemented, because we need to be putting those supports in place to further help with the healing from the past practices.

It is very important, as is pointed out in the apology:

17. To redress the shameful mistakes of the past, we are committed to ensuring that all those affected get the help they need, including access to specialist counselling services and support, the ability to find the truth in freely available records and assistance in reconnecting with lost family.

We will never let that part of the apology go. It is absolutely critical that we continue to support people who have been affected by past practices.
I want to take a minute or two to reflect, which goes back to the comment I made about the ability of this chamber to step up to the mark when we need to. I checked the date—it was 15 November 2010 when this chamber referred the inquiry to the Community Affairs References Committee. Throughout 2011 from April through to nearly the end of the year, December, we held a large number of hearings. I will never forget those hearings. I will never forget the evidence that we were given. The accounts that we heard were heartbreaking. You would go home after every hearing with your heart heavy after having heard the pain and anguish that these practices caused. It totally convinced you that this country could not deny the pain and suffering that was caused or that these practices happened. And, as was pointed out in the motion that we passed today, there is no doubt in my mind that some of these practices were illegal. People were cheated, conned and persuaded into giving up their children. That has had profound ramifications for, as the apology points out, mothers, fathers, sons and daughters, grandparents, uncles and aunts. It has rippled throughout families.

For too long this country was in denial. That caused additional pain and suffering and a sense of shame. One thing I heard repeatedly from the accounts was of the sense of shame that was imparted, particularly to mothers. That has affected people for their whole lives. We can never let that happen again and we can never forget that this has occurred. That is why I am hoping that every year we can mark this apology so that we do not forget that these events occurred, we acknowledge that they occurred and we remember that the pain and suffering does not go away completely. People will carry that with them all their lives. We can provide support, love and acknowledgement, but you cannot make it go away. However, we can make sure it never happens again. That is why the last part of the motion, which says:

… resolves to continue to do all in its power to make sure these practices are never repeated—is so essential. It is also a repeat from the apology itself. I will remember and I will urge everyone to remember this special day tomorrow.

Senator CAROL BROWN (Tasmania) (16:09): I rise to also make a statement as we prepare for the first anniversary of the national apology for forced adoptions tomorrow, 21 March.

We have heard the voices—voices which were silenced for far too long—of those so deeply and profoundly affected by forced adoption practices, practices which were unethical, dishonest and illegal.

I was profoundly honoured to have been part of the Senate Community Affairs References Committee inquiry into the Commonwealth's contribution to former forced adoption policies and practices, the report of which helped bring about the apology that we reflect on today.

The committee heard stories from mothers, fathers and adoptees who had the sacred bond between parent and child broken. We heard accounts of improper use of drugs by medical staff and even cases of young women being shackled whilst birthing. We heard accounts from many mothers who were denied the most natural and simple instinct of a parent, that being the chance to touch and hold their baby.

We heard accounts from mothers who were not informed of their rights and from those who were not given the opportunity to provide consent to the adoption. We heard from children, now adults, who were denied the opportunity to grow up knowing their parents and
knowing the truth. We heard accounts from fathers who were barred from the place of their child's birth and prevented from being recognised on birth certificates.

At the public hearing of the Senate inquiry in Hobart, one mother stated:

... I am going to be a fighter and a warrior here today and am concerned to talk about what I think now needs to happen to restore our dignity to us.

I think that this mother and all others who have shared their stories are fighters and warriors. To those who fought to be heard and who fought for justice: we heard you and we thank you.

In giving the apology for forced adoptions on behalf of the Australian people, former Prime Minister Julia Gillard said:

We offer this apology in the hope that it will assist your healing and in order to shine a light on a dark period of our nation's history.

I believe that the eloquent and unreserved apology offered one year ago tomorrow did shine a light on this dark period, as did similar apologies from governments and organisations around Australia, including the apology on behalf of the people of Tasmania from former Premier Lara Giddings, on 18 October 2012.

But it was those who fought to have their accounts heard that first turned on this light. So I sincerely thank those who shared their accounts, including those who contributed to the inquiry. Thank you for turning the light on. It is now up to all of us to not turn away from what we see, to acknowledge the unethical, dishonest and illegal practices of the past, and the ongoing pain and suffering of those affected. It is now up to us to do all within our power to ensure these practices are never repeated. However, as we reflect on the apology, it is important to acknowledge that words alone cannot heal the lifelong suffering of those affected by forced adoption.

When former Prime Minister Gillard made the national apology, it was also announced that the federal government would provide $5 million to improve access to specialist support and records tracing for those affected by forced adoptions and would work with the states and territories to help improve these services. Also, funding of $5 million to enable mental health professionals to better assist in providing support for those affected by forced adoption.

A further $1.5 million was provided for the National Archives of Australia to deliver a website, exhibition and education program to increase awareness and understanding of experiences of individuals affected by forced adoption practices and to share the experiences of forced adoption. This is an important step to ensure that the horrific events of the past are never forgotten and never repeated.

I was privileged to attend the launch of the website this morning and to hear from the minister; Mr David Fricker, Director-General of the National Archives of Australia; and Professor Mushin, Chair of the Forced Adoptions Implementation Working Group. I would recommend that all in this place visit the National Archives website and promote it to others, to continue to shine the light on this dark period of our nation's history.

I congratulate all those who have been involved in this project: those from the National Archives; the implementation working group, which includes my colleagues in the Senate Senator Moore, Senator Siewert and Senator Boyce; and those others who have continued to work on the development of this website. I look forward to seeing this project develop, in particular the travelling exhibition which is still to come.
This project is part of the $11.5 million investment over four years the federal government announced to assist those affected by forced adoption practices as part of its response to the recommendations in the Senate inquiry report. At this morning's launch, the forced adoption apology parchment was also unveiled for public display. It will be publicly displayed in the Members' Hall of Parliament House. Hanging this parchment in Parliament House demonstrates the importance this parliament places on the apology.

I want to again share words I have reflected on before when speaking on this issue in this place because I think these words, given as evidence to the inquiry by a Tasmanian mother, are so vitally important. The mother said:

… I want people to know that I loved my baby, that she was wanted and that I am her mother.

It took far too long for this to be acknowledged and for sorry to be said—and, tragically, for some it came too late. But now we know, we have heard, and it is incumbent upon all of us to support healing, to promote understanding and education, and to work to ensure that this can never happen again. I wish to finish by reflecting on, as Senator Siewert did in her contribution, Prime Minister Gillard's concluding words of the national apology:

With profound sadness and remorse, we offer you all our unreserved apology.

Senator McKenzie (Victoria—Nationals Whip in the Senate) (16:17): I rise to join with former members of the Senate Community Affairs References Committee that I had the pleasure to serve with during the production of this report. I stand here in place of a great advocate and member of the working group and implementation group, Senator Sue Boyce, to make a very short contribution. I would like to congratulate Senators Moore, Siewert and Boyce for their ongoing work in this area and for bringing the tough questions to this place and making us all sit around the table and come to grips with them. We are never stronger as a nation, I think, than when we all come together and are on the same page. We saw evidence of that last year during the Australian government's apology by former Prime Minister Gillard, and the contribution from then opposition leader Tony Abbott, to victims of forced adoption practices.

I was also very proud, as I said earlier, to be a member of the Senate Community Affairs References Committee inquiry into forced adoption policies and practices. I agree with Senator Siewert's commentary that experiencing those hearings around the country will never leave us, hearing firsthand the experiences of mothers, fathers and, indeed, children and workers in some of those establishments at that time. As part of the inquiry we heard harrowing stories. I want to thank all the women, men and others who bravely told their stories to the inquiry to pave the way for this apology. This was an apology of the Australian government and it was supported by the whole parliament.

In response to the apology a year ago, the Australian government is investing $11.5 million over four years to 30 June 2017 to assist those affected by forced adoption practices. In August 2013, the department contracted the Australian Institute of Family Studies to map the current support available to determine how the system is meeting the needs of affected people and suggest service models to complement and enhance existing programs. The Australian Institute of Family Studies has undertaken consultations with service providers, advocacy support groups and state and territory governments on service model options.
As we have heard in previous contributions, the National Archives of Australia has developed a website and is planning an exhibition to document the history of forced adoptions in Australia. The National Archives have consulted key stakeholders and invited public contributions to the website, and contributions to the website will continue after its launch this morning by Minister Andrews. The website contains an option for people to subscribe to a mailing list so that they can be continually updated on this particular issue. There is a link to the Attorney-General's page where there are Hansards, photos and copies of the actual apology document that can be downloaded by anybody who is interested. The forced adoptions exhibition will launch on the second anniversary of the national apology in 2015 and will tour nationally.

The Department of Health provided $3.5 million to 30 June 2014 to all 61 Medicare Locals to increase their capacity to meet the expected increase in demand for the Access to Allied Psychological Services program following the national apology. People who have been affected by forced adoption practices who have a diagnosed mild to moderate mental health disorder could already access ATAPS; however, the one-off funding boost was to give people affected by forced adoptions priority access.

Australia will do all it can to ensure that such illegal and immoral practices will never again happen in our country. When the Australian government made its apology last year, all the states had already offered apologies to women and families affected by past adoption practices. On 25 October 2012 the Victorian parliament formally apologised, also announcing a number of additional measures to better respond to the needs of people affected by past adoption practices. They now have free access to Family Information Networks and Discovery to obtain copies of available adoption records and receive assistance to locate, contact and, where possible, mediate with family members separated by adoption, with a referral to appropriate support and counselling services.

Coalition senators Senator Adams and Senator Coonan also contributed to the Senate inquiry, and I again draw particular attention to Senator Sue Boyce for her continuing interest in this area. The hard work of healing has begun. We all stand together with those affected by forced adoption practices. (Time expired)

Senator MOORE (Queensland) (16:22): I want to acknowledge the members of the working group, because this is a response to the work that you did and continue to do. We all have, clutched into our little hands, copies of the apology from 12 months ago. I think that shows a great deal of hope. We see what was put in that apology, we remember it and we challenge ourselves as to what we do next. The problem with these debates is that we all want to quote the same things, because they are so effective and so valuable.

But I actually want to put on the record, from my memories of the apology from 12 months ago, the part that said:

To those who have fought for the truth to be heard, we hear you now. We acknowledge that many of you have suffered in silence for far too long.

On that day 12 months ago, the parliament gathered along with so many people to share the stories—I use the term 'stories' because it is an easy one to say—of the people who had the bravery, the need and the passion to make sure that there would not continue to be suffering in silence.
As Senator Siewert has said, the experience of being on this committee and hearing the contributions from people across the country will stay with all of us forever. Once you actually meet some of these people and you talk with them you cannot ever forget. Senator Brown, as usual, actually picked the quote that I was going to use. It was about the mother who poignantly said—and her words are reflected by very, very many pieces of evidence—that the reason that she had come to talk to us, and the reason she wanted our parliament to make a national apology, was that she wanted her child to know that she loved her. She wanted there to be no confusion and no uncertainty. She wanted that message of love to be carried through into the next generation.

So many mothers—and fathers, who were often not involved in this process at all, because they were excluded completely—have never had the opportunity to tell their children that they were loved. Over the years, the connections have been lost but the pain has continued. That special bond—which we believe is always there with people who parent children—has been challenged, but it has never been broken. The role of the apology was to acknowledge throughout our country that there was a breaking of hearts but not of any other part. The breaking of hearts was the result of a decision that was taken out of the individual’s hands and imposed on them by so many outside forces.

The other element that stays so clearly with us is that this was a system where people were powerless. The cries that came through the evidence consistently said that their voices, their needs and their love were not able to be taken into account—they were outside. It was a system that just swallowed the individuals. The system over-rove any decision and any hurt. The consequences were felt into the future.

We have heard, through the apology process, that there was a challenge put down to our government and to our community. The last paragraph of the apology—it was quoted by Senator Siewert—looked to the future. It said:

…we will remember the lessons of family separation. Our focus will be on protecting the fundamental rights of children and on the importance of the child’s right to know and be cared for by his or her parents.

The other voices I hear, when I look at the submissions we had, were the voices of the children who were adopted. I heard again only today that when you hear the term ‘forced adoption’ you should realise that a child taken away from its parent knows the true definition of ‘forced’. That is because no child can make that effective choice. A person who experienced that process said:

…I was stripped of my innate identity, my intrinsic heritage and formally given a new name and family. The loss and pain of that young person continued; the person who gave that evidence was 42 years old and was living that pain and hurt as clearly, on that day, as at any other time in their life.

