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SITTING DAYS—2015

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—FIFTH PERIOD

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

Senate Office holders
President—Senator Hon. Stephen Parry
Deputy President and Chair of Committees—Senator Gavin Mark Marshall
Temporary Chairs of Committees—Senators Christopher John Back, Cory Bernardi,
Sam Dastyari, Sean Edwards, Alexander McEachian Gallacher, Susan Lines,
Deborah Mary O’Neill, Nova Maree Peris OAM, Dean Anthony Smith,
Zdenko Matthew Seselja, Glenn Sterle, Peter Stuart Whish-Wilson and John Reginald Williams
Leader of the Government in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Government in the Senate—Senator Hon. George Henry Brandis QC
Leader of the Opposition in the Senate—Senator the Hon. 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 the Hon. Fiona Nash
Leader of the Opposition in the Senate—Senator the Hon. Penny Wong
Deputy Leader of the Opposition in the Senate—Senator the Hon. Stephen Conroy
Leader of the Australian Greens—Senator Christine Anne Milne
Chief Government Whip—Senator David Christopher Bushby
Deputy Government Whips—Senators David Julian Fawcett and Anne Sowerby Ruston
The Nationals Whip—Senator Barry James O’Sullivan
Chief Opposition Whip—Senator Anne McEwen
Deputy Opposition Whips—Senators Catryna Louise Bilyk and Anne Elizabeth Urquhart
Australian Greens Whip—Senator Rachel Siewert
Palmer United Party Whip—Senator Zhenya Wang

Printed by authority of the Senate
# Members of the Senate

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<tr>
<th>Senator</th>
<th>State or Territory</th>
<th>Term expires</th>
<th>Party</th>
</tr>
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<tbody>
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<td>Abetz, Hon. Eric</td>
<td>TAS</td>
<td>30.6.2017</td>
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<tr>
<td>Back, Christopher John</td>
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<tr>
<td>Bernardi, Cory</td>
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<tr>
<td>Bilyk, Catryna Louise</td>
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<tr>
<td>Birmingham, Hon. Simon John</td>
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**Casual vacancy**

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

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

** Casual vacancy to be filled (vice J Faulkner, resigned 6.2.15), pursuant to section 15 of the Constitution.

** PARTY ABBREVIATIONS **  
AG—Australian Greens; ALP—Australian Labor Party;  
AMEP—Australian Motoring Enthusiast Party; CLP—Country Liberal Party;  
FFP—Family First Party; IND—Independent, LDP—Liberal Democratic Party;  
LNP—Liberal National Party; LP—Liberal Party of Australia;  
NATS—The Nationals; PUP—Palmer United Party

** 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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<th>Title</th>
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<tbody>
<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon. Tony Abbott MP</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon. Nigel Scullion</td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister for the Public Service</strong></td>
<td>Senator the Hon. Eric Abetz</td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister for Women</strong></td>
<td>Senator the Hon. Michaelia Cash</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon. Charles Porter MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon. Alan Tudge MP</td>
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<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong></td>
<td>The Hon. Warren Truss MP</td>
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<tr>
<td>(Deputy Prime Minister)</td>
<td>The Hon. Jamie Briggs MP</td>
</tr>
<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>The Hon. Julie Bishop MP</td>
</tr>
<tr>
<td><strong>Minister for Trade and Investment</strong></td>
<td>The Hon. Andrew Robb AO MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Minister for Foreign Affairs</strong></td>
<td>The Hon. Steven Ciobo MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Minister for Trade and Investment</strong></td>
<td>The Hon. Steven Ciobo MP</td>
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<tr>
<td><strong>Minister for Employment</strong></td>
<td>Senator the Hon. Eric Abetz</td>
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<tr>
<td><strong>Attorney-General</strong></td>
<td>Senator the Hon. George Brandis QC</td>
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<tr>
<td><strong>Minister for the Arts</strong></td>
<td>Senator the Hon. George Brandis QC</td>
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<tr>
<td>(Vice-President of the Executive Council)</td>
<td>The Hon. Michael Keenan MP</td>
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<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
<td>The Hon. Michael Keenan MP</td>
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<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon. Joe Hockey MP</td>
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<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon. Bruce Billson MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>The Hon. Joshua Frydenberg MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Treasurer</strong></td>
<td>The Hon. Kelly O'Dwyer</td>
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<tr>
<td><strong>Minister for Agriculture</strong></td>
<td>The Hon. Barnaby Joyce MP</td>
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<tr>
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<tr>
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<tr>
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<td><strong>Minister for Social Services</strong></td>
<td>The Hon. Scott Morrison MP</td>
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<tr>
<td>Assistant Minister for Social Services (Manager of Government Business in the Senate)</td>
<td>Senator the Hon. Mitch Fifield</td>
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<td><strong>Minister for Human Services</strong></td>
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<tr>
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<td>The Hon. Karen Andrews MP</td>
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<td><strong>Minister for Defence</strong></td>
<td>The Hon. Kevin Andrews MP</td>
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<tr>
<td><strong>Minister for Veterans' Affairs</strong></td>
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<tr>
<td><strong>Minister Assisting the Prime Minister for the Centenary of ANZAC</strong></td>
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<tr>
<td><strong>Assistant Minister for Defence</strong></td>
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<td>Title</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Defence</td>
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<tr>
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<td>The Hon. Paul Fletcher MP</td>
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<tr>
<td>Minister for Immigration and Border Protection</td>
<td>The Hon. Peter Dutton MP</td>
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<tr>
<td>Assistant Minister for Immigration and Border Protection</td>
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<tr>
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<td>The Hon. Greg Hunt MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for the Environment</td>
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<tr>
<td>Minister for Finance</td>
<td>Senator the Hon. Mathias Cormann</td>
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<tr>
<td>Special Minister of State</td>
<td>Senator the Hon. Michael Ronaldson</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Finance</td>
<td>The Hon. Michael McCormack MP</td>
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Wednesday, 18 March 2015

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

DOCUMENTS

Tabling

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

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

COMMITTEES

Queensland Government Administration Committee

National Broadband Network - Select Committee

Meeting

The Clerk: Notifications have been lodged for the Select Committee on Certain Aspects of Queensland Government Administration related to Commonwealth Government Affairs to hold a private meeting on 19 March, from 4.30 pm, and for the Select Committee on the National Broadband Network to hold a private meeting today, from 1.45 pm.

The PRESIDENT (09:31): Does any Senator wish to have any of those motions put? There being none, we will proceed to business.

BILLS

Defence Trade Controls Amendment Bill 2015

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator KIM CARR (Victoria) (09:31): Labor supports the Defence Trade Controls Amendment Bill 2015, which amends legislation enacted when we were in office. That legislation sought to meet Australia's international obligations as a member of the Wassenaar Arrangement, the Missile Technology Control Regime, the Australia Group and the Nuclear Suppliers Group. The act also gave legislative effect to the treaty between Australia and the United States on defence trade cooperation. The act restricted the non-physical export of military technology and technology that has potential military application. That can happen through the publishing of information, whether it be in print or electronically, and through so-called 'brokering'—that is, an Australian entity acting outside of Australian jurisdiction.

This export control system is an antiproliferation measure. It is intended to stop goods and technology that can be used in chemical, biological or nuclear weapons—or in other military applications—from being supplied to individuals, states or groups that may be of security concern. The act regulates the supply of information through a system of permits and ministerial permissions. The legislation applies to industry generally, not only to firms or institutions directly involved in defence work. It applies to universities and the research sector as well.
For some of the affected institutions, particularly universities, the act imposes a regulatory regime that has raised questions about whether the level of oversight is compatible with the freedom to conduct research. It is fair to say that the original act raised serious concerns for several universities in relation to the publication, and especially to the verbal supply, of information about civilian technologies that may have military application. These civilian technologies range from engineering products to biological information about diseases. A strengthened export control steering group, ably led by the Chief Scientist, was established to work through the universities' concerns about the legislation. The present bill, which is the result of wide consultation with stakeholders, is a response to the concerns that have been raised. The existing act provides for a transition period before its offence provisions take effect. That period ceases on 16 May this year, but this bill seeks to delay the application of the offence provisions for 12 months—so this is a very urgent piece of legislation. It does require immediate attention. For the universities, the delay by 12 months of the application of the offence provisions is extremely important. It gives those involved in the publication and the verbal supply of control technologies time to adjust to the regulatory regime. Organisations at the project level will be able to obtain broad permits to continue their work, valid for five years.

The existing act sets out a Defence and Strategic Goods List for items subject to export control. This bill, the Defence Trade Controls Amendment Bill, contains exemptions to the offence created by the act of supplying information. It exempts the oral supply of information about items on the Defence and Strategic Goods List where the supply of information does not provide access to Defence and Strategic Goods List technology and is not for use in a Weapons of Mass Destruction program or for any other military use. The bill also allows for applicants to obtain supply and brokering permits on behalf of projects, and for permits to be issued to project participants. It narrows the act's publication offence to publications of military DGSL technologies where no application approval has been given, or where the publication contravenes a condition of the approval. So the bill allows the minister to prohibit the publication of information about military technologies, or civilian technologies of potential military application, where that publication could prejudice the defence security or the international relations of Australia. It allows the Secretary of the defence department to issue interim publication notices where the Secretary considers the minister may have grounds to introduce a prohibition notice.

Further, the bill more precisely defines 'brokering', and stipulates that the broker must receive money or a non-cash benefit. The bill provides an exemption from the brokering offence if the broker is 'from or acting within' one of the four export controls regimes mentioned earlier—that is, the Wassenaar Arrangement, the Missile Technology Control Regime, the Australian Group, and the Nuclear Suppliers Group. Employees of ASIO and ASIS will also be exempt from the brokering offence. The bill also allows the minister to direct a person to seek a permit for the brokering of civilian technology with potential military application, so that such products can be regularised. In these circumstances, the minister, the Secretary of the department, or a delegate of the minister will be required to consider criteria prescribed in regulations, and to have regard to other appropriate matters, before deciding that an activity would prejudice Australia's security or international relations. The export control regime introduced by the act and amended by this bill is of vital importance to Australia.
The bill also provides for the continued review of the operations of the act; initially after two years and subsequently at intervals of not more than five years. I think that is a particularly important provision. The minister will be required to table copies of the review report in both houses of parliament. We must continue to support international regimes that counter the proliferation of weapons of mass destruction. We must continue to work collaboratively with other nations to ensure that those sorts of technologies are not misused, and that they do not create a heightened threat to the international community. The passage of this bill and the maintenance of the export control regime will enhance our reputation as a nation.

Senator LUDLAM (Western Australia) (09:39): I rise to speak on this bill, the Defence Trade Controls Amendment Bill 2015—I listened to Senator Carr's contribution with interest, because there is an element of deja vu in debating this bill.

Firstly, I should say at the outset that the Greens support passage of this bill for reasons that would be fairly obvious to anybody who read or heard the things we said in October 2012 during the original debate of this bill. Senator Fierravanti-Wells, who is representing the government this morning, who is representing the government this morning, would be well aware. You were sitting on the opposition benches at that time, and Senator Carr was in government. Effectively, what we are doing today is cleaning up the messes that were well and truly understood on the day the bill was passed back in 2012 and all of the things that Senator Johnston, who was the shadow defence spokesperson at the time, mentioned in an entirely articulate critique of the bill at the time. And yet the opposition voted for the bill. Now we come back today. Here we are in March 2015, 2½ years later, to fix the mess that everybody understood we were making at the time.

There is obviously cross-party support for this important bill, so I do not propose to tie the chamber up for long. The idea that this chamber would have passed legislation with its eyes wide open that could criminalise and see researchers being thrown in jail for doing entirely legitimate work just because somebody in the defence community thought that eventually somebody could turn that into a weapon is absolutely absurd, and the safeguards that we are building back in today to prevent that from happening were entirely understood by, I think, all sides of this parliament back in 2012.

Before the bill passes I do want to take a couple of minutes to reflect on how we got here in the first place. The initial Defence Trade Controls Bill 2011 was really introduced for one purpose, and that was to give effect to the Australia United States Defence Trade Cooperation Treaty, which was signed by the Bush administration and the Howard government way back in 2007. That treaty was viewed with relief by some Australian defence industries and weapons manufacturers because it allowed them to evade a fairly restrictive export control scheme which they had previously critiqued pretty heavily. It was viewed with some suspicion by the Greens and other groups who are focused on peace and non-proliferation of weapons because it openly facilitated the weapons trade and it should never be made easier for armaments to be traded for the simple fact that there are always unintended consequences. We are seeing some of the aftereffects of that play out in Iraq at the moment.

So the concern that was expressed by many was the impact that the bill would have on Australia's research community, who were looking on somewhat aghast at the time as they were told by legislators that they faced the prospect of being thrown in jail simply for conducting research and publishing results on what had previously not been seen as hugely
controversial subjects. One example which is particularly close to my heart is that of encryption. The United States government defence community and the technical community went through this hugely divisive debate in the US in the 1990s in the so-called Crypto Wars, when the United States government decided to classify strong cryptography—that is, encryption of privacy for communications between, for example, financial institutions, diplomats or anybody who has the need for strongly protected communications—as a weapon for the purposes of exports. So weak and degraded crypto protocols were exported to other countries around the world, which has later come back to bite the United States government because they end up as security vulnerabilities placed there deliberately in order to be able to be broken and accessed that then effectively compromised, for example, the global financial system, the banking system and the diplomatic community. It was exactly these kinds of things.

When the defence community sees things that could potentially be used as weapons—and that is just one example—and therefore classifies them as defence exports, you can inadvertently introduce vulnerabilities, weaknesses or cripple research. You would have to say that is an unintended consequence. That is not something we want to see a repeat of.

As I said, these issues were very well understood when they were examined by the foreign affairs, defence and trade committee back in 2012. That committee inquiry resulted in probably two of the strongest worded reports that I have ever seen published by that committee. In short, the committee sent the bill back to Defence and asked it to fix the errors that had been introduced and to actually talk to the Australian research community before the bill would be debated in parliament. What became really apparent at the time—this is something Senator Carr managed to avoid mentioning in his speech—was that the timing of the debate of the bill in the Senate was basically designed to make sure the government of the day had some kind of announceable to put up, because the then US secretaries of state and defence were scheduled to arrive in Australia for fairly high level talks. This point is acknowledged by Senator Johnston in his contribution at the time. What the hell was the rush? As it turned out, it was a photo opportunity: we were passing legislation the parliament knew to be flawed so that a press opportunity could be taken advantage of. So two and a half years later here we are, fixing the problems which were absolutely well understood at the time, and everything is again happening at the last minute. We are told if the bill does not pass during this sitting period, researchers will face very real consequences. I happen to believe that is not an idle threat. We do need to pass legislation quickly, but we also need to make sure we get it right.

An exposure draft of the current bill was only released a week or so before Christmas and I believe the Foreign Affairs, Defence and Trade Legislation Committee only signed off its final report into this bill about 40 minutes ago. Again, you would not say that was legislative best practice. Under the previous government we saw an abuse of parliamentary process which put researchers at significant risk, but I am pleased to say there are amendments, and I want to pay credit to the current government for recognising that the system could not stay as it was; that it was completely unconscionable. It is a shame that it has taken two and a half years to fix, but I give acknowledgement where it is due to the Labor Party and the government. They have brought forward amendments; they do not go 100 per cent of the way to assuaging the concerns that were raised at the time but nonetheless the most serious
problems that were introduced into the bill—with eyes open, by a parliament that knew exactly what it was doing at the time—will finally be fixed when this bill passes into law. I am happy to commend the bill to the chamber.

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (09:46): I too rise to make some comments on the Defence Trade Controls Amendment Bill of 2015. I would like to talk little bit about the bill itself—some of the background, some of the issues and some of the future actions that are going to be required.

The Defence Trade Controls Amendment Bill will amend the Defence Trade Controls Act of 2012 which received royal assent in November 2012. As previous speakers have indicated, it includes measures to strengthen Australia’s export controls to meet our obligations such as the Wassenaar arrangement, the Missile Technology Control Regime, the Australia Group and the Nuclear Suppliers Group. As has been noted, it gives effect to the Treaty Between the Government of Australia and the Government of the United States Concerning Defense Trade Cooperation, known as ‘the treaty’. Those treaty provisions commenced operations in June 2013 and the treaty itself will not be amended in any substantive way by this bill. The act of 2012 introduced new export controls on the intangible supply of technology listed in the Defence and Strategic Goods List, the DSGL, and the prohibition of the publication of DSGL technology and regulation-brokering activities.

Broadly, this bill makes a number of amendments. There is quite a list; but one of the key ones that is important is that it provides an additional 12-month implementation period before the offence provisions and the record-keeping requirements commence operation. This has been one of the significant outcomes of the consultation process of the steering group and the pilots that have been in place over the last two years. It provides two new exceptions to the supply offence in the existing section 10 of the act, being firstly for the oral supply of DSGL technology where that supply is not the provision of access to DSGL technology and is not for use in a weapons of mass destruction program or for a military end use; secondly, for the supply of dual use or part 2 DSGL technology where the supply is preparatory to the publication of a part 2 technology. It also extends the exception to the offence of supplying DSGL technology, without permit, to or from certain members of the government, security and law-enforcement organisations; and, importantly, it provides for the reviewing of the operation of the act, except for part 3 and 4—which are the supply offence provisions—initiated by the minister two years after the commencement of section 10, and subsequent infills of no more than five years.

The background to this is important. In November 2011, the government introduced the Defence Trade Controls Bill into the parliament. The Senate Foreign Affairs, Defence and Trade Legislation Committee received this bill which was referred to us for report by April 2012. That reporting date was extended out to August 2012 because of the number of issues the committee found. I had the privilege of being a member of that committee—I still do—as we looked at this bill.

One of the things the committee found was that the consultations undertaken by the Department of Defence in this case were inadequate, and that would be understating the extent of the consultations. As someone who served for over 23 years in Defence, I am ashamed to have to tell this chamber that the consultation was inadequate. This lack shows that many in Defence are put into roles—they might be working with an industry sector or an
academic sector that they have never been a part of—and sometimes their concept of what will have an impact is not informed by their own life experience; and that is why consultation is so important. Consultation is important not only to transmit information but also to provide real opportunities to listen and understand what the practical impact of measures that the parliament legislates may have on industry or on academia.

Essentially the issue was handed back to Defence, which was told to go away to do more consultation, but in the meantime other measures, such as the steering group, the pilot programs and other things, were put in place. The committee strongly recommended the 24-month transition period, during which the offence provisions would be suspended and further consultation would occur. While in theory we could forward a bill and in theory we could talk about what it might look like, until the stakeholders had the opportunity, with the active support of Defence, to see how the provisions would work in practice, it was clear that a transition period was needed to put in place systems and processes. A couple of pilot studies in the academic space were particularly useful in achieving this. I am glad to see that the amendments support a transition period beyond the introduction of this particular amendment bill. The transition period was accompanied by a six-monthly examination of progress; the steering group had to report on progress to the committee, but at the same time the committee had the opportunity to engage with stakeholders, both in academia and industry, to understand their experience of the process—to ascertain whether they were happy with the progress, whether their concerns were listened to and to determine whether we were on track to meet our international obligations, our national security requirements and, importantly, whether we had embarked on something that did not diminish the ability of Australian industry and academia to research, develop IP, innovate and ideally to export.

These considerations have led a range of amendments, but other issues still exist and these need to be addressed today to make sure that we do not lapse back into passing inappropriate legislation and regulations that do not engage in a proactive way with stakeholders who will be affected by this legislation. There was a tight time frame for these amendments, and that has been acknowledged by each of the people who submitted to the committee's latest inquiry. Generally speaking, most of the 30 written submissions to DECO and the submissions to the committee were happy with the style and level of consultation—they felt it was appropriate. A number of people indicated that they were comfortable with the amendments in that they strike the right balance between protecting Australia's national security interests and allowing scientists to go about their work with other scientists and industry around the world, as UNSW commented. The University of Sydney made similar comments that these measures would significantly reduce the compliance burden for universities and their research support staff and deliver a regulatory framework that is much better targeted at activities which present real risks to national security. The resulting regulatory regime will be of greater overall benefit and more cost effective for government, industry and the public sector research community.

Those are positive things, and they demonstrate that the work of this Senate and its committees can deliver an outcome or a process that when followed gets better outcomes. But there are still a number of people who submitted that they had concerns—for example, in the areas around clarity of definitions in both the Defence and Strategic Goods List itself and the act—which, they put forward, could lead to some difficulty for researchers and industry.
knowing the scope of coverage of the permit regime and determining whether the activities were controlled or not.