In terms of the process, we have the challenge of the apology. It is the first anniversary. We know it is a first step. A few speakers have given acknowledgement to the extraordinary work of the Australian Institute of Family Studies. Their scoping study that has been presented to the Minister for Social Services is a wonderful document. I think it should add to the national and international knowledge of the issues around forced adoption, the trauma and post-traumatic experiences of people who have been caught up in it, and the personal experiences of people who are seeking our help and support. Those people know now in Australia, as a
result of that apology last year, that our nation accepts that they were 'sinned against'. That
term was actually used, with all the emotive elements of that terminology. These women,
these children and these men were victims of a system that actually did not care effectively
for their needs.

We have the opportunity to take action into the future—we have heard about the National
Archives project; we have heard about the process of raising awareness across our
community—but I also think we have to make an acknowledgement that people need clear
support in very many ways. As we go forward, with the apology clearly in our hands and in
our hearts, we need to know that the action does not cease. We cannot allow this to just fade
away into the realms of history. The apology is an acknowledgement document, but, more
than that, it is an action document; it is a plan and it is a challenge.

We have the opportunity as a parliament to work effectively together to fulfil the
expectations that we gave the people who were caught up in this process 12 months ago. We
made a commitment to them that we would support them, we would acknowledge them and
we would ensure that in future there would not be legislation or practices put in place in this
country that would cause the pain that was caused by the years of forced adoptions processes.
That is our challenge and we have it into the future. (Time expired)

MOTIONS

Western Australia Senate Election

Senator MILNE (Tasmania—Leader of the Australian Greens) (16:29): At the request of
Senator Siewert, I move:

That the Senate notes the upcoming Western Australian by-election will have significant
implications for the people and the environment of Australia in the face of the Abbott Government.
This is a critical issue for people to think about as we approach the election. The Abbott
government has already made it very clear that it is going to make life harder for people. The
Abbott government is certainly going to mount a massive attack on the environment. That is
why people really need to think about it.

Senator Ian Macdonald interjecting—

Senator MILNE: I am glad that Senator Macdonald has raised the issue of jobs, because I
intend to address this at length in relation to how the Abbott government just does not have a
vision for jobs in Western Australia. Not only do they want to attack the environment, but
they will actually undermine employment in the west and make life much harder for people.
We know that the Commission of Audit report is not being released ahead of the election
because the Abbott government wants to hide from the people of Western Australia the truth
about which programs they intend to cut and how many jobs will go from all sectors including
nongovernment sectors. People offering support to the homeless and people who are out there
working at every level in the community now know that their jobs are likely to go and that
their programs are likely to be slashed as a result of the Commission of Audit.

This election in Western Australia is critical because it gives the people of Western
Australia a second chance. They have now seen the Abbott government in action, and they
have an opportunity to address these issues and ask questions. My colleague Senator Ludlam
has made a fantastic contribution to the Australian parliament on behalf of the people of
Western Australia. He has challenged the candidates from the other parties in this election to a
debate on jobs and the economy but, interestingly, the government will not debate anyone on
the issue of jobs in Western Australia.

There was a rather contemptuous response when Senator Ludlam asked Western Australian
Liberal Senator Mathias Cormann repeatedly about having a debate on the future of jobs and
the economy and whether the Liberal Party has a long-term plan for Western Australia's
economy. They clearly do not have a plan.

In the House of Representatives, when my colleague the Greens Deputy Leader Adam
Bandt, the member for Melbourne, asked about the plan for Western Australia after the
mining boom, the only answer was that they are waiting for the next boom. They are not
talking about any other future for Western Australia other than one of digging and shipping
away. There is no other plan from the Liberal Party or the Abbott government for Western
Australia.

So I again issue the challenge that Senator Ludlam has put out there. It is time for the
candidates at this Senate election to stand together and to debate what the plan is for Western
Australian jobs after the boom. What is the plan to address homelessness in Western
Australia? What is the plan to get renewable energy really pumping in Western Australia?

Already, the jobs boom from the construction of new resource projects is slowing down in
Western Australia. China, as we know, is the biggest consumer of Western Australia's
resources. That country is transitioning from an economy driven by government-led
construction to one driven by domestic consumption, and that is leading to a lessening in
demand.

Unemployment in Western Australia is rising but the Abbott government has absolutely no
plan to address it. In fact, he is hurting Western Australian workers by seeking to deny
Western Australian investment opportunities in renewable energy by cutting the federal
Public Service, by cutting funding to many support services through the community and by
opening loopholes for more 457 visas.

Western Australia can be much more than just a mining state. That is where my colleague
Senator Ludlam and the Greens have a very strong plan—a vision of a clean, thriving
economy beyond the mining boom. That plan recognises that the future economy will be
driven by renewable energy and that there will be diverse, cutting-edge manufacturing. That
plan will build a 21st century Australia with construction and service industries. We have to
get beyond the quarry vision and get to a vision about knowledge, service, information,
sophisticated manufacturing and renewable energy.

I want to go specifically to renewable energy, because we have seen some disgraceful
behaviour in the last few days from some candidates in the election. In Western Australia we
had the Palmer United Party candidate saying that he absolutely supported the 41,000
gigawatt-hour large-scale renewable energy target and that they would not fiddle with the
small-scale target. But the truth came out today from the leader of the Palmer United Party,
who said that he did not support a mandatory renewable energy target. He thinks it should be
voluntary. Well, a voluntary renewable energy target is no target at all. It is a recipe to give
the coal barons what they would like. Why wouldn't I be surprised by that when Clive Palmer
himself—the leader of the Palmer United Party—is a coal baron? No wonder they do not
support the renewable energy target! The Greens do. We want to see 100 per cent renewable
energy as quickly as we can get there. Not only do we guarantee not to fiddle with the existing target or, in any way to weaken it; we want to make it a lot stronger. We are already seeing the jobs-rich opportunities from clean energy and we should be fast-tracking construction of Australia's first large-scale solar thermal plant in the Goldfields, Midwest and central Pilbara.

I went with Senator Ludlam to Seville in Spain to look at a solar-thermal plant. As we stood there amongst these massive mirrors, looking up to the solar-thermal plant, we wondered why we couldn't be having this in Australia, where we have better resources. It would be fantastic for us. The Greens have a vision, and Senator Ludlam released 'Energy 2029: The Greens 100% renewable stationary energy plan for WA' earlier this year. There is absolutely no technical or engineering reason it could not happen; the only thing stopping it is the lack of political will.

When I was in Western Australia recently, I went to visit the company Solargain with Senator Ludlam. Established in 2005, it is the largest solar provider in WA; its commercial solar division employs the equivalent of around 110 full-time staff plus further indirect employees, including installers and specialist equipment providers. It will be installing solar systems to around 20 large businesses in Western Australia alone over the next few months and, to date, it has installed more than 30,000 systems nationwide, including a 99-kilowatt system at Worldwide Online Printing in Cannington. During the visit to their factory, Solargain's CEO, Mr Mercuri, expressed strong concerns about the uncertainty over the renewable energy target.

It is an uncertainty right across the country, and that is why the motion today refers specifically to the implications for the people and environment of Australia as a result of the by-election in Western Australia. If the people of Western Australia want to see the rollout of renewable energy across the country and if they want to see the renewable energy target retained, then we have to keep the Climate Change Authority, which has legislative power to review the renewable energy target. It is not like this shonky review that the government is now undertaking with four climate deniers. We already know what the outcome of that review is going to be. We need to keep the Climate Change Authority to do its work. Western Australia can do that for the nation.

Equally we need to keep the Clean Energy Finance Corporation, which is rolling out billions of dollars worth of projects. It is leveraging private sector capital, and it is doing a fantastic job. We have a scenario where the government would want to dismantle it and they have reintroduced legislation to try to do so. That is why the Western Australian Senate election matters so much: the people of Western Australia can send that very strong message.

What we already know is that there are hundreds of jobs in Western Australia in the renewable energy industry. For example, we know that the rooftop solar industry has already delivered over 18,500 new jobs, created 4,500 solar businesses and has resulted in 3,000 megawatts of solar installation across Australia. If the RET is abolished, it is estimated that 81 per cent of solar firms will cut staff and up to 12½ thousand solar jobs could go, according to the Australian Solar Council. With no policy change, an additional 8,000 solar PV jobs would be created by 2018. Never let it be said that the Greens are not in there creating jobs—by driving the renewable energy target we are creating jobs.
I want to turn to the mining industry for a moment, because here is another nonsense from the Abbott government—that getting rid of the mining tax will create jobs. It will not create jobs; in fact, it will cost jobs. I refer particularly to a recent article by Ross Gittins, 'Ending mining tax will damage jobs'. Why is that? Mining is so capital intensive that, although it now accounts for an amazing 10 per cent of GDP, it still accounts for a mere 2.4 per cent of total employment. I would add to that that total employment is falling as you go from the construction stage to the actual production stage in those mines. What that means is that if you want the mining industry to generate jobs, the only way you are going to do it is to tax the profits of that industry. Otherwise, it is an 80 per cent foreign owned industry. They dig up the resource and they send it overseas, and the profits go overseas with it. If you want jobs in Australia from the mining industry, the only way you will get it is to have the mining industry pay its fair share of taxation, and that money is then recirculated through the economy and creates jobs. That is the critical thing. For our economy and for our workers to benefit adequately from the exploitation of our natural endowment by mainly foreign companies, our government has to ensure it gets a fair whack of the economic rents these foreigners generate. That is Ross Gittins' argument and it is absolutely true.

The only reason that the mining tax has not generated the profits that it should have is not that the mining companies are not making profits; it is just the big mistake that the Gillard government made in negotiating the tax with the big miners in order to get a political win and the big miners got the financial win. They are making mega profits. They are already making those profits, and we should be getting that money from the profits and putting it through the economy to create jobs. That is precisely what the Greens are seeking to do. We have a very clear plan for jobs in the future, but we are also aware of the very big downside of the mining industry in Western Australia and that is the impact it has had on rents and homelessness and housing availability.

One aspect of the plan that the Greens have for Western Australia is supporting ongoing construction, design and manufacturing jobs, through the building of 21,500 new homes in Western Australia over the next 10 years. What that will do is to use plantation timber to build the prefabricated housing and roll it out. Right now in Western Australia, on any given night, there are 9,575 people experiencing homelessness, and one quarter of those are under 18.

I am proud to be an ambassador for action on youth homelessness. That is going to be a big focus in the coming month. In Western Australia, this is a big issue. It is the case that 45,800 people are on the social housing waiting list. Waiting times for a home average 2½ years, but up to 10 years in Perth and up to seven years in Fremantle, Albury and Bunbury. In view of mining prosperity and homes that cost $2,100 to rent, Western Australians in Port Hedland are sleeping under corrugated iron and waiting four years for a home. We have an overall supply gap in Western Australia of at least 50,000 affordable rental homes, and that is why the Greens have a national housing road map with an ambitious plan to address it.

When I was in Western Australia, I went to Foyer Oxford. It was a fantastic experience to go there and see the 98 units in that facility that help young homeless people. We asked some of those young homeless people, 'How do you find this facility?' One young guy turned around and said, 'This facility is awesome,' because for the first time he had a safe, secure place to go home to. He was on a contract to educate himself to be able to get a job and he had two years of certainty about housing. That was an amazing experience. But we know that
there are so few crisis accommodation places in Western Australia to meet the need. That is why we need a mining tax that works. That is why the Greens are saying that we should not be abolishing the mining tax; we should be fixing it so that we get a decent return from the resources that are being extracted by foreign owned companies. We should be putting that money into services like the one that I saw at Foyer Oxford and we should be using our plantation timber to build the prefabricated houses that can roll out and create jobs in Western Australia and address the homelessness gap.

Senator Ludlam has worked incredibly hard to present an integrated plan for Western Australia. Another feature of the plan that the Greens have for Western Australia is investing in our public transport system, including the light rail project that was axed by Premier Barnett and Tony Abbott. That is just a disaster because of traffic congestion. Everybody knows that if you want to have a competitive city of the future you need to have a good public transport system. The work that Senator Ludlam has done has included working on developing the public transport corridors and looking at housing along those corridors. Not only is it a great solution for quality of life in Western Australia; it is a great environmental outcome.