There is also the issue of consistency with other jurisdictions. There was a concern expressed by people that the offences in the amended act would still be more restrictive than those in equivalent legislations in the UK and the US. I note that the majority of people who raised concerns in this area of definition still support the passage of the bill but have highlighted that it is not perfect and there are still concerns. The burden of implementation was another concern.

But what all these lead to is that, just as at the start of this process—when we found that the only way we could approve this bill and move forward was to have a transition process that was accompanied by meaningful engagement and consultation with a willingness to amend and improve regulations so that the impact on stakeholders was academically, intellectually and economically affordable—the implementation of these amendments means that we still need to have those ongoing consultations.

So, in the future, we have this 12-month implementation period—I think the offence provisions do need to be suspended for that period while people work through it. But importantly I want to note that we also had very strong and rigorous representation from the academic sector—Universities Australia and a number of individual universities have been very strong in engaging with the Chief Scientist and the steering group—and that has been welcome.

We have had submissions from a number of large industry groups. But I know, through my own experience, that a lot of the innovation and work done in Australia's defence sector is through SMEs, and it concerns me that the level of representation in consultations from the SME sector was so low, despite the fact that the committee specifically issued invitations and requests for information from a broad range of stakeholders. What that says to me is that a number of the smaller players in Australia's defence industry manufacturing sector are not necessarily fully across the scope and the implications of what this whole act and the amendments may mean. To my mind that makes it even more important that not only do we have this transition period where the offence provisions do not take effect but that the consultation needs to reach out in a very focused way, and not just to the academic sector, who have been very robustly engaged. It also needs to have a really targeted focus on the SMEs and a willingness, where problems are identified with the implementation, for the government—and I encourage the opposition to support this—to say: 'How do we need to make further amendments, if required, so that we embed this, meeting our obligations internationally and meeting out national security requirements, but in a way that still enables research and innovation in our technology sector to not only survive but to thrive in Australia?' There needs to be that willingness, so that we can create not only the technology we need for our defence sector but also the jobs, the research and the opportunities for young people to contribute to this important and growing sector within Australia.

So I do support these amendments to the act. Clearly, the government is putting forward this bill, and I support it. But I just want to make very clear that the implementation process, the consultation and the willingness to iteratively revisit this and make change must not stop now that this amendment bill has come forward, but it must be carried forward with a particular focus on SMEs. I support the amendments.
Senator FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (09:59): Can I start by thanking those who have made a contribution to this bill. The bill will enable Defence to focus its regulatory attention on higher risk activities with respect to the non-physical supply and transfer of Defence controlled goods while dealing more efficiently with lower risk activities.

The original act established a two-year transition period during which stakeholders had an opportunity to work with Defence to address concerns and provide feedback through the Strengthened Export Controls Steering Group. The work of the steering group has been critical to the development of these amendments and the government will seek to extend the steering group's appointments to cover the extended implemented period detailed in this bill. I thank those opposite for their support of this important legislation and I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Sterle) (10:00): 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 FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (10:00): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a second time.

Customs Amendment (Anti-dumping Measures) Bill (No. 1) 2015
Customs Tariff (Anti-Dumping) Amendment Bill 2015

First Reading

Bills received from the House of Representatives.

Senator FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (10:01): 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 FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (10:01): 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—
I am pleased to present the Customs Amendment (Anti-Dumping Measures) Bill (No. 1) 2015, representing part of the Government's reforms to strengthen and improve Australia's anti-dumping system.

This is a Government that strongly supports genuine free and fair trade and an open and dynamic market economy. However the importation of dumped and subsidised goods, which injure Australian manufacturers and producers, undermines the viability of efficient, innovative and hard-working Australian businesses.

This is why we support Australia having an effective trade remedies regime. It represents an integral part of a robust international trading system and we want to ensure that Australian industries are competing on a level playing field. It is also critical to our broader plan to boost the competitiveness of Australian manufacturing.

Australia's current regime for combatting injurious dumping and subsidisation is transparent and complies with our obligations under World Trade Organization agreements. But there is clearly room to strengthen, and improve the efficiency and effectiveness of the system—and that is what we plan to do.

Our reforms included in this Bill introduce a number of measures to strengthen Australia's anti-dumping system. The improvements included in this Bill will:

- improve the current merits review arrangements;
- improve the flexibility of stakeholder consultations;
- modernise the way information about anti-dumping investigations and other inquiries is published; and
- simplify, clarify and better align our anti-dumping legislation with international law and practice.

The improvements that I am introducing today are designed to address stakeholder concerns about the effectiveness of Australia's anti-dumping system, in a manner that is consistent with our trade obligations, including those under World Trade Organization Agreements.

We are introducing more stringent deadlines for submissions to investigations in order to assist businesses to get more timely access to remedies. This amendment aligns our legislation with the quickest timeframes permissible and sends a message to businesses intending to export dumped and subsidised goods at injurious prices to Australia that we are serious about taking a tougher approach to combatting unfair trade.

We are also modernising the provisions which govern how key information about anti-dumping investigations, and other inquiries, is made public. Under current arrangements, many types of key notices are required to be published physically in newspapers. This arrangement is outdated and does not fully recognise the high level of transparency of Australia's anti-dumping system or the excellent Electronic Public Record managed by the Anti-Dumping Commission. By standardising electronic publication throughout the anti-dumping system, we will be providing stakeholders with the certainty that they can access all notices in one place, free of charge, and at the same time.

This Bill will also increase business certainty in anti-dumping decisions by improving the current merits review process, which is administered by the Anti-Dumping Review Panel. Specifically, the Anti-Dumping Commission will be able to participate in reviews, either by attending a conference called by the Review Panel or making submissions during the review. This complements the ability of the Review Panel to request reinvestigations by the Commission and provides the Review Panel even greater access to the Commission's expertise. These improvements ensure the Review Panel members have access to the information necessary to make informed judgements, whilst maintaining their independence from our anti-dumping investigators.
In addition, this Bill will also raise the legal and procedural threshold for applying for a review and allow the charging of a fee for lodging an application. Although these measures may deter some parties from seeking a review, this will allow the Review Panel to focus on only the most serious and review-worthy issues that businesses truly believe need to be challenged. We have also considered the impact of the fee on smaller businesses, with small and medium sized businesses applicable for a reduced fee when seeking review.

We want to ensure that businesses have greater certainty in decisions made during anti-dumping and countervailing investigations and that these matters are resolved in a timely, robust and efficient manner. This Bill will not affect stakeholder rights to also seek judicial review of anti-dumping decisions.

Finally, this Bill also reduces red-tape by removing the legislative establishment of the International Trade Remedies Forum, which is the Government’s anti-dumping advisory body. The Forum, as it is currently legislated, binds the Government to a rigid and restricted method for consulting stakeholders. This Government believes that a more flexible arrangement will allow a wider range of stakeholders to be consulted on the operation and reform of Australia’s anti-dumping system.

Instead, the Government is committed to ensuring a broad range of stakeholders are able to bring their views on the administration and reform of the anti-dumping system to the Government. Flexible consultation ensures important issues can be raised in a timely manner and stakeholders are afforded the opportunity to be heard by the Government.

The reforms in this Bill will be complemented by the improvements contained in the Customs Tariff (Anti-Dumping) Amendment Bill 2015. In addition to the improvements included in these Bills, we are introducing a range of further reforms that improve access to the anti-dumping system, particularly for small and medium sized businesses, and strengthen the incentives for businesses to cooperate with anti-dumping investigations.

Although these reforms address concerns raised by stakeholders, I will continue to monitor the efficiency and effectiveness of Australia’s anti-dumping system and consider whether further improvements are required.

We are committed to ensuring that Australian industry is able to compete on a level playing field. Our reforms will ensure that Australian industries have access to a strong anti-dumping system that delivers efficient and effective remedies for Australian businesses injured by dumping and subsidisation.

CUSTOMS TARIFF (ANTI-DUMPING) AMENDMENT BILL 2015

I am pleased to present the Customs Tariff (Anti-Dumping) Amendment Bill 2015, representing part of the Government’s reforms to strengthen and improve Australia’s anti-dumping system.

This is a Government that strongly supports genuine free and fair trade and an open and dynamic market economy. However the importation of dumped and subsidised goods, which injure Australian manufacturers and producers, undermines support for trade by reducing the fairness of the playing field for Australian businesses.

This is why we support Australia having an effective trade remedies regime. It represents an integral part of a robust international trading system and we want to ensure that Australian industries are competing on a level playing field. It is also critical to our broader plan to boost the competitiveness of Australian manufacturing.

Australia’s current regime for combatting injurious dumping and subsidisation is transparent and complies with our obligations under World Trade Organization agreements. But there is clearly room to strengthen, and improve the efficiency and effectiveness of the system—and that is what we plan to do.
Our reforms included in this bill introduce a number of measures to strengthen Australia's anti-dumping system. The improvements will:

- clarify the ability to grant exemptions retrospectively to the date of the application for exemption;
- modernise the way information about anti-dumping investigations and other inquiries is published; and
- clarify our anti-dumping legislation.

The improvements that I am introducing in this bill today are designed to provide certainty for stakeholders. These reforms will complement the improvements contained in the Customs Amendment (Anti-Dumping Measures) Bill (No.1) 2015.

We are committed to ensuring that Australian industry is able to compete on a level playing field. Our reforms will ensure that Australian industries have access to a strong anti-dumping system that delivers efficient and effective remedies for Australian businesses injured by dumping and subsidisation.

Senator KIM CARR (Victoria) (10:02): The Customs Amendment (Anti-Dumping Measures) Bill 2015 and the Customs Tariff (Anti-Dumping) Bill 2015 make a number of relatively minor technical amendments to Australia's antidumping laws. However, there are two matters these bills raise that the Labor Party does have some serious concerns about. I understand that there will be a second reading amendment moved to refer these bills to a committee—so there will be an opportunity to canvass those questions.

Part 15 of the Customs Amendment (Anti-Dumping Measures) Bill amends the Customs Act to abolish the International Trade Remedies Forum. That forum was a reform introduced by the Labor government as part of a package aimed at improving and streamlining Australia's antidumping system. The forum is a formal advisory group comprised of key users of the antidumping system and is charged with providing expert advice to the government on the effectiveness of the antidumping system. Its membership is drawn from manufacturers, from producers, from importers, from unions and from industry associations, as well as including representatives from government agencies. The purpose of the forum is to provide high-level strategic advice and feedback to government on the implementation and monitoring of our antidumping system.

The abolition of this group is in line with a pattern of behaviour from this government which, one would have to suggest, is about limiting opportunities for industry and the community to provide independent advice to the public service and to the government itself. What we have seen is that the government has been abolishing, one after another, committees such as this throughout the industry portfolio and those agencies related to the industry portfolio. This is a shockingly retrograde step.

Just a few months ago, in the December MYEFO, the Liberal government announced that they were reducing the number of government bodies as part of what they call the 'Smaller Government initiative'. A number of groups in the industry portfolio were abolished under this so-called initiative, including expert advisory groups on research and development, on venture capital, on commercialisation programs, on workplace productivity and on intellectual property. And that is just the tip of the iceberg. This is a government that is absolutely terrified of independent advice! It is absolutely terrified of talking to people who actually know something about the regulations that affect them. So the dismantling of these advisory groups—often, as I said, comprising external experts from business and industry, and often at
incredibly low expense to the government—is an extraordinarily stupid and short-sighted approach. In taking these acts, the minister is effectively shooting himself in the foot.

It is the Labor Party's view that getting rid of independent advice is actually counterproductive. I know it is very popular in the public service, because what you want to do in the public service is to confine advice—to make sure that the channels of communication to the minister are limited. The real risk is in losing people who are actually directly affected, who can provide you with expert opinion and direct experience, and who can save you huge sums of money—not to mention the grief that comes as a result of regulations being implemented which have all sorts of adverse consequences, often quite unintended. It is actually a smart thing to do to engage people in the processes of government.

Now, the members of these advisory groups are, as a rule, respected leaders in their fields of expertise. They actually want to contribute; they want to help out. It costs them time and effort. It is part of what they regard as their civic duty. But this is a government that chooses to turn its back on these people. Of course, these groups are perceived to be in some way uncontrollable, and this is a government that is quite averse to any genuine industry consultation. The idea of independent advice is anathema to them.

So, what is all this about? It is not about budget savings, because most of these people do not even get paid. The December MYEFO flagged some of the amendments to the antidumping system which we are debating today, including the abolition of the International Trade Remedies Forum. MYEFO documents state:

The existing International Trade Remedies Forum will be replaced with a streamlined Anti-Dumping Industry Board.

Right. However, there is no reference at all to the antidumping industry board in this bill that we are debating today. There was no reference to the replacement body when the Parliamentary Secretary for Industry, Mr Bob Baldwin, wrote to members of the International Trade Remedies Forum in December last year. Mr Baldwin wrote to senior industry leaders, informing them that the forum would be discontinued. He said, 'The government will consult with stakeholders by convening smaller committees to provide industry feedback on the operation and the reform of the Australian antidumping system.'

Well, I may be a little cynical after a few years in this place, but I am not inclined to take this government's word when it purports to commit to an engagement with industry, or manufacturers or, particularly, with trade union representatives. We have not seen any evidence that there is genuine dialogue in the 18 months that this government has been in office.

I note that the International Trade Remedies Forum has not met since March 2013, despite there being a requirement in the Customs Act to meet at least twice a year. Perhaps if the Liberals had bothered to call a meeting of the forum, which they are required to do by law, they would have found it to be a little more effective. You can hardly argue, 'It's not effective because we don't call any meetings', with the decisions that are taken by government itself to actually wind down these bodies. The International Trade Remedies Forum was established to ensure that there was a proper legislative protection for this valuable dialogue with industry, and, despite that fact and despite the contribution that these industry leaders have actually made to the work of our antidumping regime, this government has turned its back on them. Now the coalition did not oppose the International Trade Remedies Forum when the
legislation to establish it was passed—in fact, at the time it claimed to support it—and nor did it say before the election that it would be seeking to abolish this advisory group, so it is disappointing that this government is now backing away from a measure that previously enjoyed bipartisan support.

The other matter the Labor Party is concerned about is the fee for review. Part 12 of the Customs amendment antidumping bill amends the act so that the Anti-Dumping Review Panel will be able to charge fees for review. These fees will be determined by a legislative instrument, which may prescribe different fees for different kinds of applications and applicants. As I understand it, the government's intention here is that the introduction of fees will probably lead to fewer applications for review. While this might benefit some producers when the original decision was to impose duties, it also makes it expensive for Australian producers seeking reviews of decisions which did not impose duties. The government says small businesses may be eligible for a reduced fee or that there may be a provision for a refund or a waiver of the fee; however, without further detail and without actually seeing the instrument in question, it is very difficult for Labor to make a sound judgement on the effect of this measure on Australian industry. Therefore, while Labor does not oppose the fee in principle, it must reserve its final position until it has actually seen the fee scales.

I note that the coalition's election policy document stated:

The current anti-dumping laws are cumbersome, slow and prohibitively expensive for many Australian businesses to utilise.

Well isn't it incredible, when you have been in government for a short while, how all of the things you said before are found to be so easily disposed of in such a short period after the election. If the Liberals—

Senator O'Sullivan interjecting—

Senator KIM CARR: I can remember Sophie Mirabella—remember the famous Sophie Mirabella, the disgraced former member for Indi, ranting and raving, 'We're going to toughen up the antidumping regime; we're going to get rid of'—what did they say?—'this cumbersome, slow and prohibitively expensive way of actually undertaking under antidumping measures.' What do we have now? Capitulation by this government.

If the Liberals are concerned that our current antidumping system is 'prohibitively expensive', then it would be interesting to hear the parliamentary secretary's explanation of how a fee for review by the Anti-Dumping Review Panel is consistent with that pre-election commitment. When the bill was before the House of Representatives, the member for Makin moved an amendment to remove the abolition of the International Trade Remedies Forum from the bill. I will be moving a similar amendment in this chamber. Labor will also support Senator Xenophon's motion to refer this bill to a committee. We want to see what the detail actually is. Australia's antidumping regime is hugely important to the maintenance of fair trade for domestic producers. Labor are proud of their record in building that regime, including measures such as the International Trade Remedies Forum, and we will not allow this government, the Abbott government, to dismantle the regime for no better reason than an ideological hostility to industry policy. I urge Senator Xenophon to move his motion, and I look forward to it being voted on in the chamber.
Senator XENOPHON (South Australia) (10:14): At the outset I would like to make it clear that I am reserving my position on these bills at this stage. It is very important, as Senator Carr pointed out, that we get this right. This is a very important issue because we really have been mugs when it comes to the issues of dumping in the past. I acknowledge the work that Brendan O'Connor and then Jason Clare did as ministers for home affairs in this field. I put up a bill several years ago to strengthen our antidumping regime. Parts of that bill were picked up by the former government, which I think led to an improvement. I hope to have the same cooperative approach with this government in relation to antidumping measures because we have been left behind. Australian industry, Australian jobs have suffered because we have not fought for our jobs by having a clear application of WTO rules. I am not suggesting we get rid of the WTO rules; what I am suggesting is that we fight for them.

Why is it that Tindo Solar, the last remaining solar panel manufacturer in this country, is now facing a huge fight against dumped panels from China which are causing a significant impact? Those are below-cost dumped panels. I indicate that Tindo Solar in Adelaide makes a fantastic product in terms of its quality, reliability and longevity. But they are now in a position where they are having to fight an antidumping case—with some assistance, and in Senate estimates it was made very clear that there were some real issues about the level of assistance they were getting, but I think that has been rectified, which is a good thing. But why is it that in Europe and the United States of America action was taken many months ago—in fact some two years ago—on dumped solar panels from China whereas here we are still getting around to it? That shows some flaws in the system. That is why an inquiry into this very important area of public policy relating to the jobs of Australians needs to be looked at properly.

So antidumping legislation is hugely complex. Australia’s system has come a long way in the last few years, but we need to go further. We heed to look at why the coalition dropped its reverse onus of proof approach to dumping. There may be good reasons for that, but it is an issue that Senator Madigan and I have long campaigned for because we need to use every method we can consistent with WTO rules to fight for Australian jobs and Australian industry. That is why I move the second reading amendment standing in my name:

At the end of the motion, add "and that these bills be referred to the Senate Economics Legislation Committee for inquiry and report by 5 May 2015". The government may say that is going to delay things by a couple of months. Let’s get this right because we are not going to have another opportunity to do this for quite some time. I urge my crossbench colleagues the Australian Greens, Senator Madigan, Senator Muir, my other crossbench colleagues—all of them—to get this right in terms of what we need to do with regard to dumping.

We do not want to breach international law or jeopardise our trade relationships, but we also need to stand up for Australian jobs. We need to take the same approach to dumping that the European Union, the United States of America and a whole host of other countries have. It was very telling to me when Michael O’Connor from the CFMEU was at a conference on forestry in Scandinavia a few years ago. He told them where he was from. He said, ‘I’m from Australia,’ and the people laughed at him and said, ‘Australia; you’re the land of the free trade
Taliban' because we take such a literal, fundamentalist approach to free trade that no other country does and in the process poke Australian industry in the eye and destroy jobs.

I believe in fair trade. I believe in having a robust network of trade negotiations and of WTO rules, but let's make sure we enforce them. We need to have more consultation on this bill. We need to hear from the people who will be impacted directly on how they feel the system is working and where there can be improvements. That is why I have moved the second reading amendment in my name. I am very grateful for the support of Senator Carr and the Australian Labor Party in relation to this. It will be a brief inquiry reporting in early May, but it will allow us to examine these bills in greater detail and for industry and small businesses to have their say. I want to thank the government for the information they have provided to me on these bills and look forward to discussing them in more detail during an inquiry process should that be set up.

Ultimately, our antidumping system needs to be improved further on the improvements we have seen in the last few years and on the improvements in this bill, but for goodness sake let's get this right. This is too important to be rammed through the parliament now. Let us get this right because tens of thousands, if not hundreds of thousands, of Australian jobs are at stake—particularly with the stress we have seen in the manufacturing sector, with the demise of original equipment manufacturers in the auto sector and the impact that will have on the auto supply chain. Potentially 100,000 jobs or more will be at risk, and of course if we see a collapse in our shipbuilding industry, if the subs are not built in South Australia, there will be huge implications for the Williamstown shipyards in Victoria and Newcastle in New South Wales. We may well lose that critical mass of shipbuilding and I do not want that to happen. That is why dumping laws are also important in the context of ensuring we have a strong manufacturing base in our nation.