So we are putting to the Senate today that the upcoming Western Australian by-election will have significant implications for people and the environment in Australia. I have outlined how a vote for the Greens in Western Australia, a vote against the Abbott government in Western Australia, will be a vote to maintain and roll out more renewable energy. It will be a vote to look after the environment. It will be a vote to address global warming in a serious way and not to just see the absolute sham of Direct Action. There was a great article that Paul Burke, an economist, wrote recently, where he said: 'Direct Action is the hastily bought present you would get for your aunty's fourth wedding.' That is about where it is up to in terms of what Direct Action actually means. That is about the extent of it.

We have a plan for Western Australia: a recognition that we need to address global warming, roll out jobs and have the mining tax fixed so that it actually generates income for Australia that can be spent on addressing things like homelessness and developing a better quality of life in our cities. I also want to mention the other aspect of this in terms of the attack on the environment. We have seen the most concerted attack on the environment from the Abbott government. The decision to try to hand back to the states the ability to manage enforcement and compliance on projects has been shown to be a sham, with Colin Barnett. My colleague Senator Siewert will also add to this, speaking about the shark cull, which we totally oppose.

Senator SMITH (Western Australia) (16:49): It is a great privilege to be able to participate in this debate today. My Western Australian colleague Senator Back will follow me and I understand that my other Western Australian Senate colleague Senator Eggleston will also follow me. Let's be clear: on 5 April, Western Australians should not reward Labor and they should not reward the Australian Greens for the handbrake they are putting on the Western Australian economy and the handbrake they are putting on the future livelihoods of Western Australians and their families.

I am pleased to participate in the debate on this motion brought before the Senate this afternoon by Senator Siewert. The Western Australian Senate election rerun on 5 April is a historic occasion in a number of important respects. The most historic element of this is that,
as a result of the upcoming ballot, the Australian Labor Party has discovered that there is a place known as Western Australia. Not in my life so far have I heard so much talk from members of the Australian Labor Party about my home state, Western Australia, as I have in the parliament in the last week. Displaying all zeality that is characteristic of recent converts, Labor senators seem to be engaged in an internal competition of sorts. There might be a prize being offered by the Labor whip for which Labor senators can get Western Australia recorded in the *Hansard* on the most occasions this particular week. I see Senator Sterle sitting across from me and he will make a mighty effort, I am sure. It is just unfortunate for them that enthusiasm and understanding are not the same thing, because if Labor and the Australian Greens senators think that coming in this place and only now talking about Western Australia, and talking about Western Australia in the next few weeks leading up to 5 April, is fooling voters in Western Australia they have another think coming.

Labor and the Australian Greens had six years—one, two, three, four, five, six—including three years—one, two, three—working in very close partnership to deliver for Western Australia. Let us look at the record of what was actually delivered. First there was the carbon tax—a tax that cost the Western Australian economy $626 million in 2012-13 and failed to deliver any tangible environmental benefits. It is a tax that is still supported in this place by senators from the Labor Party and the Australian Greens. They are still voting together to prevent the coalition's efforts to repeal the carbon tax. This is their idea of standing up for Western Australia. This is a strange way of standing up for Western Australia. What makes this attitude especially puzzling to me, especially in relation to the Australian Labor Party, is that they can hardly argue that the Abbott government do not have a mandate to repeal the carbon tax. We know that Labor MPs understand that their carbon tax was a key factor in their collapse and the collapse of the previous Labor government. Some of the them were even smart enough to try and do something about it.

Let us go back to the middle of 2012 to an article in the *Sunday Herald Sun*. Its headline reads: 'Carbon tax has Labor MPs rattled'. In that story written by Samantha Maiden, it says: PRIME Minister Julia Gillard faces backbench unrest about the carbon tax, with sceptics quietly planning to push for changes to the tax - or the leadership.
The story goes on to quote an unnamed Labor MP saying:
I just hate the carbon tax. Never wanted it …
We might have a few like-minded sceptics coming out. If I had my way we wouldn't be having a carbon tax …
So there were people in the then government who were acutely aware that this policy was a flop and a failure and it was going down badly in the electorate. But then, in the very same article, the real power within the Labor Party is revealed. It goes on to say:
Australian Workers Union president Bill Ludwig said there was little prospect of change to the carbon tax.
"Nothing will happen. It's set in stone. It will all be alright, don't worry about it," he said.
So there we have the Australian Workers Union leading the cheer squad for a tax that destroys jobs. Is it any wonder that union membership in this country continues to fall? 'Why are the views of the Australian Workers Union relevant to this issue?' you might ask. It is worth thinking about this for a particular moment. Who else in this place might owe a favour or two,
indeed owe their political career, to the Australian Workers Union? I can see Senator Mason mulling over the question now. Let me help you, Senator Mason. It might actually be the current Leader of the Opposition, the member for Maribyrnong, Mr Shorten. The Leader of the Opposition built his public profile as the secretary of the Australian Workers Union. He used that union support and its numbers to gain preselection in his seat when he was first elected in 2007. The current secretary of the Australian Workers Union is Paul Howes—it will not come as a surprise to those on the other side of the chamber—who is known to many Australians for his key role in the 2010 coup that cut down Kevin Rudd and delivered the prime ministership to Julia Gillard. Of course, we all know that Mr Shorten was also heavily involved in that operation. It was an AWU backed effort.

**Senator Polley:** Mr Acting Deputy President, I rise on a point of order. I ask that you advise the senator that he needs to refer to the topic at hand and bring him back to relevance.

**The ACTING DEPUTY PRESIDENT (Senator Furner):** Generally during these discussions a broad range of issues are raised. There is no point of order.

**Senator SMITH:** The performance of the former previous Labor government in regard to Western Australia is rich with issues; it is rich with content. I am looking forward to using my full 20 minutes to share with you the rich content that I have. I am just starting on the carbon tax. I will move to the minerals resource rent tax. I will move to the issue of border protection. I am hoping that I can get to your No. 1 Senate candidate, who is reported in this article here—

**The ACTING DEPUTY PRESIDENT:** Order! Senator Smith, you know that props are not to be used in this chamber.

**Senator SMITH:** My apologies, Mr Acting Deputy President. I am reminded of that point. I will not use my prop. The Leader of the Opposition, as we know, built his public profile as the secretary of the Australian Workers Union. We know that the current secretary of the AWU is Paul Howes, who is now known to many Australians for his key role in the 2010 coup.

**Senator Polley interjecting—**

**Senator SMITH:** This is a very important speech, Senator Polley. I have got lots to talk about. If you could let me speak uninterrupted, I would like to move through the critical issue of the union movement and the carbon tax and ridding Western Australians of jobs. There is a link between the trade union movement and jobs. I hope you are aware of that. The carbon tax is acting to limit job growth. So 3½ years on, several Labor leadership battles and a change of government leader, what did we find? We find the AWU is still in the vanguard of the pro-carbon tax movement, despite a devastating election defeat for the Labor Party based in large part on its introduction of a job destroying carbon tax.

A union that is supposed to represent the interests of working Australians continues to support a tax that destroys jobs for working people. It does not make sense. Who is leading the push for the retention of the carbon tax, which Australians so clearly rejected on Saturday, 7 September? The AWU's Paul Howes has urged Labor MPs to fight to save the tax, and now the Labor leader who owes it all to the AWU is falling right in step with his union's position. Mr Shorten may have changed his mind on the Labor leadership on several occasions over the last few years but his devotion to the carbon tax remains unstinting.
Just to summarise: in relation to the carbon tax, the Labor and the Greens senators in this place, including those who are supposed to represent Western Australia, saw their vote plummet last September. Let me remind you, Senator Sterle, just how much it plummeted. In Labor's case it had a record low for Western Australia. Labor's primary vote was—Senator Sterle, can you guess?—close to 30 per cent. The Labor Party's primary vote in Western Australia was 28.7 per cent. If that were not enough of a message, fewer than one in three Western Australians were prepared to support Labor on the election day last September.

The benefits for Western Australian households that flow from scrapping Labor's carbon tax will leave households right around the nation, including of course in Western Australia, on average $550 better off. Without a carbon tax, household electricity bills in the next financial year for West Australians could be on average $200 cheaper. Household gas could be $70 cheaper. Who is standing in the way of this cost-of-living saving for Western Australian families? The Australian Labor Party, aided and abetted by the Australian Greens.

One of the great furphies that the previous Labor government pushed when it was trying to introduce its carbon tax was that it would only be paid by what they called the 'big polluters'. As anyone with a modicum of common sense can tell you, this was utter nonsense. It stands to reason that, if businesses and manufacturers find their energy costs increasing as a result of a carbon tax, they are not simply going to shrug their shoulders and cop it. They will pass the increased costs along to consumers, and that is the basic concept that was taught to many of us in high school economics across our country.

Yet it is a basic concept that is apparently beyond the wit of the members of the Australian Labor Party and the Australian Greens in this place, who continue to deny that their carbon tax is responsible for placing upward pressure on the cost of living for Western Australian families. Far from impacting only on the 'big polluters', as Labor and the Greens have claimed, their carbon tax has washed right through our economy. Everyone across Western Australia has been hit—schools, aged-care homes, hospitals, small businesses and families. Everyone has struggled with the slug on electricity prices brought about by the introduction of Labor's carbon tax.

This is not a secret. This was the very theory behind the introduction of this tax—to force up energy prices and thereby reduce emissions. This is not some accidental by-product of the tax. Labor and the Greens think WA should pay more and they are proud of that. On 5 April they might just be reminded yet again of the result they enjoyed—or did not enjoy, as the case is—on Saturday, 7 September last year. The carbon tax was a cynical slug on Western Australian families, a deal done by a desperate Labor Party forced to bend to the will of the Australian Greens in order to maintain their desperate hold on government. This is Labor's idea of what it means to stand up for Western Australia, it would seem.

I would like to talk now about the mining tax. I know this is of significant interest to my colleague from Western Australia Senator Back, who spoke about this earlier in the week in this chamber. This tax and the minerals resources rent tax and their implication for jobs in Western Australia have been discussed at length this week. The mining tax is probably the most anti-Western Australian policy implemented by the most anti-Western Australian government our country has ever had to contend with. Again, the people of Western Australia spoke clearly and firmly on 7 September last year. They want this mining tax gone. They want the carbon tax gone with it.
This week, the Abbott government brought legislation to this chamber to do just that, to rid Australia's mining and resources sector of a tax that is costing them a fortune in compliance costs but barely raising any revenue. What did we find from senators opposite? Did we hear a rational acceptance of the fact that the mining tax plainly does not work, that it has failed to generate the revenue Labor said it would create? Did we hear an admission from a chastened Labor Party that it had got it wrong and that the only decent thing to do is to scrap this tax, which is acting as another handbrake on investment and job creation in a sector of our economy which, as we all know, is currently moving though some challenging phases? No, we did not. Instead, we heard senators from both Labor and the Greens arguing for the retention of this flawed, hopelessly inefficient tax that has done so much damage to the mining and resources sector that is so critical to the success of Western Australia.

Worse still, if the words of some Australian Greens senators are to be believed, they have further plans for Western Australia in relation to this mining tax. I was in this chamber on Tuesday awaiting my own turn to speak on the legislation repealing the mining tax when Senator Wright spoke of 'strengthening' the mining tax. When senators from the Greens talk about strengthening a tax, that is a byword for 'increasing' the tax. As I noted the other day, I was half expecting Senator Ludlam to run into the chamber at full pelt and wrestle Senator Wright to the ground before any details of the Greens' plan to 'strengthen' the mining tax could escape her lips.

I suppose I should at least applaud Senator Wright for the honesty she displayed in her contribution. It was far braver than Senator Ludlam's 'viral' contribution to the adjournment debate a couple of weeks ago when he wandered into this place and, under the cover of parliamentary privilege, mendaciously chose to pepper the Prime Minister with a series of vile epithets. Senator Wright's decision to alert Western Australians to the Greens' plans to increase the mining tax was also far braver than the current position of the Australian Labor Party.

I have referred already this week to the Leader of the Opposition's now infamous Sky News appearance with David Speers during his recent visit to Perth when, despite being asked five times in a row whether Labor still supports the mining tax, he was unable to state a coherent position. If you watch the video of that interview, you will notice there are two ambulances in the background. Perhaps they were there to administer treatment to the Leader of the Opposition's media team, who were no doubt in shock following his calamitous performance on Sky News.

The Leader of the Opposition's Labor colleague the member for Perth, however, did not find herself quite so tongue-tied recently. Senators will be aware that, less than 24 hours after being appointed as Labor's shadow parliamentary secretary for Western Australia, the member for Perth, Ms MacTiernan, said that the mining tax was 'sound'. Labor's parliamentary secretary for Western Australia is telling us that a tax that is holding back the Western Australian economy is sound.