Senator FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (10:20): I indicate that we will not be opposing Senator Xenophon's amendment. In relation to this antidumping legislation, Australian manufacturers and primary producers are being injured by unfair competition from foreign companies. The Australian industry can only compete against foreign imports if there is a level playing field, and our antidumping systems deliver just that. Our manufacturers and farmers are competing with foreign goods that are dumped into Australia at prices lower than they are sold in their home markets. Put simply, dumped goods hurt our businesses and our economy, and they cost Australian jobs.

We made election promises to strengthen the antidumping system, and these proposals deliver on those commitments. There is also a range of extra reform measures. The reform measures will place a greater onus on overseas businesses to cooperate with investigations and crack down on companies that do not cooperate with investigations; provide better assistance for Australian businesses throughout the antidumping processes; make improvements to the merits review process to give stakeholders greater certainty around decisions; impose more stringent and rigorous enforcement of deadlines for submissions; and reduce red tape in the system. Specific examples are: establishing the Anti-Dumping Information Service and increasing the numbers of international trade remedies advisers to better support businesses engaging with the system; directing the Anti-Dumping Commissioner to impose provisional duties at day 60 of an investigation where relevant
conditions are met; and less tolerance for uncooperative exporters, so if companies do not respond to requests for information the Anti-Dumping Commission will proceed with their investigations on the basis of available information, which could be from the application brought forward by the Australian industry.

Our government has strong and historic support for genuinely free and fair trade and for Australia to operate as an open and dynamic market economy. All of our reforms are consistent with our World Trade Organization obligations. Despite these significant reforms, the government is continuing to engage with stakeholders to determine if more can be done to strengthen our antidumping system and address specific concerns around companies' circumvention of Australian measures, as well as foreign subsidies. Some of this work is currently underway with the House of Representatives Standing Committee on Agriculture and Industry's inquiry into circumvention, due to report soon.

The ACTING DEPUTY PRESIDENT (Senator Sterle): The question is that Senator Xenophon's amendment be agreed to.

Question agreed to.

Original question, as amended, agreed to.

Bill read a second time.

Reference to Committee

Pursuant to the order of the Senate agreed to on 18 March 2015, the bills stand referred to the Economics Legislation Committee for consideration and report by 5 May 2015.

BUSINESS

Rearrangement

Senator FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (10:24): I move:

That government business order of the day no. 2, Migration Amendment (Protection and Other Measures) Bill 2014, be postponed till a later hour.

Question agreed to.

BILLS

Biosecurity Bill 2014

Biosecurity (Consequential Amendments and Transitional Provisions) Bill 2014

Quarantine Charges (Imposition—General) Amendment Bill 2014

Quarantine Charges (Imposition—Customs) Amendment Bill 2014

Quarantine Charges (Imposition—Excise) Amendment Bill 2014

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

(Quorum formed)

Senator CAMERON (New South Wales) (10:27): The Biosecurity Bill 2014 and related bills implement the reform of our biosecurity regime. As such, this is important legislation.
We need to get it right. These bills represent the first root-and-branch overhaul of our quarantine and biosecurity framework in nearly a century. These bills began their life under the former Labor government and we are proud to have shared in their development. On that basis, this legislation is deserving of bipartisan support.

Agriculture is important. Agriculture is so important to our future—and it is complex and involves long-term planning horizons—that we must strive to take a bipartisan approach to agriculture policy. Biosecurity is of paramount importance, yet, as the Beale inquiry—a seminal inquiry into our biosecurity system—noted, biosecurity usually only rates a mention when something goes wrong rather than regularly rating a mention when things are going right, as they almost always do.

The Biosecurity Bill, like the Beale review and other reviews that went before it, was a Labor government initiative. It was an initiative of a Labor government and it was progressed and developed by a Labor government. The Labor government was ready to implement the reform when it lost office 18 months ago.

This bill had its origins with the member for Watson in the other place when he was the minister, and was progressed right through the tenure of Senator Ludwig. It was Labor that recognised the importance of upgrading and modernising Australia's biosecurity laws, and it was a Labor government that first introduced the bill in 2012. In February 2008, the then Minister for Agriculture, the member for Watson in the other place, announced a comprehensive, independent review of Australia's quarantine and biosecurity arrangements to be undertaken by an independent panel of experts and chaired by Roger Beale AO.

The bill now before the Senate is essentially identical to Labor's bill save for a few minor adjustments, which we do not have any great difficulty with, except for a very big departure in the absence of any guarantee that the Inspector-General of Biosecurity will continue to play a role. I will return to this very important point.

These bills are about modernising the now 107-year-old Quarantine Act. As Mr Beale pointed out in his seminal report, the very name change from Quarantine Act to Biosecurity Act in itself reflects changing challenges, aspirations, emphasis and of course methods. The Beale report concluded that we have a very good biosecurity system. Its overwhelming success is testament to that. We have had, by any measure, a very successful approach to keeping disease and pests out of our food chain. Mr Beale also found that the system is not perfect; that is fairly obvious. Sadly and tragically, we have seen examples of failures in recent years including during the equine influenza outbreak and the recent contamination of imported frozen berries with the hepatitis A virus. Mr Beale also reinforced, very importantly, the view that a zero-risk approach to quarantine is not a feasible approach, not one that is likely to lead to success, and certainly not one we can afford to pay for. Rather he reinforced the need for a risk based approach to our quarantine system.

The opposition will be supporting the bill, but I want to express very great concern about the key departure I made mention of,—the decision to deny the very important initiative in Labor's bill—the establishment and ongoing existence of an independent, statutory officer known as the Inspector-General of Biosecurity. Labor will be moving amendments and requests in the committee stage to establish an independent Inspector-General of Biosecurity.
It appears that, as the bill is currently framed, rather than having an independent statutory officer reviewing the performances of our biosecurity system, we will have no less than the minister overseeing these processes—that is, Minister Joyce overseeing biosecurity in this country. It is not something that fills me with great confidence or enthusiasm, I must say.

Senator O'Sullivan: It does us.

Senator CAMERON: I will take that interjection. Senator O'Sullivan said, 'It does us.' Well, if Mr Joyce cannot even get support from his own colleagues, then it would be a bad day. I must say, having the support of Senator O'Sullivan and the National Party is not a substitute for good oversight in this bill. I just think that the oversight issue should not be played down, and it should not be treated as a joke. I certainly do not believe that the former Senator Joyce, now Minister Joyce, has the capacity to oversee this properly. We want an independent oversight. Given the performance of Minister Joyce recently in the changes to Hansard, how could we expect Minister Joyce to actually provide proper oversight of an independent manner when he is caught up in 'Hansardgate', and when we see his secretary being removed from his job—a competent, effective public servant being thrown on the scrapheap because he wanted to be honest. So, Mr Joyce having oversight of anything fills me full of real concern for his capacity to do it independently and properly. I would welcome more interjections from the senator on this issue.

The Labor government already had in place the Interim Inspector-General of Biosecurity. We have proposed also to further strengthen confidence and to build sustainability in the live cattle trade by putting in place an inspector-general for live animal welfare and live animal exports. Sadly, that commitment did not survive the transition to the new government, much to the great concern of those who are focused on animal welfare, particularly animal welfare in the live animal export market. The minister, as far as we can see on this side, without any advice has unilaterally made the decision that this statutory officer is not needed. The inspector-general that Labor had in mind would report independently of the minister's view and, indeed, the view of the department.

Again, I come back to this issue where we have seen Minister Joyce go through a process, recently, which is nothing more than the intimidation of the public service by having his secretary sacked because the secretary wanted to be honest. How can you for one minute say that Minister Joyce is the proper person to oversee biosecurity in this country? It is a mistake to not establish this position on a permanent basis. The position will play an important role in ensuring the integrity and transparency of the biosecurity import risk analysis process.

Not only does the inspector-general ensure transparency and integrity in the biosecurity system more broadly, the amendments will also establish a number of powers to ensure transparency in the way the role is carried out. The position of Inspector-General of Biosecurity is a position that was recommended in numerous reviews over the course of the last 17 years, and yet the minister has apparently unilaterally decided that we do not need it. By having a dedicated office to review the performance of functions and the exercise of powers by the director of Biosecurity Australia, all Australians can expect an efficient, modern and robust biosecurity framework.

The minister appears, on the surface, to remain supportive of the Interim Inspector-General of Biosecurity and the continuation of that position for the time being. But if this bill were to pass unamended, it is Labor's understanding that the Interim Inspector-General will cease to
exist on 1 July this year. It appears that, while feigning support and being complimentary of the work of the Inspector-General thus far, the minister has, without any fanfare, without any good reason and certainly without evidence just decided to let this position expire on 1 July this year. Why, as we strive, I hope on a bipartisan basis in this place, to capitalise on the growing global food demand and take advantage of our clean, green, safe image and our high-quality food would we now undermine that in any way by taking away a position which, for the last couple of years, has been very effective, as acknowledged by the minister himself? This is the same. We must have full confidence in our biosecurity system. We must be able to allow the citizens of this country to see that there is a statutory officer there acting independently and protecting that system. As I mentioned earlier, and as Mr Beale pointed out, it cannot be perfect, but the independent Inspector-General is a key component in making sure that our biosecurity system is the best it possibly can be.

There has also been a bit of debate recently about the way that investors in the future, typically those who manage big superannuation funds, for example, will be discerning in their investment decisions, taking into account the ethical standards used in particular sectors. There should be no doubt that in the future the growing middle classes of Asia will be looking for food from sources where all those ethical standards have been maintained. One of those measures will be the way in which we manage our natural resources—and the way in which we manage our water and our soils are two key examples. This is why it is so disappointing that this government has still not produced a strategic plan for agriculture in this country but laid down terms of reference for a white paper—now months late—that excluded any consideration of natural resource management and sustainability. The biggest challenge in agriculture for Australia in the future will be the growing challenge of resource sustainability, particularly the challenges posed by climate change. You cannot have a strategic plan for agriculture without having, as part of that strategic plan, an idea about how you are going to tackle those natural resource sustainability issues, particularly climate change.

While we have had 18 months of policy inertia—in other words, 18 months without an agriculture policy in this country—our competitors are on the march. They are already working in Asia with their plans; they are already taking advantage of their natural competitive edge. In the meantime, under the Abbott government and under Minister Joyce, we are simply marking time. It is disappointing when I see what were very good Labor initiatives, like the one before us today, being undermined by a decision like that going to the position of the Inspector-General of Biosecurity, without any real effort to explain the decision, without any real effort to highlight that decision before this place and certainly without any effort whatsoever to justify why the Inspector-General of Biosecurity should be replaced with a minister having the final call. Why replace an independent body with a ministerial decision-making process?

I will invite the minister to highlight that point, to provide the sources of advice for the decision and to share with us what the government sees as the benefits of that decision. I do not think the minister will be able to do that, but I will welcome any attempt to do so. The very fact that the minister has not done so confirms in my mind that this is a very, very bad decision. The fact that the minister has not done so also confirms that the National Party do not seem to have their eye on the key issues in the agricultural portfolio, that they are prepared to put ministerial discretion before independence and that they are prepared to have
an independent approach on biosecurity subsumed into ministerial discretion. That is not the way to go in this country.

I finish where I began: this bill and our biosecurity system are as important as anything else we discuss in this place. It does go to our food security and, beyond that, it goes to how wealthy we are likely to be as a country in the coming decades. We cannot grasp that wealth and we cannot make the most of those opportunities without the best biosecurity system in the world. Therefore, a biosecurity without any independent oversight is an inferior biosecurity system. It does not pick up on those recommendations made over the last 17 years, and for some bizarre reason we are told that we should trust Minister Joyce! We are told that Minister Joyce can do the job. In my view, that is something that anyone with any experience of the former Senator Joyce in this place would have absolutely no confidence in. The secretariat under this minister is in chaos. We have now had two secretaries of the department under this minister. This is a minister whom you could not trust to keep biosecurity issues at the forefront if it is simply based on ministerial discretion.

I believe sincerely that all those who participated in the panel of review would say that the bill Labor had before the parliament provided the very best biosecurity system that we could possibly have. I am not convinced that the bill before us now, simply because of the exclusion of an ongoing role for the Inspector-General of Biosecurity, is a bill that provides us with the very best biosecurity regime we could possibly have. There is plenty of time for the minister to reflect on that, there is plenty of time for the government to reflect on that and there is plenty of time for the Prime Minister to reflect on that as he contemplates some of his necessary changes in the coming weeks and months—if he lasts that long. There is an opportunity here for the government either to explain and justify their position or to reinstate Labor's very important initiative. The Inspector-General of Biosecurity might cost some money, but on any cost-benefit analysis it is hard to see how what would be very small savings in the context of a billion-dollar budget is justified, given the risks that would be posed by not ensuring that this bill is as strong as it possibly can be and not ensuring that we have the strongest quarantine and biosecurity systems that this country can possibly have.

So, we have given qualified support. Other than for the inspector-general issue, we support the bill. We must have an independent inspector-general. Biosecurity is so important for the health, the welfare and the economic future of this country. I would not rely on Minister Joyce and his independent discretion to replace an independent biosecurity approach as contemplated by Labor. In my view, the minister must come to the table and must agree to the independent Inspector-General of Biosecurity that we had in our bill. The public must have confidence in biosecurity. In my view, if the public believe that Minister Joyce has the final say on biosecurity, that confidence will be shattered. It will be shattered because this is not only a government of incompetence but a government of chaos, and we need independent biosecurity analysis by the inspector-general in this bill. That is the challenge for the coalition.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:47): I rise to contribute to the debate on the Biosecurity Bill 2014 and related bills. This bill has been a long time coming, and fixes to our biosecurity system have been a long time coming. Our biosecurity system has held up well in Australia and has, by and large, protected our agriculture and our environment. I say 'by and large' because there have been some well-
known problems, and I will come to those in a minute. This system has held up as our agriculture and international trade expands, but as more people, produce and animals travel both within and into Australia, this system is well overdue for modernisation and consolidation of arrangements. The system really has grown over the last hundred years through the existing legislation—that is, it has been a hundred-year process—and a modernising of the system is well overdue.

Having said that, the Greens are concerned that the Biosecurity Bill 2014, while a significant improvement on our current system, does not sufficiently safeguard our environment, industry, agriculture and community from biosecurity risks into the future. This is where we have our eye clearly focused. This legislation is not just about today's system; it is about our agriculture and our environment into the future. We believe that it does not provide a rigorous enough framework for ensuring that scientific risk-based assessments are not undermined by other considerations such as international trade agreements.

Australian agriculture, in particular, is dependent on high quality biosecurity arrangements. After climate change, the introduction of pests and diseases is one of the biggest threats to our agriculture, and it needs to be addressed. In fact, as climate change continues to change our environment, the risk of pests and diseases spreading to Australia increases. We saw this just a couple of years ago in my home state of Western Australia, where Chinese green mussels were able to travel into WA ports as our waters warmed.

Our reputation as clean and green is a key part of our farmers' ability to get good prices in overseas markets and at home. But it does not take much to undermine this: one lapse is all it takes. I note that Panama 4 disease is back in the media and at least one farm will never grow commercial bananas again. Other growers in Far North Queensland are taking incredible measures to stop this from wiping them out too. Panama 4 completely undermined some farms, and it is only because there has been a quick response in Queensland that others may escape this same fate. We are yet to find out what caused this outbreak, but it is a timely reminder that biosecurity requires vigilance and that a quick response to a crisis is only part of the story.

There is so much we can do to keep Australia safe and to stop disease and pests from gaining a foothold in the first place. We only have to look at the Asian honey bee and the way that came in. Many of us believe we did not take a quick enough response to that, and we are still dealing with the consequences. Myrtle rust is an example of lapses in environmental biosecurity. I will come back to the issues around biosecurity, because we are deeply concerned that this legislation is not adequately addressing the issues around environmental biosecurity. Australia has a unique environment. It is essential that we make sure we have sufficient biosecurity regulations in place to protect that. It is obviously important that our agriculture be protected. We all know that there are many diseases that we do not have here in Australia, and we need to keep them out of our country—some of them would devastate our agriculture.

The 2014 bill builds on the 2012 bill of the previous government, and we welcome the improvements that come with the 2014 version. However, there are some substantial issues that still have not been addressed. Some of the key concerns identified during the 2012 inquiry process that have not been addressed in the 2014 bill include the failure of the bill to take account adequately of regional differences; the lack of legislative arrangements that
ensure that the Eminent Scientists Group and other independent industry and scientific advisory channels are always included in biosecurity processes; the failure to guarantee the independence of the inspector-general from the Director of Biosecurity; and the failure to provide a right of appeal against the Director of Biosecurity's decisions.

Unfortunately the architecture of this bill falls short of the highly regarded Beale review and fails to fully capitalise on the broad support that the review generated. From the perspective of the Australian Greens, the key recommendation that has not been implemented is the creation of a separate biosecurity agency. Ms Mellor, Deputy Secretary of the Department of Agriculture, Fisheries and Forestry, told the committee:

It is government's decision to not pursue the recommendation of Beale to establish a separate biosecurity authority and commission, but to maintain the management of biosecurity under this act in the Department of Agriculture, Fisheries and Forestry in concert with the Department of Health and Ageing.

That was before Ageing was split off from Health. The consequence of this decision is a significant conflict of interest, for both the Director of Biosecurity and the minister. For the minister especially, there is a significant tension in being directly responsible for both the Director of Biosecurity and the inspector-general. Our biosecurity response should be an arms-length process and not exposed to politicised decisions. I must say that we, the Greens, are not just focused on what the current government may or may not do. This act is to protect our environment and our agriculture for long into the future, so it is about any governments, be they Liberal, Labor or, one day, Green. We need that independence.

The legislation also leaves too much of the biosecurity review process at the discretion of the director and the inspector-general, and in doing so fails to bring transparency into the BIRA process or to encourage industry or community confidence. In the words of Mr Prince, the CEO of Nursery and Garden Industry Australia:

It was a key conclusion that the Beale review came up with—having someone who was independent from the influence of either the trade or the department of agriculture. This legislation is huge, when you are looking at animals, humans, plants and environments. It is a very over-encompassing piece of legislation. For it to sit, or be charged, under the department of agriculture, which is very focused on primary industry, was one of the issues that was raised in Beale. You had Biosecurity Australian and AQIS—two different bodies—almost at loggerheads with each other or having different processes. So an independent body that has feedback from those other three ministers would certainly make sense and strengthen the whole process.

The Australian Greens support recommendations 1 through 5 in the majority committee report of the inquiry into this bill, which outline ways in which transparency and rights to appeal can be integrated into the legislation. But we would much prefer to have actually established a separate biosecurity agency, with a director that is not also the head of Agriculture.

While the legislation has been revised to clarify that the Director of Biosecurity must have regard to the objectives of the act, it is impossible to understand how this will work in practice. As stated by Mr Andrew Cox, President of the Invasive Species Council:

An average person would think, 'How could they possibly not take into account the other things that are a part of their responsibilities?' It is one person making a decision, who holds multiple roles. It is a simple conflict.
One of the ways that this conflict manifests is through the impact of international trade agreements on our biosecurity arrangements. While the Australian Greens support the desire of the Department of Agriculture to maximise trade between countries, we remain concerned that this responsibility has an undue influence on the biosecurity arrangements. Dr Booth, policy officer at the Invasive Species Council, noted:

I think the industry bodies come up with many examples of where they think there has been an influence of trade on decisions. We have to—and Bill emphasised this—reduce the risk of that happening. That should be for whoever is running biosecurity. So independence does that. It takes it out of a department that has a strong trade focus, so perceived and real conflicts of interest are avoided in that sense.

Furthermore, negotiations such as those taking place around the Trans-Pacific Partnership Agreement have been shrouded in secrecy and do not inspire confidence.

Similarly, it is our preference that the inspector-general be a statutory position. The decision to not create a statutory inspector-general position is the most significant change between the 2012 and 2014 versions of the bill. Dropping the Inspector-General of Biosecurity Bill proposed in 2012 is very disappointing and, in our opinion, a grave mistake. The 2014 bill instead provides powers to the Minister of Agriculture to review biosecurity performance. Ms Langford, from the Department of Agriculture, explained:

The intention is to delegate those to the Inspector-General of Biosecurity to allow a review of the system to happen.