Senator Back interjecting—

Senator SMITH: In a doorstop interview yesterday outside this very building, Senator Back, the member for Perth said this: 'Look, it's complete nonsense to say that the carbon tax or indeed the mining tax has in fact had a negative impact on the Western Australian economy.' This is the person that the Leader of the Opposition has appointed to his team, to
use his own words, to 'make WA's voice inside Labor even stronger'. I will not pass comment on the member for Perth's vocal abilities, but I will suggest that she may want to have her eyes tested, because, if the member for Perth honestly believes that the carbon tax and the mining tax have not significantly damaged the Western Australian economy, she is incredibly short-sighted. It is worrying that she and her Labor colleagues cannot see the thousands of Western Australian families and small businesses struggling with increases in their electricity costs as a result of the carbon tax. It is troubling that Labor and the Greens cannot see, or perhaps just do not care, that businesses have been forced to scale back their operations, or in some cases close, as they struggle with the higher production costs that these taxes have foisted upon them. It is sad that parties who come into this place and claim to represent the interest of workers cannot see that it is their pursuit of higher taxes and increased regulation that is in fact limiting opportunities for employment growth in my home state of Western Australia.

As if the attitudes of Labor and the Australian Greens on the important issues of the carbon tax and the mining tax were not enough, there is also the issue, important to Western Australians, of border security, something that was comprehensively botched by the last government, largely as a result of pursuing the policy approach adopted by the Australian Greens. For Western Australians, border protection is not just a discussion that occurs in the abstract. When Senator Ludlam came into this chamber a couple of weeks ago and urged the Prime Minister to 'understand that you are now closer to Denpasar than Western Sydney', he was absolutely right. Indeed, the Prime Minister does understand that. He understands it a whole lot better than Senator Ludlam does in regard to this particular issue.

It was made perfectly plain to all Western Australians last year, when the Labor government was still in office and a boat carrying people arriving in Australia illegally sailed calmly into Geraldton harbour, just 400 kilometres north of Perth. Western Australians have seen for themselves exactly what happens when an Australian government pursues policies in the name of 'compassion': people smugglers are emboldened. That is why we saw tragedies like the one that unfolded on the rocks of Christmas Island in late 2011: because people smugglers were emboldened. That is why, over the years that Labor was in office and contracted its policy approach on illegal immigration out to the Greens, we had more than 1,100 people lose their lives at sea: because people smugglers were emboldened. And it is why one afternoon last year a boat full of illegal arrivals was able to sail brazenly into Geraldton harbour, in full view of local residents. If the challenge of dealing with illegal boats did not seem relevant to Western Australia before these things happened, it certainly does now, and that is why Western Australians respect the job that this new government—including its Assistant Minister for Immigration and Border Protection, our very own Western Australian Senator Cash—is doing through Operation Sovereign Borders. *(Time expired)*

**Senator STERLE** (Western Australia) *(17:10)*: I would just like to introduce myself to Senator Smith as a west Aussie. I have probably lived there longer than you, mate. I am not proud that I am older than you, but I just had to get that out there.

I am looking forward to making my contribution to this debate. I know it is Thursday arvo; I understand. But I just want to clarify a few things before I start. I should have had a bet with myself about what would be the content of Senator Smith's contribution to the debate, and I would be interested to see if Senators Back and Eggleston follow, but here we go again. We
all know that six or seven months ago was the last election. We all know what happened then, but we west Aussies also know what was the basis of the Liberal campaign in September of 2013. This is going to come as a great shock to any poor bugger who is sitting here listening to this debate going on here today, but on the carbon tax Senator Smith was on the money. On the mining tax, here we go again. As soon as he said, 'I've got one more,' I should have had that bet—asylum seekers. I honestly believe Senator Smith and Senator Back do have a great appreciation of our state, but unfortunately their hands are tied when the elections are on and they have to toe the party line, even if it is as ridiculous as some of the comments they put forward.

One would think that nowadays, as we are having a re-run of a Senate election, the Liberal Party under Mr Abbott as the Prime Minister would have a vision not only for our great state of WA but also for this great country. You would think that they would enter into a Senate election in the largest state in Australia with a grand plan for what they are going to do as the government for our kids and our grandkids. But no: they have no plan for the future or for Australian jobs—and I will get to that in a minute. They come out and rehash the same nonsense, all about what they will not do if they are elected. Here we go again. The dog whistle is out. Quite frankly, I am happy to say that this time around Western Australians are over that nonsense. They are well and truly aware of the three-word slogans that the Liberals used to great effect in Western Australia. I will be out there backing WA tonight, and I will be using every opportunity I can to challenge Western Australians to ask the government what they are going to do, because the government have no plan.

Let us talk about the lack of a plan on jobs. The shemozzle and shambles that is the Qantas scenario at the moment is something that resonates in Western Australia. Unfortunately, Western Australia is not a manufacturing state. When Holden were goaded to leave the country and Toyota and the workers at SPC Ardmona were told they were going to get no help, it is a long way to the other side of the country and west Aussies do not make cars, so it possibly did not resonate as much as it would have in the eastern states. But job losses resonate everywhere in this country. We had the Treasurer, Mr Hockey—after being courted by Mr Alan Joyce and the board of Qantas, and anyone else who was down here representing Qantas—publicly coming out and making statements in the paper alluding to the opportunity or availability of guaranteeing the debt, only to get a political smack-down when the Prime Minister came out and reinforced that there is no plan for any Australian jobs.

There are still a few other things that I need to clear up. Senator Smith could not wait to go on about the carbon tax. Senator Smith is right in a lot of his commentary, but he is not completely telling the truth. He talked about the rising cost of electricity bills in WA for Western Australians. Yes, there was a significant increase, as you would know, Acting Deputy President Bishop. Every three months when the bill was checked, I know my eyebrows were raised. It was not the carbon tax, although those on that side, and Mr Abbott and his partner in fibs, Mr Barnett, the Premier of WA, would have you believe it was. What a load of nonsense. We know what happened: the Barnett government put up electricity prices in their first term by about 67 per cent—someone can correct me if I am wrong—or maybe it was a bit more. That is where the price increases came from, not through the carbon tax. We were actually compensating people.
I remember a stunt in that other place. Mr Abbott was the Leader of the Opposition at the time. I do not know if it was him or one of his shadow ministers, but they tabled a power bill from WA—from a pensioner I think. But at the bottom of it, which they did not read properly, it actually showed that the carbon tax increase was less than the compensation that they were getting. So you see we have to clear up the truth there.

It is a well-known fact that Labor agree that the carbon tax should be replaced. We have made it very, very clear that we believe climate change is real. We are not blind to the science. We engage with the scientists; we engage with the experts. We know we are being continually fronted with adverse weather conditions—bushfires and cyclones. And that side over there can yell out, 'We've always had bushfires and we've always had cyclones'. Yes, we have, but the severity and the numbers are definitely increasing. So it is an absolute load of bull and the science deniers hide behind the fact that they agree with science as long as the scientists are telling them what they want to hear.

We have also said very clearly on this side of the chamber, and in the other house too, that we are very, very, very amenable to getting rid of the carbon tax and replacing it with an emissions trading scheme. Mr Acting Deputy President, you and I were here in 2009—and I know Senator Farrell and Senator Mason and Senator Back were here as well. I remember the vote. I remember very well going into that first week in December when we were arguing about the emissions trading scheme. I also remember that at the same time Mr Turnbull was their leader. And Mr Turnbull had entrusted Mr Macfarlane, as the shadow minister, to go and negotiate the emissions trading scheme. And then all the nut jobs came out. They attacked via social media and through emails, and didn't those opposite capitulate! They capitulated to the point where they unseated their leader! They have a go at us, but they unseated their leader, Mr Turnbull, and replaced him with the greatest climate denier as well as a populist in the now Prime Minister, Mr Abbott. So I just need to clear up some of those untruths.

I also have to clarify, and Western Australians know this, that it suits—not suiting; no, I will take that back. I think the Liberal Party machine in Western Australia are worried. I really think that they know that Western Australians say: 'Well, hang on. You're the government. We gave you the opportunity to govern. You've been in government seven months; what is your plan and what is your future for workers?' There is none; there is no jobs plan. There is no future training plan. But those opposite go on and they rehash the other favourite dog whistle topic—the mining tax. Let us get this really, really clear: we proposed the mining tax as a profit-based tax, and I am going to have a lot to say about the mining tax on Monday when I get my opportunity to talk about it. Profit based. If you believed what came out of senators from Western Australia on that side, you would think that the mining industry will crumble. Western Australia will break off and float towards South Africa because they would be broke. They have successfully pulled out the biggest sham and the biggest con that I have ever seen in the time that I have been following politics—that is, WA and Australia would come to a grinding halt. What a load of bull!

I will tell you why I say that, because I am a friend of the mining industry. I appreciate what mining does for our GDP. I also understand, as a Western Australian, how important it is for employment. I get all that. But what I do not and will not accept are the lies that came out from that side running this nonsense line that mining would stop. What we have seen in Western Australia is a significant shift in the mining industry, going from construction to
production. And we know darn well that when you go out there and you build a gas plant or you build mines, you are going to employ 4,000 or 5,000 people. We also know, once it is built, there is no need for the construction workers.

I do have to make comments on Senator Milne's contribution. In Senator Milne's contribution—I made a couple of notes—she said that it is the Greens who are the ones who have 'a very clear plan for the jobs'. Senator Milne said it more than once about creating jobs. I also just want to remind those in Western Australia that—and I know this very well because I am very active in the Kimberley and have been active in the Kimberley since 1979—I remember when Woodside and its proponents proposed the Browse gas plant. And I remember the Greens running around the Kimberley with their mates in the environmental movement—and I have seen the piece of paper they all signed: Environs WA, the 'protect the Kimberley' group, Wilderness Australia, the whole lot—saying that they were going to save the poor blackfella. They were going to go up there and they would be the conscience for our Aboriginal people in the Kimberley. And when our Aboriginal people in the Kimberley took a democratic vote, through the KLC, to tick off on the Browse project pursuant to the Indigenous land use agreement, which would have delivered roughly $1.5 billion to Aboriginal advantage through the Kimberley, then they cracked the sads. Then they did not want to know about the Aboriginal people. They are quiet and I know they are not going to challenge me on this.

What we have seen is a commercial decision made by Woodside and its proponents. Unfortunately, the gas plant is not going to come on shore. I was in Broome when the announcement was made, and you could feel the earth rumble for the cheers from the Greens and the environmentalists, who thought it was so fantastic to deny opportunity for Aboriginal people in the Kimberley. Not only did it do that; it killed off the prospect of employment in the 5,000 jobs that would have come with it. But I know there are other issues there that led to the decision being made. So I find it very hard—I find it galling, actually—to hear that the Greens are the party of employment, particularly in WA.

Now I want to get to the basis of the discussion. I want to quote a comment that came from Mr Abbott. Senator Back, you could have been there. You can correct me if I am wrong. There was a WA Liberal Party campaign rally on 17 February 2013. I am quoting the Prime Minister now. He said to the party faithful at this campaign rally that he had 'hoped to model his government on Colin Barnett's' and described the Barnett government as a model government he hopes to repeat in Canberra.

Senator Back: I was indeed, and proud of it. That is correct. Wonderful model.

Senator STERLE: I have that absolutely correct, because Senator Back is confirming that.

Let's have a little look at what could happen and has started to happen if Mr Abbott has the same plans as Mr Barnett. Unfortunately, I only have seven minutes for the litany of broken promises I have here, but let's go to one. We will set the scene This was the modus operandi of the newly elected Barnett government last March 2013, when they had an overwhelming victory—there is absolutely no doubt they did. A week after the election, according to Channel 7—and bear in mind Mr Abbott, our Prime Minister, wants to reflect everything Mr Barnett does and be the same government here in Canberra—their headline was 'Barnett splashes cash to staff'.
To cut a long story short, public sector workers were really being squeezed. They were trying to get pay rises, and I think the government was trying to say: 'We're broke. We can't afford it. We've got to be careful. We've got to be responsible. You can only have three per cent.' The government never hid that going to the election. They did not want to get caught paying pay rises that they said at the time they could not afford. But this is what our Premier did a week later: he gave pay rises of no less than $15,000 and up to $84,000 per annum—despite government urging the public service to cut programs—to media staff. Now, I would not know Ms Dixie Marshall from a bar of soap. I am sure she is competent. I have seen her on TV reading the news, and this is not a personal attack. But her wage a week after the election went up by $84,534 to $245,000 per annum. Good gig if you can get it, and I am not one to deny anyone a good pay. Then we have another senior advisory person in the government's media section, a Ms Kant, whom I do not know. Her salary jumped $52,963 to $213,000 per annum. And there is a litany of others. They are all there. They are all listed. But this is the same mob that do everything they can to ignore and have absolutely no plan—or even a tiny bit of a plan—for the future of Australian jobs and workers. We have Mr Barnett in WA telling everyone, 'Take a deep breath, tighten your belt, but I'm going to award my media people a massive pay rise a week after the election and I never said anything about it.'