However, even if the powers are delegated, this is a backward step from the arrangements proposed in the bill of 2012. The Invasive Species Council submission outlines why it is not suitable for the minister to have this level of control over the process:

The Minister for Agriculture has a clear conflict of interest as both Minister administering biosecurity legislation and person responsible for reviewing biosecurity performance. The areas subject to review are likely to be influenced by political considerations, and matters that could embarrass the government of the day are likely to be avoided. The risk of this would be substantially reduced and the public would have greater trust in the reviews if they were initiated and conducted by an independent statutory officer.

The majority committee report calls for the findings conducted by the inspector-general, or any other person delegated this authority, to be made public. This does go some way to addressing the problem, but it does not prevent the role from being substantially reshaped in the future without parliamentary oversight. It is not good enough for a rigorous biosecurity system.

The Australian Greens recommended enshrining the independence of the inspector-general in legislation by reintroducing the Inspector-General of Biosecurity Bill 2012. I move, as a second reading amendment:

At the end of the motion, add "but the Senate calls on the Government to enshrine the independence of the Inspector General in legislation by reintroducing the Inspector-General of Biosecurity Bill 2012".

There are many other issues with this bill, which I will go through briefly now, and which we outlined in our additional comments to the majority report of the inquiry into this bill. A large area we are concerned about is environmental biosecurity. We are deeply concerned that not enough emphasis is placed on environmental biosecurity. I mentioned the issue around myrtle...
rust earlier, which is a classic example of what happens if we do not have adequate biosecurity measures in place to protect our environment.

One of the areas we think needs to be addressed is to establish and resource an entity that can act as a key body for environmental health, in the same manner as Plant Health Australia and Animal Health Australia, and use this body to establish partnerships between the community, governments and environmental businesses in order to deliver on high-priority policy and planning issues in environmental biosecurity. My colleague, Senator Waters, will be addressing this issue in more detail when she makes her contribution to this debate.

Another area we are also deeply concerned about is that the definition of environment in chapter 1, part 2, section 9 of the Biosecurity Bill is not adequate; there needs to be a change to the definition to address Australian biodiversity so that we are clear we are talking about the variety of life indigenous to Australia and its extant territories encompassing ecosystems, species and genetic diversity. We want it to cover ecological processes and natural and physical resources. Again, Senator Waters will go into more detail about these issues when she makes her contribution. We believe these are key amendments necessary in order to strengthen the bill.

One of the areas we consistently bring up in this place is the delegation of a lot of powers from legislation to regulations—so that this place, the Senate, is not actually discussing the nature of some of the powers that have been developed through the legislative process such as this Biosecurity Bill. With so much going into regulation it is much harder to know what, in fact, the government is proposing. For example, one of the concerns that has been raised is that we are not exactly sure how the government intends changing the import risk assessment process, because that is going to be covered by regulation. We express our very strong concern, through this debate, that we do not know the extent of some of the changes that are being made, or whether they are sufficient, because they are going to be dealt with by regulation. It is a blunt instrument in this place. Yes, those regulations will be tabled in this place and we will have the right, or the ability, to disallow them; but we have always maintained that that is a very blunt instrument because you go 'yes' or 'no'. You vote them down; you cannot amend them, whereas through legislation we can. That is an area we think needs to be further developed and we would like to see those draft regulations as soon as possible.

We are also concerned that the bill does not adequately protect or provide for consultative arrangements such as the Eminent Scientists Group, and we believe this should be established in the legislation itself and not left up to a separate process. One of the other areas we think is also important is broadening the definition of biosecurity risk in chapter 1, part 2, section 9 to include consideration of the following matter: recognising changes through time, to require that risks are assessed over an ecologically-relevant time frame and take account of climate change. This is absolutely essential. I gave an example earlier in my contribution that outlined the risk to our biosecurity of climate change and the impact of the spread of pests in our marine environment. There are equally as many examples in our terrestrial environment, where climate change will enhance the risk of pests and diseases. We should be including the likelihood of new genotypes of disease or pest combining with others to exacerbate the potential for the disease or pest to cause harm, or to do greater harm than existing genotypes; and we should recognise regional differences and different levels of biodiversity, ranging
from the ecosystem to the genetic level. The other issue we believe needs to be contained in the legislation is commitment to the precautionary principle. That is very, very important when we are talking about biosecurity and strengthening our system.

Another area we also think needs to be addressed is: we have the capacity to put in place biosecurity zones. We believe there needs to be the capacity, and a category, for a biosecurity zone for high-value conservation areas with high biosecurity risks, to be known as conservation biosecurity zones, as the basis for implementing biosecurity measures, plans and monitoring. I can give you a classic example of this, and that is the Fitzgerald River National Park in my home state of Western Australia. It is a bookmark reserve. It is one of the most significant, biologically-diverse places not only in Australia, but on the planet. It is at risk from pests and diseases and particularly from what we commonly call dieback. We already have elements of dieback in the park; there have been massive efforts to reduce that. They think it has already taken out 1,000 plant species in Western Australia, so you can see the risk it poses. Something like a high biosecurity zone and the ability to put that in place would help protect that park. That is an example of why we think that is important.

There should be a requirement to table a biosecurity outlook report every two years. Another area that has come up repeatedly when we have been dealing with biosecurity in this place over the years is regional difference. We know that is so important. I will speak again of my home state of Western Australia: we know we do not have many of the diseases that are already in the eastern states, and we want to keep it that way, thank you very much. You can keep your diseases and pests to yourself in the east! We need to be able to build that into our processes — into our biosecurity import risk analysis. It is absolutely essential that we be able to address regional differences. We know the WTO raises that issue. If it is in the legislation, it enables us to deal with it and sends a clear message to other countries that we are protecting our regional differences. It is very important, we believe, that that be included in the legislation. As always, there needs to be sufficient funding allocated by the government to ensure that the arrangements that are proposed under the bill can be properly implemented.

These amendments, we believe, would enhance the 2014 bill. The 2014 bill is an improvement on the 2012 bill — other than taking out the independence of the Inspector-General of Biosecurity. That is a very significant mistake. It should be fixed. These other amendments would guarantee that we have a world-class biosecurity system that protects our agriculture, the industries that are based on it, and our environment and unique biodiversity. We will be moving a series of amendments to try and address these flaws in the bill. As I said, I have already moved my second reading amendment to address the need for an independent inspector-general of biosecurity so that that position is independent of any government, no matter what persuasion it is.

Senator O’SULLIVAN (Queensland—Nationals Whip in the Senate) (11:07): Before I start my contribution on the Biosecurity Bill 2014 and related bills, I would like to ask Senator Siewert if she would take the opportunity to correct a statement that she made in her contribution that was completely erroneous and has a capacity to impact adversely on a family farm in Tully in Queensland. Senator Siewert made the statement — Hansard will reflect — that there has been one farm in North Queensland affected by Panama Race 4 and that they will never grow bananas on their farm again. That is not true. I know the owners of this farm personally. I spent two days in the Tully district last week meeting with the quarantine
professionals. That farm can continue to operate as a farm. The disease has been detected in five plants on one part of the farm and in one plant on another part of the farm. God willing, that will be the extent of the contamination of the disease on that plantation. That family has high hopes to continue to farm that land as they have done for a very long period of time. At some future opportunity, Senator Siewert, I would ask that you conduct your own inquiries, form your own view that present accurately—

Senator Siewert: Madam Acting Deputy Speaker, I rise on a point of order. I did not actually say the farm was in North Queensland. I actually said that North Queensland farmers have been taking measures to ensure that they do not. I was not actually referring to a specific farm in North Queensland. If either Senator O’Sullivan misheard me or I mistakenly said that, I apologise. I did not locate that particular farm. In fact I said the North Queensland farmers are taking measures to ensure that they are protected.

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

Senator O’SULLIVAN: I thank the senator for the clarification. I really do appreciate that. These people are struggling and any contribution we might make ought to be to help them rather than to hinder them. I accept your explanation and I really appreciate you having done that.

This legislation proposes to change or replace the existing legislation, which has served our nation now for over 100 years. As is well known, we are very well regarded at an international level for the production of quality agricultural product. At the heart of that is the ability for us in this clean, green quality arrangement to be able to keep pests and disease out of our agricultural industries. It should not be ignored that the act does reflect upon issues to do with the spread of disease with humans; it is not just about the agriculture alone. But the focus obviously when one talks about biosecurity is in regard to our agricultural industries.

Previous speakers have made the point—and I think it is a very important point—about the increases in passengers and trade volumes coming into our nation, which have increased exponentially over the 100 years but indeed more recently over the last two decades. Now the world is a much more mobile place. People find the ease and cost of travel are within reach and are now coming from all points of the globe. The traditional stream of visitors to Australia from traditional destinations is now much more diverse and this increases the risk involved with the transportation of diseases that can so easily impact upon our agricultural industries.

Panama Tropical 4 is a pathogen. As was raised by Senator Siewert in her contribution, it is a contemporary biosecurity example because we are currently dealing with an outbreak of it in the banana industry in North Queensland. That industry has a value of about $660 million and employs thousands of people directly—it is very hard to gauge—and probably over 100,000 people indirectly when you look at the importance of that industry to many of the small regional communities in North Queensland. The largest part of the banana industry is now located in that part of my state. The threat is real. It has virtually wiped out the commercial banana industry in your home territory, Madam Acting Deputy President Peris. It is proof that if we do not have sound biosecurity measures in place, entire industries can be completely devastated.
Additionally in this case—and this is true I suspect of many of these diseases—this pathogen can remain undetected and dormant in the soil—it is a soil pathogen—for up to 30 years, so we could have time bombs not just with Panama Race 4 but with other pathogen based diseases right across our nation. It is significantly important that we have the best most intensive biosecurity measures, particularly when it comes to agriculture.

It is right, as mentioned by one of the previous speakers, to refer to the free trade agreements, and also that Australia must put its interests first in issues to do with biosecurity, before we are to relent on any trade conditions that might affect those. Now, I would put to the Senate that there is no evidence—or evidence whatsoever—that there has been any part of the agreements made, particularly with our most recent free trade agreements, that would give rise to that argument. I believe that our trade minister, our agriculture minister and, indeed, everyone in this place and anyone in those industries, knows that the absolute Holy Grail of our ability to be competitive and to provide goods and services in agriculture and in the export industry is the quality of security arrangements that are in this country. They are the cornerstone of our reputation.