Mr Barnett's mate Mr Abbott, our Prime Minister, refuses to stand up for Australian jobs. He will not lift a finger to support manufacturing jobs in the car industry, and let us not forget the thousands and thousands of jobs that have not been announced that are going to be lost through the car components. That is before we even start on Qantas, where we are told there will be 5,000 workers losing their jobs and no-one from Mr Joyce down could tell us where the 5,000 workers were going to come from or anything. Western Australians are a heck of a lot smarter than that.

But here is another story in WA that absolutely must be told: the cuts to education. We are now very clear. Mr Abbott broke his promise. He would not implement the Gonski Better Schools package, and it gave Mr Colin Barnett, the Premier of WA, an opportunity to swing his axe—and didn't he swing his axe in cutting education funding. I am going to talk about a couple of schools here, and I really want people to understand what the Liberal government in WA, the one that Mr Abbott wants to model himself on, has done. They are two peas in a pretty crook pod at the moment.

There is a school in the federal electorate of Hasluck. Mr Acting Deputy President Bishop, I know you know where Hasluck is. The school is the Darling Range Sports College. There is no secret in this building that I am the patron of the Darling Range Sports College. It may sound elite, but it is the old Forrestfield Senior High School, a real good, fair dinkum school doing it in very tough conditions. They have done extremely well because they have some of the best teachers, and I take my hat off to the principal, Mr Peter Noack. But, with Mr Barnett's slashes to education—and we know Mr Abbott's belief on education—I want to give you some figures. At Darling Range Sports College in Forrestfield there are currently 829 students enrolled. Their funding cut for next year thanks to our Premier, Mr Colin Barnett, will be no less than $379,268. When I think to myself whether any public school in Western Australia would be able to absorb that, it frightens me.
I can go on and on and on—and I will. In fact, I will touch on a few more. But let's go to the best part of the world, in my humble opinion: the Kimberley.

Senator Back: Beautiful. You should have started there.

Senator STERLE: I am saving the better bit till last.

We know of the disadvantage in the Kimberley. We know the reasons why we have great disadvantage in the Kimberley and our Aboriginal population struggles, but we have funding cuts in some of the high schools. Let's look at Kununurra District High School: $389,790. Let's have a look at Halls Creek, one of the most disadvantaged centres in our country—they slashed their funding by $145,000. Derby District High School—and all of us in WA know that that is not a rich area; it is not an area where the parents could afford to put their hands in their pockets to pay more for their kids' education than they do now—was cut $205,424.

Unfortunately, 20 minutes goes fast, but I will have the next few weeks in Western Australia to reiterate my views. This is an opportunity for Western Australians to make the decision: do they want these education-slashing projects to continue in WA? If they vote for the Liberals and they vote for Mr Abbott this is what they are faced with. These are the words of Mr Abbott. He is the one modelling himself on Mr Barnett's government. I fear for Western Australia. Western Australians are awake up to you. Senator Smith is not in the chamber now. He couldn't wait to tell us how low the Labor vote was. I will have a bet with Senator Smith. What is the bet, mate? Come upstairs and let's lay a bet, because I tell you now, our vote will be greater than it was last time; your vote will come down. If you want a bet, let's make it a $2 scratchy. Come on, two bucks will do. On behalf of all Western Australians, thank you very much. (Time expired)

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:30): As the general motion articulated, the upcoming Western Australian by-election will have significant implications for both the people and the environment of Australia in the face of an Abbott government. The people of WA are just 16 days away from a Senate by-election and a vote that will affect the future of our great state of Western Australia and the nation. Of course, this is just six months after the federal election—a very unusual event. The people of Western Australia get to have another go at voting and will be electing six senators. From our perspective it is a choice for a positive future, one that is based on compassion and the generation of jobs in a clever, innovative, sustainable country or one that is based on cruelty, secrecy and a lack of compassion. It is a choice that will have ramifications for the country.

We have a government that is determined to heedlessly push on with an agenda that places little emphasis on an evidence base, lacks compassion and does not have regard to the wellbeing of people, the community or our environment. They are committed to the interests of big business at the expense of the most vulnerable in our community. Mr Abbott and his government willfully ignore the complexity of problems we face, favouring simplicity and reckless three-word slogans. Of course, there is no better example of that than their support for the shark cull in Western Australia, where they just signed off on Mr Barnett's knee-jerk publicity-stunt approach to sharks in Western Australia.

The WA by-election is our state's chance to stand up to Mr Abbott's agenda on behalf of the nation. Let us look at a couple of things that I urge voters and Western Australians to bear in mind when they go to the polls in 16 days time. Let us look at the environment. One of the
first acts of the Abbott government was to essentially do away with our world-leading national system of marine parks. They got rid of the management plans. Essentially they are lines on maps and it is business as usual in those marine parks. They cannot wait to hand environmental powers back to the states. You need no better example—the example, in fact, that Senator Sterle was just making—than James Price Point, where the environmental assessment process in Western Australia was so bad that the court has told them to go back and do it again. They could only find one person from the EPA who did not have a conflict of interest in the great mining state to actually make that decision.

This government keeps talking about Landcare funding and the fact that they will put more funding into Landcare. I have got natural resource management groups that are extremely concerned about the future of that funding and are extremely concerned that in fact it is a bit of a pea and thimble trick and that there will not be proper new funding for our natural resource management and for protection of our biodiversity. Then, of course, you have got Mr Abbott's comments that we have too many national parks this country. He cannot wait to get the loggers back into our magnificent forests, including winding back some of the protections. We need to consider the potential for the winding back of the protections for old-growth forests in Western Australia.

Let us look at social policies, another set of issues that are very close to my heart. We have the government fiddling around with people on disability support and potentially moving to a two-tiered approach where we treat some people differently from others. The cuts that they are making as part of repealing the mining tax hit the most vulnerable in our community.

Then, of course, there is the mean, cruel, compassionless approach to asylum seekers, where they use scare tactics to justify their mean, vindictive approach. Asylum seekers are fleeing persecution, fleeing for their lives—and what do we do? We lock them up on Manus Island or Nauru or Christmas Island indefinitely. On the one hand they talk about the horrors of conflict—and they are horrors—but those very people who are fleeing those horrors are then locked up indefinitely. They use border security to justify that approach. It is cruel and it is mean.

In Australia we have inequities and our society is growing more unequal. That is also the case in Western Australia. A recent Curtin University report, *Sharing the boom: the distribution of income and wealth in WA*, shows that the gap between the rich and the poor is growing. The wealthiest 10 per cent of households earn up to four times as much as the poorest. The report says that Western Australians have seen some clear benefits from the mining boom but not all have benefitted equally, with the state's lowest income households falling behind the rest of the WA population. It said that the gap between the richest and the poorest households in WA rose consistently between the acceleration of the WA boom in 2003-04 to its peak in 2009-10, at a greater rate than the rest of Australia. Professor Duncan, one of those involved in the report, said: 'Low income families in WA have failed to share the benefits of the boom at the same rate as higher income households, which emphasises the need to support those people on low incomes who may not benefit from the standard of living increases experienced by the rest of the population.'

There is no plan beyond 'dig it up and ship it out' and trying to find the next place to dig a hole in Western Australia. We need a better vision for how we support the most vulnerable in our community, for how we support those on low incomes who are not benefiting from the
boom, for how we can have a more just and compassionate society that does share the benefits better. We need to look at how we can better support single parents, those living with a disability and older Australians who are struggling to survive on Newstart while they are being discriminated against in the workplace. We need a real focus on housing and homelessness. As Senator Milne very articulately pointed out, we need a clever, innovative approach to focus on generating jobs that build on a sustainable, clean, green future—not the past based on dinosaur fossil fuels. We need better transport and infrastructure and we, the Australian Greens, have plans around all those things.

If we look at the Commission of Audit this government is currently carrying out, everybody knows it plans to make massive cuts across the board; and they are not going to tell Western Australians what is in that report until after the election. What have they got to hide? You have got to ask yourself: why won't they tell Western Australians before 5 April what those cuts entail? In fact, what are they going to fund? I have been contacted by group upon group by phone, by email and through my door expressing their concerns about funding for programs. These are programs that provide support and services to the most vulnerable in our community. For example, we have funding supports for family relationship services—again for some of the most vulnerable in our community. We already know the government has cut funding to Aboriginal legal services. But they say, 'It's okay, we've only cut the advocacy and policy generation components.' But during estimates when I asked Mick Gooda, who is the Aboriginal and Torres Strait Islander Social Justice Commissioner, he said that cutting advocacy and policy directly impacts on incarceration rates of Aboriginal and Torres Strait Islander people. It directly impacts. And yet this government has cut that funding. They have cut funding to Aboriginal domestic violence services—absolutely critical, essential services to support some of the most vulnerable people in our community.

We know that Newstart is so low that people are living in poverty. We know it needs an increase of at least $50. There has been no commitment by this government to help those people who are still struggling on Newstart. The government's response has been to go back to the bad old days of demonising people with disability on disability support pensions. I have had lots of people emailing and ringing my office expressing deep concern. They are on disability support pensions and they are deeply concerned about the impact that it will have on them if the government does cut funding. It is also the uncertainty. They are worried, because government talks about cutting funds and says that there are too many people on disability support pensions. Of course, these people have been assessed to qualify for the disability support pension—even the new tougher eligibility criteria that the previous government brought in. When people are on DSP they have qualified for DSP.

One of the key areas in Western Australia that is of deep concern to people is affordable housing. The situation in Western Australia continues to get worse in terms of affordability, and a number of homelessness services are, in the very near future, facing the possibility of having to close their operations, because this government has not committed to re-funding the National Partnership Agreement on Homelessness. What Prime Minister Abbott said when he was in Perth was, 'You'll be right. That does not deal with the issue at all. These fundamental services provided to the people of Western Australia are absolutely critical, and the government say, 'Trust us; we'll deliver.'
Well, no, I am sorry; I do not trust you. Services are going to be closing their doors—these vital services, as I said.

Senator Milne outlined the work of the magnificent, I have to say, Foyer Oxford, which is innovative and supports vital services to homeless young people in Perth. Part of their funding is dependent on that agreement. Just saying 'she'll be right' does not do it. How much funding is available and when? It is the same for all the other programs that this government has not committed to funding, such as the Link-Up services for the stolen generations and, as I said, family relationship services. There are literally dozens of programs, and community service providers are hanging on to find out whether they will get re-funded.

Looking at the people in Western Australia who depend on renewed funding, there are 9,592 people who find themselves homeless every night and 15.6 per cent of them are under the age of 12—and, of course, homelessness disproportionately affects Aboriginal and Torres Strait Islander people. For a government that say they are committed to helping Aboriginal and Torres Strait Islander peoples, they have a strange way of showing it: they will not let community organisations know if they are going to receive funding and they have cut their funding.

For example, there is an early learning centre in the north of Western Australia, at Wyndham. I think it was $1.2 million that was spent on building this magnificent centre that provides a fantastic resource. Last year, they did not know if they were going to get funded; fortunately, they were. But it is now nearly the end of March and they do not know if they are going to get re-funded, come July. They provide an absolutely critical service for parents and their young ones in Wyndham, and they do not know if they are going to get funded. So we can build this infrastructure but then we have this stop-start approach to funding, and this government will not tell this vital community organisation whether they are going to be funded again.

On top of all this uncertainty for community organisations, which are an absolutely essential part of support services for civil society and which in Western Australia play an absolutely vital role, the government announced with a repeal bill yesterday that they were going to be cutting the ACNC, the Australian Charities and Not-for-profits Commission, throwing more uncertainty over the not-for-profit and community sector in Western Australia and around the country.

Another area that is absolutely vital and that we need the government to pay attention to—and this government is not paying attention to it; it is in denial; it is burying its head in the sand—is of course climate change and the impact it is already having on agriculture in Western Australia. There is the threat of a drying climate, particularly in the south-west of Western Australia, which has just had another 17 per cent drop in rainfall. As I articulated around lunchtime, in the debate on the drought package, this government is ignoring the fact that global warming is transforming our agricultural regions, and the south-west of Western Australia is a classic example. But the government are merrily going along as if nothing was happening. If we are to have a sustainable agricultural system in Western Australia and around the country, we need policies that acknowledge the impact of global warming and the government have to start realising that they need to act.

The Greens do realise that we need to act. We have been articulating, very clearly, a positive vision for the future—a future that is sustainable. We have a plan for long-term
prosperity as the mining boom slows. We have a vision that is based on science, equality and sustainability, not waste and exploitation. We understand that we need to make the right investments, ones that will create construction, manufacturing and renewable energy jobs across Western Australia. The plan that has been articulated by my colleague Senator Ludlam, the Greens' Energy 2029 plan, outlines the creation of 26,000 construction jobs in renewable energy. Investment in modular housing will not only create sustainable jobs but also address the issues around affordable housing. That is the sort of vision we need—not one that is based on 'dig it up and ship it out', one that is cruel and shows no compassion for the most vulnerable in our community. (Time expired)

Senator BACK (Western Australia—Second Deputy Government Whip in the Senate) (17:50): I am absolutely delighted to join the debate on the forthcoming Western Australian election and to remind everybody that we do live in a democracy. After all, it was in September 2013 that the people of Australia generally but the people of Western Australia particularly sent an emphatic message, and that was the message that they wanted a coalition government here in Canberra. Indeed, we saw that repeated in the Tasmanian election on the ides of March, the 15th just past, when the coalition won the biggest majority it has for 60 years because Australia does not want hung parliaments.

Mr Acting Deputy President, let me tell you the scale of that vote back in September. On the primaries, the coalition won 47 per cent of the primary vote and, on the two-party preferred, Senator Mason, 58 per cent.

Senator Mason: My God!

Senator BACK: A resounding 58 per cent of people in my home state of Western Australia said they wanted a strong coalition government here in Canberra. What has happened over the last seven months, needless to say, is that the Australian Labor Party and the Greens have stood in the way of what the Australian people wanted—and that was for the coalition government, led by Mr Abbott, to enact the resounding mandate it was given at the last election. The strongest result in the nation, the most resounding mandate, came from the state of Western Australia.

From 2010 to 2013, we saw dysfunctionality from the minority Labor-Greens government. What the Labor Party and the Greens are doing now is continuing to demonstrate that same dysfunctionality. We have seen it richly demonstrated in this place this year. Regrettably, we saw it again today in this very chamber when once again the Greens and the Labor Party voted down the repeal of the carbon tax. Mr Abbott went to the election saying, 'That will be the mandate; that will be the way we will govern.' If anybody in this country doubts that mandate, they need only look at the results. In contrast, in order to win the 2010 federal election, then Prime Minister Gillard said there would be no carbon tax under a government she led. Nobody voting in the election in 16 days time need have any doubt about the position of our Prime Minister, Mr Abbott.

It is interesting to see the confusion that now exists within Labor ranks. I refer of course to the vacillations of the Leader of the Opposition, Mr Shorten, a person who is struggling to assert his leadership. When in Western Australia last week, he told us: 'I don't quite know what I am going to do about the mining tax. I will have to go and consult with industry.' As I pointed out in my contribution the other day, he need not have worried too much about that—
six leading bodies around Australia have already said that he should get rid of the mining tax. Only today, Ms MacTiernan, the member for Perth, said:

I think it would be fair to say that the mining tax hasn't done the job that it was designed to do … I do think it's time for us to really go back to the drawing board.

The people of Western Australia think so too. Unfortunately, we have to go back to the drawing board to reaffirm the election outcome from September—and that means at least three Liberal senators, if not four. Senators Johnston and Cash are doing a wonderful job here in this place and in the ministry, while Ms Linda Reynolds richly deserves to be Senator Linda Reynolds on 1 July. It would also be justice if Mr Slade Brockman were in there as well.

Why is it that Labor luminaries have to leave parliament before they come to their senses? I wonder whether, in six to nine months time, we will be looking at statements by Senator Farrell—who will then be Mr Don Farrell. Back in the real world, having reflected on his time in parliament, will he come to his senses? We have seen that in statements like that of Mr Kevin Rudd. He said:

No government should ever take a backward step in pursuit of the national interest.

And neither should they in opposition, I say to senators across the chamber. The Australian ambassador in Washington, Kim Beazley, said that there are a lot of challenges with labour regulations, costs, materials and planning. He said that Australia really has to work on these issues now so that we can win the next wave of projects, so that we can remain competitive.

If time had permitted, I would have gone through all the comments made recently by Mr Martin Ferguson, someone highly regarded in the energy and resources sector. He has been saying that if we do not become competitive, if we do not improve our productivity, we are going to lose opportunities. He noted that there were $180 billion worth of new LNG investments. For those who were asking about where the jobs are in the Western Australian economy, those investments have the potential to create 150,000 jobs. Mr Ferguson has been making the point that these investments could well go out the window to our competitors from Africa, Canada, the Gulf of Mexico and other places.

The point I would have made had time permitted is that they all turned on him. The MUA, the CFMEU and the other unions turned on Mr Ferguson, himself a proud member of the union movement—indeed a former ACTU president. 'Ferguson's a traitor to the working class' is what we heard, when all he has been doing is trying to point out where we need to be going.

Senator Sterle asked where the opportunities and the new jobs are. Only in the last couple of days I have spoken about oil and gas, manufacturing in the shipping industry in the south of Western Australia, and the fact that floating LNG is coming, an area we can lead the world in. Senator Mark Bishop this morning made a wonderful contribution, explaining that jobs in the mining industry are not just digging holes and shipping the ore out. There is a complex, sophisticated infrastructure associated with mining and exploration. But mining exploration has left Western Australia for Canada and Africa as a result of the decisions of the last Labor government, as a result of the sovereign risk created by the last Labor government through its mining and carbon taxes.

I ask Senator Siewert where she thinks the money is going to come from given that we are paying over a billion dollars a month in interest on the debt. It is not a billion dollars a month
in repayment of the debt; it is a billion dollars a month just in interest on the debt. The new Fiona Stanley Hospital cost $1.6 billion. That represents six or seven weeks of interest. The new children's hospital represents about five weeks of interest. A school recently built near my office could have been built with one day's interest on the debt. I ask Senator Siewert, in her condemnation of Mr Barnett, to comment on his decision to create the Camden Sound whale sanctuary 400 kilometres north of Broome—the largest calving area for humpback whales in the southern hemisphere.

We can all sit up here and be critical, but I want to see some facts. I acknowledge Senator Siewert has a keen interest in the disability area, but I want to hear her acknowledge the work of the Hon. Helen Morton and the funds that have been contributed by the Western Australian government. I will not sit here and listen to condemnation. Senator Sterle was talking about education. Did he mention that Western Australian teachers are the highest paid in the nation, with the majority now earning more than $99,000 a year? Did he mention the contribution being made by the independent and Catholic school sectors? When he mentioned cutbacks in funding to schools, did he talk about the number of students in those schools?

I wish that time permitted me to outline where the new jobs are in education, agriculture, tourism and right across the board—including in mining exploration activity and in oil and gas, as mentioned by Mr Ferguson. We have a rich state. We are fine contributors to the national economy. The only way we can guarantee that that continues is to have a Senate that allows the coalition government to follow through on its mandate and to have a Senate that allows us to govern.

**DOCUMENTS**

*Commonwealth Scientific and Industrial Research Organisation*

Debate resumed on the motion:

That the Senate take note of the document.

**Senator FAULKNER** (New South Wales) (18:01): I wanted to speak very briefly to this report because, as Australia's peak scientific research body, the work of the CSIRO is critically important to the future of Australian industry and to the wider Australian community, as I think all senators would acknowledge. As do all the CSIRO annual reports, this report provides a very valuable insight into the work of an organisation that I think could very much be described as indispensable. The annual report for 2012-13 highlights a record 15 areas of science where the CSIRO is in the top one per cent of quality globally. I think that is quite an extraordinary statistic. In plant and animal sciences, environmental science and agricultural science, the CSIRO ranks inside the top 10 research institutions in the world. In 2012-13, the report records that the CSIRO had a record 254 licences for its innovation.

Previous governments—I think I can say, as a member of the Australian Labor Party, they were Labor governments—have had a proud record of supporting the vital work of the CSIRO. In fact, the previous government invested a record $3 billion in the organisation. But I was disappointed to read the recent reports of the CSIRO's workforce being under threat because of the current government's freeze on recruitment and the renewal of staff on temporary contracts. I think we have to remember that cutting the capacity of the CSIRO's research teams is a very false saving, as it will ultimately cut the ability of our nation to...
research, develop and commercialise our really brilliant ideas in agriculture, in energy, in textiles and in medicine.

I will continue to argue—as I have consistently—that science and innovation must be a national priority. Other countries, like China, India and Brazil, are very dramatically increasing their investment in science and research, and this is something that we need to take account of in Australia. I believe that Australia also should be increasing its investment in science and research. But I just wanted to state again, as the Senate looked at this annual report for 2012, how important practical science and industrial research are for Australia, and how investing in scientific research and innovation can give Australia a long-term competitive advantage. I commend the report to the Senate, and I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS

Consideration

The following orders of the day relating to government documents were considered:


Productivity Commission—Report No. 64—Safeguards inquiry into the import of processed fruit products, dated 18 September 2013. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Urquhart debate was adjourned till Thursday at general business.

Tertiary Education Quality and Standards Agency (TEQSA)—Report for 2012-13. Motion of Senator McKenzie to take note of document called on. On the motion of Senator Urquhart debate was adjourned till Thursday at general business.

Health Workforce Australia—Report for 2012-13. Motion of Senator Boyce to take note of document called on. On the motion of Senator Urquhart debate was adjourned till Thursday at general business.

Insolvency and Trustee Service Australia (Australian Financial Security Authority)—Report for 2012-13, including reports on the operation of the Bankruptcy Act 1966 and Personal Property Securities Act 2009. Motion of Senator Macdonald to take note of document agreed to.


Australian Customs and Border Protection Service—Report for 2012-13. Motion of Senator Macdonald to take note of document called on. On the motion of Senator Ruston debate was adjourned till Thursday at general business.

Australian Reinsurance Pool Corporation (ARPC)—Report for 2012-13. Motion of Senator Macdonald to take note of document called on. On the motion of Senator Ruston debate was adjourned till Thursday at general business.
Director of National Parks—Report for 2012-13. Motion of Senator Edwards to take note of document called on. On the motion of Senator Ruston debate was adjourned till Thursday at general business.


Wet Tropics Management Authority—Report for 2012-13, including State of the Wet Tropics report. Motion of Senator Macdonald to take note of document called on. On the motion of Senator Ruston debate was adjourned till Thursday at general business.

Torres Strait Regional Authority (TSRA)—Report for 2012-13. Motion of Senator Macdonald to take note of document called on. On the motion of Senator Ruston debate was adjourned till Thursday at general business.

Outback Stores Pty Ltd—Report for 2012-13. Motion of Senator Moore to take note of document called on. On the motion of Senator McEwen debate was adjourned till Thursday at general business.


Australian Public Service Commission—State of the service—Report for 2012-13. Motion of Senator Moore to take note of document called on. On the motion of Senator McEwen debate was adjourned till Thursday at general business.


Rural Industries Research and Development Corporation (RIRDC)—Report for 2012-13. Motion of Senator Kroger to take note of document agreed to.


National Health and Medical Research Council—Changes to national statement on ethical conduct in human research, 2007, updated December 2013. Motion of Senator Brown to take note of document agreed to.

Aboriginal and Torres Strait Islander Social Justice Commissioner—Social justice and native title—Report for 2012-13. Motion of Senator Brown to take note of document called on. On the motion of Senator McEwen debate was adjourned till Thursday at general business.

Department of Defence—Special purpose flights—Schedule for the period 1 January to 30 June 2013. Motion of Senator Bushby to take note of document agreed to.

Productivity Commission—Report No. 67—Safeguards inquiry into the import of processed fruit products, dated 12 December 2013. Motion of Senator Bushby to take note of document called on. On the motion of Senator McEwen debate was adjourned till Thursday at general business.

Productivity Commission—Report No. 68—Safeguards inquiry into the import of processed tomato products, dated 12 December 2013. Motion of Senator Bushby to take note of document called on. On the motion of Senator McEwen debate was adjourned till Thursday at general business.

Mid-year economic and fiscal outlook—2013-14—Statement by the Treasurer (Mr Hockey) and the Minister for Finance (Senator Cormann). Motion of Senator Ludwig to take note of document called on. On the motion of Senator McEwen debate was adjourned till Thursday at general business.


Productivity Commission—Report No. 65—Mineral and energy resource exploration, dated 27 September 2013. Motion of Senator Gallacher to take note of document called on. On the motion of Senator McEwen debate was adjourned till Thursday at general business.

Defence Abuse Response Taskforce—Fifth interim report to the Attorney-General and Minister for Defence, dated March 2014. Motion of Senator Brown to take note of document called on. On the motion of Senator McEwen debate was adjourned till Thursday at general business.

COMMITTEES

Selection of Bills Committee

Report

Senator KROGER (Victoria—Chief Government Whip) (18:09): by leave—I move:

That the order of the Senate agreed to earlier today adopting report no. 3 of 2014 of the Selection of Bills Committee be varied to provide that the Corporations Amendment (Streamlining of Future of Financial Advice) Bill 2014 be referred to the Economics Legislation Committee instead of the Finance and Public Administration Legislation Committee, for inquiry and report by 16 June 2014.

Question agreed to.

COMMITTEES

Consideration

The following order of the day relating to committee reports and government responses was considered:

Legal and Constitutional Affairs References Committee—Report—A claim of public interest immunity raised over documents. Motion of the chair of the committee (Senator Wright) to take note of report agreed to.

AUDITOR-GENERAL’S REPORTS

Consideration

The following order of the day relating to reports of the Auditor-General was considered:

Order of the day no. 2 relating to reports of the Auditor-General was called on but no motion was moved.

**ADJOURNMENT**

The ACTING DEPUTY PRESIDENT (Senator Fawcett) (18:12): Order! I propose the question:

That the Senate do now adjourn.

Australian Greens

Senator EGGLESTON (Western Australia) (18:12): I was very interested to hear Senator Ludlam's speech in this place last sitting week regarding the forthcoming Western Australian Senate by-election on 5 April. While I understand that Senator Ludlam's tenure as a representative of Australia's largest state may well be drawing to a close and he may be grasping at straws, I was perplexed when I heard him claim in that speech that returning a Greens Party senator would be good for Australia. Far from it, I have to say, from my admittedly biased Liberal point of view. The Greens have many policies which, far from being good for Western Australia and Australia as a whole, are in fact quite detrimental.

The first thing I saw when I went to the Western Australian Greens website was about their commitment to care for people. This is apparently a Greens initiative to improve access and services for people living with a disability. When I saw this, I thought to myself, 'I wonder if the Greens have heard of the cornerstone policy of the Abbott government at the last election, the National Disability Insurance Scheme, which provided a comprehensive plan for a better life for people with disabilities.' The coalition government has repeated many times its commitment to delivering a National Disability Insurance Scheme in full and the priority of the coalition government is to ensure that the scheme is as good as it can be and as efficient as it can be, and that support goes to the people who need it. The coalition has long supported the concept of a National Disability Insurance Scheme and I think it will be a great step forward when that scheme is instituted by my friend and colleague Senator Fifield, who is the relevant minister. There are many thousands of disabled people whose lives will be made easier when the coalition plan comes into operation, closing what has been a great deficiency in our spectrum of social services and giving many disabled people the dignity of a more independent lifestyle.

The Greens always profess to be the friends of Indigenous people, but in the Kimberley region in the north of WA last year, the Greens opposed the plans of Woodside Petroleum to build an LNG processing plant at James Price Point just north of Broome, which had been given approval by the traditional owners in the Kimberley represented by the Kimberley Land Council. That this plan did not go ahead is nothing short of a tragedy for the Aboriginal people of the Kimberley because, as with the Argyle Diamond Mine owned by Rio in the north Kimberley, Woodside planned to train and employ Aboriginal people to work in the plant. This would have given those involved trade skills and a secure future which would have enabled them to give their families a place in modern Australia with housing and education. Furthermore, the Aboriginal people of the whole Kimberley will lose out as a result of Woodside's plans being cancelled, because an important dimension of the Woodside agreement with the Kimberley Land Council was that Woodside would provide $150 million for education, housing and health services for Indigenous people. But, sadly, with the
cancellation of the deal for the plant to go ahead, the offer of these millions of dollars was withdrawn and of course nobody is going to fill that vacuum. Certainly the state government is not able to afford to do it, and the great opportunity which the Woodside development offered to the people of the Kimberley has been lost. I thought that outcome was very sad and, as I have said, the big losers were the Aboriginal people of the Kimberley who would have greatly benefited from Woodside's generous grant. I am not sure that they would think the Greens are great supporters of Indigenous people as a result of that decision.

In turning to the Senate by-election, far from seeing the election re-run as a hindrance and a nuisance, I view the by-election on 5 April as a unique opportunity for Western Australians to send a clear message to the nation that they would like to see an Abbott government majority in the Senate so that the coalition plans and legislation could be passed without hindrance. The Abbott government's plans are very clear and include repealing the mining tax to reinvigorate mining investment and keep the benefits of mining in WA. As Senator Back has just said in his contribution, the mining tax has been a threat to continued investment in the mining sector in Western Australia and has meant the loss of considerable new investments to other areas of the world, particularly Africa, because Australia is now regarded as having a high level of sovereign risk as a result of the unfortunate experiment by the previous government with the introduction of a mining tax through the minerals resource rent tax.

The Abbott government plans also to repeal the carbon tax so as to reduce living and business costs to Australians in general, and it is estimated that Western Australian families will be saved some $500 a year on household bills when that tax is removed. WA is a state which is heavily dependent on air travel because of the long distances to the north-west and to other parts of the state, but the carbon tax adds greatly to the operational cost of aircraft. Both Qantas and Virgin Airlines recently said that they had paid more than $100 million each in carbon tax over the last year. Given that, it is little wonder that they are running in deficit.

The Liberal Party and the coalition government want to implement $30 billion of savings measures in Canberra to get the budget back into shape so that we can afford the infrastructure and public services that Western Australia and the country as a whole so sorely need. We want to continue with the new measures that are already working as well as halt illegal boat arrivals. Western Australians want to have an increased defence presence in the north-west of the state, and only the Liberal Party has undertaken to improve defence capacity in the north-west. The new defence minister Senator Johnston will certainly be reviewing the defence needs of the north-west coast where there are billions of dollars worth of investment in great resource projects whose protection must surely be a national priority.

When it comes to the repeal of the pernicious mining and carbon taxes the Greens and the ALP Senate have not got the message, because, as has happened today, they voted against the repeal of the carbon tax and are holding the country to ransom by opposing the repeal bills. Let us face the facts, the Greens and the ALP both want to retain the mining and carbon taxes which have been so detrimental to the Australian economy as a whole and to the Western Australian economy in particular.

Under the Rudd-Gillard government there was no long-term plan for the future of Australia, instead the country just lurched from one half-baked proposal to another. The national education curriculum was an example of this. Instead of teaching the history of European Christian cultural heritage, the ALP-Green national education curriculum ignored
our history and the value of our national heritage. You can be sure that this will not be continued under a coalition government with a majority in the Senate. I certainly hope that the people of Western Australia will vote for the coalition on election day, 5 April.

Palliative Care

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (18:22): Tonight I rise to speak on a rather sensitive subject: palliative care. In 2010, when people in Australia were asked where they would prefer to die, most nominated their home as their preference. However, the data collected on the place of death indicates that only 16 per cent of people die at home, while 20 per cent die in hospices and 10 per cent in nursing homes. The rest die in hospitals. This data suggests that many people do not receive the end-of-life care that they would prefer and that most people do not spend their final moments in a space that is familiar and that they feel comfortable in. This is a tragic situation and we in this place need to work on it to improve it.

As one of the co-convenors of the Parliamentary Friends End-of-Life-Care Group, I know that more needs to be done to improve conversations that we have in our society about end-of-life issues. More needs to be done to ensure that Australians spend their last moments in places that are familiar and that they are comfortable in.

I was very pleased to launch a training session recently in Hobart designed to encourage the use of the guidelines for a palliative approach for aged care in a community setting. The guidelines provide a framework for enhancing the care of residents and their families by offering them a palliative approach when appropriate and increasing the knowledge and the range of skills of staff in providing the palliative approach in caring for residents and their families. The Australian Healthcare & Hospitals Association, in conjunction with the Silver Chain group, will be delivering these sessions free of charge across 80 workshops throughout 2014 and 2015. Importantly, the training sessions can also be undertaken online and are available through www.palliativecareonline.com.au.

The training session that I launched saw many representatives from Tasmanian healthcare and volunteer organisations, including TAHPEC, PEPA, The District Nurses, Cancer Tasmania, the Department of Health and Human Services and numerous aged-care facilities. It involved representatives of the entire multidisciplinary team, including doctors, nurses, allied health workers, carers and volunteers. I hope that training in these guidelines will make it easier for palliative care workers and volunteers in communities across Tasmania to continue the wonderful work they do in extremely difficult circumstances.

This training was available to Tasmanians via the federally funded Better Access to Palliative Care in Tasmania Program. This was delivered as part of the federal Labor government's Tasmanian Health Assistance Package, which is providing funding of $54.95 million over four years, to 2016, to increase the provision of community based palliative care services and to build and strengthen the delivery of palliative care services across Tasmania.

I would like to thank the previous federal Labor government, particularly former health minister Tanya Plibersek, for acting to improve palliative care. It is important that members of this place and of the other place continue to learn about palliative care to better inform policy concerning the issue.
I, as co-convenor of the Parliamentary Friends End-of-Life-Care Group, along with Ms Marino from the other place and co-convenors of the Parliamentary Friends of Dementia, Mr Neumann and Ms Gambaro, also from the other place, was pleased to host a lunchtime briefing on dementia and palliative care, held on 12 February here in Parliament House. Palliative care for those with dementia presents its own specific challenges and is an area of particular interest for policymakers.

I am pleased to have seen a number of senators and members in attendance and I thank them for attending. We were joined by senior authorities on Alzheimer's and palliative care including: Glenn Rees, CEO of Alzheimer's Australia; Graeme Samuel, from the Board of Alzheimer's Australia; Dr Yvonne Luxford, CEO of Palliative Care Australia; and Professor Patsy Yates, President of Palliative Care Australia.

Former Australian of the Year and National President of Alzheimer's Australia, Ms Ita Buttrose, outlined the importance of starting to discuss issues around dementia early on before the disease takes effect. Alzheimer's Australia has a new resource to help people talk about issues surrounding dementia, called 'Start2Talk.' It offers information sheets, proforma plans to allow you to plan for a future with dementia or to plan how to care for someone with dementia and specific state-by-state information. It also contains extensive information on dementia for healthcare professionals and other support providers, including doctors, nurses, social workers, chaplains, community care workers, dementia counselling and support workers. I encourage everyone to visit the website www.start2talk.org.au and to read the information available.

Esteemed Professor Rod MacLeod, who is a senior staff specialist in palliative care at HammondCare in Sydney and conjoint professor in palliative care at the University of Sydney also addressed the Parliament House briefing. Professor MacLeod outlined to the group some of the specific details of palliative care, what is meant by the term 'palliative care,' when and where it is provided, and by whom. He highlighted that palliative care is provided to people of all ages who are dying, not just the elderly, and that the need for palliative care does not depend on any specific medical diagnosis but on the individual person's needs.

Some of the common medical conditions of people requiring palliative care include: cancer, HIV/AIDS, motor neurone disease, muscular dystrophy, multiple sclerosis and end-stage dementia. Families and carers also receive support from palliative care services. Families provide much of the care for people who are dying, and practical and emotional support for them in this role is critical. I should take a moment to highlight the work done by Palliative Care Australia. They do fantastic work, promoting awareness of palliative care and providing resources for professionals, families and volunteers.

National Palliative Care Week 2014 is being held between Sunday, 25 May and Saturday, 31 May 2014. The theme this year is: 'Palliative Care is everyone's business: let's work together.' This year they are celebrating the people who work in palliative care and the important role they play in ensuring quality care at the end of life for all. Everyone from doctors to nurses and other health professionals, through to the volunteers, patients and carers, all have an important role to play in palliative care. They want to educate the community about all of the different people involved in palliative care and encourage people to think about what their role may be. They are looking for people involved in the palliative care
sector to volunteer to be part of the campaign. So if you are interested, please go online to palliativecare.org.au and volunteer by 28 March.

On Thursday, 29 May Palliative Care Australia will be hosting an education forum. Interested people can choose to attend in person in Canberra or via a webcast. More details will be available soon but, to register your interest, email Gretchen Irvine at gretchen@palliativecare.org.au. Of course, if you wish to organise your own National Palliative Care Week event you can do so and Palliative Care Australia will help you promote it. Please contact them through the website with the details. National Palliative Care Week resources, posters and promotional items will be available to order from early April and a list of events will be available soon.

I am grateful to all the committed professionals and volunteers working in the palliative care sector. This surely has to be one of the hardest jobs within the healthcare sector. They know that their clients or family members are dying and that this will happen sooner rather than later, that their goal is not to prolong life but to help people live as comfortably as possible in their remaining time and give those who are dying the opportunity to visit with family and friends, to tie up loose ends, to laugh and cry, to tell their stories and to say goodbye to those they love.

Research has taught us that the carers of dying people often make do with whatever information and support is available to them or comes to their attention should they happen to be at the right place at the right time or have the know-how to navigate the system. Those fortunate to have sufficient support feel more positive about their caring experience, while those less fortunate undertake caring responsibilities at the expense of their physical, emotional and financial wellbeing.

I encourage all senators and members in this place, and those people who are watching or listening at home, to discover more about palliative care and to think and talk about the issues involved so they have a good understanding of how they or their loved ones will deal with this situation when the time comes. This may be a difficult topic to think or talk about but, believe me, it is one too important not to.

**Future of Financial Advice**

**Senator WHISH-WILSON** (Tasmania) (18:31): The devastating failure of agribusiness managed investment schemes has been raised in the media in recent days due to a focus on the proposed Abbott government Future of Financial Advice reforms. The failure of these mass investment schemes is an iconic example of the coalition's failure to understand economic policy. These schemes, where up-front tax deductions were given by governments to investors, were supposed to foster sustainable investment in agribusiness schemes that were capital-intensive in the beginning but delivered steady returns over time.

Wilson Tuckey took a recommendation from a single ABARES report on plantations and dreamed up this public policy failure. The dream was to expand the plantation estate. It soon went from being a dream to becoming a nightmare and one that Australia still has not woken up from. Companies emerged overnight—some small, some behemoths. Many of them failed. The failure of these schemes left a wreckage of loss across Australia: hundreds of thousands of hectares of failed hardwood plantations, a glut of grapes and a pile of walnuts and olives. Many of these products did not have a sustainable demand to underpin them. In many parts of
this country, the wine industry faces a glut in production that lowers the price that producers can get. This glut is roughly the size—perhaps by coincidence—of the area of grapes put in under MISs in the past decade.

The failed MIS timber plantations now sit idle, locking out agriculture from productive uses. They cover at least 100,000 hectares in my home state of Tasmania. Land that could and should be used for food production is now covered in a tinderbox of matchsticks of very little value. They are often unpruned, unloved and a severe fire risk. These plantations are a black mark on the Tasmanian economy. There are the lost funds from the mum and dad investors, the lost tax revenue had the funds had been used in standard economic activities and the lost productive uses of the land. All of this holds Tasmania back from fulfilling its economic potential, not least because of the political energy spent on trying to solve this problem or trying to cover up a catastrophic policy failure.

The problems with the schemes were many. One aspect was that these schemes were pushed by financial advisers with conflicts of interest, driven by their thirst for exorbitant commissions. Another was companies providing product disclosure statements with exaggerated claims of returns. Then there was the seeming lack of understanding of the agricultural side of the business. These MIS companies simply did not understand basic agriculture in many instances. How to plant crops, how much it costs to do so, impacts of drought, maintenance costs, potential yields—it seems they understood very little of this.

Another problem was the lack of understanding of the eventual market for these products. This was probably the single biggest issue with managed investment schemes. Whether for timber, pulp or grapes, investments were made on the basis of a never-ending demand. But all these investments did was distort markets via perverse incentives. Prices fell for run-of-the-mill producers and markets seldom eventuated.

In Tasmania this has resulted in an oversupply of timber pulp that has no market. The discredited and failed Gunns Limited established these plantations and of course to then justify this failed investment sought government assistance to establish a pulp mill to deal with the pulp—and they had plenty of mates in both Tasmania and this chamber to help them. The zombie pulp mill proposal in the Tamar Valley keeps emerging as a tool to deal with this ridiculous amount of Labor and National Party supply-driven overplanting. It is like Tasmanians are being forced to suffer one policy failure to solve another. Without the tax deductions for managed investment schemes, funds would not have flowed into these failed investments. People would not have lost their money. Farmers would not have been alienated from their land. Production gluts would have been prevented.

Investors focused on the tax deductions instead of on the returns, probably because these were not disclosed adequately. Warning bells sounded early in the schemes as investment flows started to peak. Concerns started to be taken to the Howard government. It was reported at the time that the Howard government wanted to rein in the schemes. Then it was reported that Senator Eric Abetz successfully fought a rearguard response in cabinet to keep the schemes alive for the plantation sector and for a potential pulp mill in Tasmania.

The coalition government had the chance to stop this train wreck. They had a chance to stem the losses of mum and dad savings. They had a chance to stop the rollout of zombie plantations. But they failed to act, and their failure has cost hundreds of millions, if not billions, of dollars. The coalition can never claim to be good economic managers whilst they
back managed investment schemes. The coalition chose to side with special interests, such as the forestry sector, over the interest of protecting consumers. They sided with Gunns and others rather than siding with good public policy. They sought to protect the commissions of slick marketeers instead of the interests of farmers.

And now, despite calls from backbenchers like Senator Heffernan and the member for Wannon in the other place, Dan Tehan, the government refuses to act. In a media release prior to the election, Dan Tehan said:

The Coalition has announced that, should we win the upcoming election, we will be including Managed Investment Schemes ... in a complete 'root and branch' review of the taxation system ...

This is something I have been fighting for since becoming the Member for Wannon. In my first speech to Parliament I stated that 'with MIS companies now insolvent, banks having no confidence to lend to the scheme, leading CEOs calling for it to be axed and timbered land in prime food and fibre production areas lying unproductively dormant, now is the time for us to act’ ...

Mr Tehan also said that:

... the MIS system either needs to be abolished or radically overhauled in order to protect farmers, as well as investors, and the communities in which these schemes operate.

This was featured on the front cover of the Weekly Times this week.

So when today I asked if the government had any plans to include managed investment schemes in their yet-to-be-announced tax review, I was surprised that the minister acting in place of the Assistant Treasurer, Senator Cormann, cast aside their election commitment and simply said to me, 'Make a submission.' The arrogance of this government is breathtaking. When is an election promise an election promise? Australians need to be careful. The worst elements of the coalition's economic management are now on show.

Wind backs of the Future of Financial Advice laws put the profits of a few—especially the profits of the big banks, who have so much to gain from commissions and the sale of financial products—ahead of the protections of many. It is a classic case of this government looking after the big end of town, the big banks and the financial companies against the interests of the broader financial services industry, who have come out and rallied against these potential reforms.

Already, it is being reported that there are concerns in the rural community about these FoFA changes supercharging the rollout of more commission-led MISs into the future. Likewise, the coalition's—actually, I will rephrase that: the National-Liberal coalition's—broken promise and continuing failure to address managed investment schemes, after repeated Senate inquiries and recommendations, mean that all these failures could happen again.

Superannuation

Senator McKENZIE (Victoria—Nationals Whip in the Senate) (18:39): During the last round of Senate estimates in the Education and Employment Legislation Committee, my colleague Senator Back asked a number of questions regarding the appointment of expert panel members for the Fair Work Commission's review of default superannuation funds in modern awards. The Financial Services Council had earlier raised concerns about potential conflicts of interest for two panel members.

On 7 March, the president, Justice Ross, removed Ms Vicki Allen and Mr Stephen Gibbs from the expert panel as a result of potential conflicts of interest due to their current
directorships of superannuation funds under review. This, rather embarrassingly, left Mr Arthur Apted as the last member standing. The president has since reconstituted the panel by appointing Mr Tim Harcourt, who is a current panel member for the minimum wage review. However, I am concerned that the president may not have met his statutory obligations by appointing Mr Harcourt—who is arguably not sufficiently qualified to conduct the superannuation funds review—and replacing two expert members with just Mr Harcourt to join Mr Apted.

Mr Apted seems to have only recently disclosed that he is a member of AustralianSuper. Senators may be aware that AustralianSuper is named as a default fund in 73 of 109 modern awards that include superannuation provisions. It is unfortunate that this disclosure does not appear to have been forthcoming at the time of Mr Apted's appointment, but only at the direction of the president. So we have a situation where Mr Apted is reviewing default superannuation funds while he has his own superannuation with the single largest superannuation fund under review.

According to ASIC records, from 1992 to 2002 Mr Apted was also a director of AustralianSuper, in which—for the same period—he was also a non-beneficial shareholder. To be clear, this means that Mr Apted will be overseeing the review of default superannuation funds while a member of the fund which presently is a default fund for two-thirds of the modern award terms and having in the past been a director of this fund for a decade.

I am also concerned about perceptions of the cosiness of the new panel arrangements. Justice Ross, Mr Apted, Mr Harcourt and Senior Deputy President Acton were all comrades at the ACTU in the early 1990s at the time compulsory superannuation was first being implemented, as designed by the then Labor government and the ACTU. Justice Ross was the assistant secretary, Senior Deputy President Acton was a senior industrial officer, Mr Harcourt was a research officer and Mr Apted was an industrial and superannuation officer.

It is reported that then Secretary Bill Kelty and Justice Ross encouraged a young Mr Apted to take an interest in all things super. Talk about an IR club! But this is no ordinary IR club; it is the super IR club. Senators might be forgiven for thinking that the ACTU is having a super reunion on the Fair Work Commission's expert panel! Mr Apted has a long history of involvement in ACTU-affiliated superannuation funds. Most notably, Mr Apted headed ISPT, a trust established by former ACTU Assistant Secretary Garry Weaven as a vehicle for industry superannuation fund property investment.

The President and Mr Apted share a history of company directorships. In addition to AustralianSuper, throughout the 1990s they were, at various times, directors of Thales Australia Ltd, ACTU Financial Services Pty Ltd, ACTU-JCH Pty Ltd, Australian Investment Management Services Pty Ltd and ACTU Building Ltd. Given the continuing flaws in the appointments process, conflicts of interest and the tangled web of relationships here, I would invite Justice Ross to clarify what further steps he is taking to restore confidence and transparency in the default superannuation fund review process.

In passing, I note that one Arthur Apted appears to have been an active member of the Socialist Forum in the mid-1980s, while it was administered by none other than Julia Gillard. How many other persons might share the name of expert panel member, Mr Apted? How far these ACTU comrades have all come! This would be funny if it was not so serious.
The Fair Work Commission bears a heavy responsibility. The decisions it makes as part of this review have the potential to affect the retirement savings of millions of Australian workers. I will shortly be forwarding a copy of this adjournment speech to Justice Ross and may request his attendance at the next round of Senate estimates in May. I look forward to receiving the President’s response to what is a very serious issue.

Senate adjourned at 18:44

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.]

Aged Care Act 1997—

Aged Care (Residential Care Subsidy — Amount of Accommodation Supplement) Determination 2014 (No. 1) [F2014L00293].

Aged Care (Residential Care Subsidy — Amount of Concessional Resident Supplement) Determination 2014 (No. 1) [F2014L00292].

Aged Care (Residential Care Subsidy — Amount of Pensioner Supplement) Determination 2014 (No. 1) [F2014L00291].

Aged Care (Residential Care Subsidy — Amount of Respite Supplement) Determination 2014 (No. 1) [F2014L00288].

Aged Care (Residential Care Subsidy — Amount of Transitional Accommodation Supplement) Determination 2014 (No. 1) [F2014L00290].

Aged Care (Residential Care Subsidy — Amount of Transitional Supplement) Determination 2014 (No. 1) [F2014L00289].


Commissioner of Taxation—Public Rulings—


Luxury Car Tax Determination LCTD 2014/1.


Taxation Ruling TR 2014/1.


Indexed Lists of Departmental and Agency Files

Tabling

The following documents were tabled pursuant to the order of the Senate of 30 May 1996, as amended:

Indexed lists of departmental and agency files for the period 1 July to 31 December 2013—Statements of compliance—
  - Department of Education.
  - Department of the Prime Minister and Cabinet.
  - Employment portfolio.
  - Foreign Affairs and Trade portfolio.
  - Industry portfolio.