We live in a modern world. The passenger movements that I referred to are a significant focus of these future arrangements. We now have millions of people visiting our shores. I used Panama Race 4 as only one example of the many that could apply to quite literally thousands of contingent circumstances. That pathogen is a microbe. It can come in on a speck of dust on a pair of shoes belonging to someone who visited an infected area either in recent times, or—and I am no scientist, but I am happy to make this extrapolation for the sake of the argument—in the preceding 30 years. Our response to biosecurity is complex and I think that the government's decision to revisit this area and to develop this legislation is very appropriate and timely. I am very much looking forward to this place being on a unity ticket to allow this legislation to come into play so that we can further enhance these arrangements.

I am instructed that there was a very exhaustive consultation process in the development of this legislation. Indeed, there were certainly discussions with the relevant authorities and stakeholders in our state and territory governments. There has been a lot of consultation right across the nation with health professionals and the Australian community. Opportunities were provided for their input. Importantly, we have spoken with our trading partners because, as Senator Siewert rightly pointed out, it is very important that everybody involved—particularly those involved in the area of trade, which is where the cross-border potential for risk exists—is involved in these arrangements. So all stakeholders were consulted and, of course, the bill has had a rigorous examination by the appropriate parliamentary committee. Obviously, those recommendations have been published and taken into account for the most part, as I understand it.

Our agriculture, fishery and forestry industries have a value of some $51 billion in this country, and 77 per cent of those goods produced—those soft commodities—are exported. When one thinks about biosecurity, one thinks about protecting our borders from the importation of pests—and I used one for the purposes of this discussion. But earlier I alluded to something of significant importance: that we do not get a reputation for exporting pests. Whilst it is a matter for the importing country to deal with the arrangements that concern them in protecting their own agricultural industries, it is very important that we become even more
prominent on the world stage with the export of clean, green quality products from this country.

Currently, trade arrangements are under constant review at the international level, and Australia continues to punch way above its weight in terms of its contribution to trade. We have see this most recently over the last 24-odd months where, for example, there has been a dramatic increase in our live exports. I know that not all colleagues in this place—certainly, on our side we are as one—are up for the live trade in animals. But it has become a significantly important—a very important—part of our trading arrangements in agriculture. Indeed, those who are students of such things would have noted that it has in part brought upward pressure on demand and volume within the domestic market. This means that for the first time in some 25 years many of our broadacre beef producers are enjoying returns domestically that they could only have hoped for and dreamed of even 12 to 14 months ago.

So the live export industry is a significantly important part of beef and live animal production in this country. We need to ensure that biosecurity arrangements are in place that will not ever bring threat to that industry. For example, the Australian Bureau of Agricultural and Resource Economics and Sciences estimated that if we had a relatively small foot-and-mouth disease outbreak in only one state, the impact on the economy of this country would be about $5.6 billion. And, of course, that does not include the impact it would have on families and small family corporations, who largely make up the production of beef cattle in this country. It would be absolutely devastating; it would devastate entire communities.

In the northern part of my home state of Queensland, if you were to take out agricultural industries—particularly bananas, sugar and beef production—then we would just close the shop; you could fence it off at the Tropic of Capricorn and the only reason you would go north is if you wanted to enjoy the wilderness or go for some other tourist impact.

Alarmingly, ABARES indicated that, if the outbreak were on a national level, a multistate outbreak, it would affect the economy by $50 billion. That would be a fifty-thousand-million-dollar impact on our economy for an outbreak of foot-and-mouth disease. Those who followed the mad cow disease outbreak—and I might say I do a particularly good interpretation of a mad cow; I will not burden the Senate with it today, but I am happy to do it offline for anybody—would know that it absolutely devastated the agricultural industry of beef production in the UK. I personally had cause to be in the United Kingdom on a number of occasions during that time and I remember being in a restaurant or some venue having a meal and the British staff would spend a lot of time making sure you understood that the beef in any part of their menu was not British beef but that it had come from Australia or New Zealand.

So I think it is a unity ticket. If we have any sort of biological outbreak of any scale in very broad, widespread industries like the beef sector, it will not just devastate our economy and our terms of trade; it will devastate individual people. We have watched them get a caning over the last 10 years or so in some industries, and many of them—those who survived—are still recovering from the suspension of the live cattle trade.

I want to come back to putting a human face on this legislation. I can talk all day; I can quote statistics until I run out of them; I can talk about the merits of the bill. But, as is my intention in this place, I like to try and reduce the impact of legislation on people’s lives. My interest is of course in agriculture. I sit here with the National Party very proudly and, whilst I
am a senator for the entire state of Queensland, my interests are in rural and regional Queensland in particular and in enterprises that are involved in primary production, including horticulture and farming and of course beef and animal production.

So I can share with you recent events like this issue up in Tully with the Panama 4. I have met with dozens and dozens of families during my visit there. I attended a number of public meetings that were well attended—in fact, one on the tablelands at Mareeba I suspect was attended by just about every stakeholder in the banana industry and most particularly those who grow bananas—and I can say that some of the conversations are gut-wrenching. These are people who have invested millions and millions of dollars in family enterprises. Some of them are generational farmers. One farmer there was a fourth generation farmer and one of the pioneers of the banana industry in North Queensland. The angst that they are feeling at the moment with the outbreak of this terrible disease is very difficult to measure. These are farmers who are not necessarily wealthy people. At the moment they are investing—in some cases on the smaller farms—tens of thousands of dollars to put in measures to mitigate or to minimise the potential impact of this disease on their farm.

But let me close by saying this: in their conversations with me—knowing that I was a federal member of parliament—there was a sense of hopelessness about what they could do to protect their enterprise, their investment, and their own farm economy and their local economy. There was a sense of hopelessness about what happens beyond their farm gate. And they look to government. They look to the federal government in this case to respond and to put in place measures that will prevent these diseases coming into our nation and spreading on their farms.

I think this is a good bill. I think it is a well-considered bill. It is a very timely bill, having regard to the fact that we have not had an overhaul for a period of time. I strongly commend the bill in its form to my colleagues in the Senate.

**Senator SINGH** (Tasmania) (11:28): I rise to contribute to the debate on this bill. This bill very much goes to the fact that Australia's clean, green, safe food is the agriculture sector's greatest advantage, and keeping Australia's competitive edge is why this bill is of critical importance.

Having said that, though, I want to point out that the Abbott government has sat on this bill for 18 months, when the majority of the work was already undertaken by the previous Labor government. It was Labor that recognised the importance of upgrading and modernising Australia's biosecurity laws and it was Labor that first introduced this legislation back in 2012.

It was in fact on 19 February 2008 that the then Minister for Agriculture, Fisheries and Forestry, Tony Burke, announced a comprehensive independent review of Australia's quarantine and biosecurity arrangements to be undertaken by an independent panel of experts, chaired by Roger Beale AO. This report is very well known as the Beale review. The current bill before the Senate is essentially identical to Labor's initial bill introduced in the 43rd parliament, but the Beale review recommended, amongst other things, a statutory office for an inspector-general of biosecurity. The inspector-general would report directly to the minister, have broad powers of audit and investigation and would be responsible for conducting systems audits and reviews of the biosecurity programs carried out by the national biosecurity authority. It is incredibly disappointing and regrettable that the Abbott government has not
continued to support an independent inspector-general of biosecurity but, instead, has decided to give those powers to the Minister for Agriculture, Mr Barnaby Joyce. The fact that Minister Joyce—as my Senate colleague Senator Cameron mentioned in his contribution—will have the final say on biosecurity will, I agree, remove all the confidence of the Australian community and remove all the confidence of the Australian agricultural sector.

Labor strongly supported the Beale review and strongly supported the need to have an inspector-general of biosecurity. There are many justifications, but a few recent examples are: Australians contracting hepatitis A from contaminated berries; northern Queensland's banana crop suffering its first exposure to the rampant and destructive Panama disease; Northern Tasmania's eucalyptus species suffering its first exposure to the devastating and virulent myrtle rust; and the first colonies of the invasive and ecologically overwhelming red fire ant found in Botany Bay. All senators in this place should consider these examples. They are examples that are only from the past two months, and they are good enough reason alone to take the time and the trouble to establish the very best biosecurity system we can. That, of course, should include the Beale recommendation for the position of an inspector-general of biosecurity—an independent statutory holder.

The clear and present danger from contaminated food has been well publicised recently; however, even the current alarm over the spread of myrtle rust in my own state of Tasmania, even though it does not directly threaten Tasmania's major food production crops, justifies the need to have strong biosecurity laws. As the Tasmanian Farmers & Graziers Association has made clear:

If myrtle rust gains hold in our eucalypt forests, the landscape will change irretrievably. For farmers, it threatens shelter belts, hardwood plantations and forests important for their biodiversity, honey production, etc.

Yet, for no good reason, the Abbott government wants to undermine the powers, the independence and the tenure of the inspector-general of biosecurity. It simply does not make sense. Labor stands by wanting to protect the powers, the independence and the tenure of the inspector-general for excellent common-sense reasons, exactly like those I have just mentioned. If you think about it, as trade liberalisation spreads, globalisation grows and global trade increases many more such threats inevitably will emerge for Australian agriculture. To maintain our reputation for high-quality, clean and safe produce we need strong biosecurity laws in this country. The Abbott government's unjustifiable decision to amend the former Labor government's bill will undermine the effectiveness of the inspector-general of biosecurity and will weaken rather than strengthen our biosecurity system. As my colleague the shadow minister for agriculture, Joel Fitzgibbon, said in the other place:

When you think about it, there are two things in agriculture policy that rise above all others; there are two things that are paramount. The first is natural resource management and sustainability. The second is biosecurity.

Why? It is because agriculture is so important to our nation's future. That is why we have tried to strive for a bipartisan approach when it comes to agriculture policy. Dropping the ball on agriculture policy would be an existential threat because maintaining our food security and our ability to sustain ourselves, independent of any other country, goes to the very survival of our country. I think our shadow minister for agriculture said it so well that I cannot say it any better myself. It goes very much to the very survival of our country.
For many of us, biosecurity is still in some sense about a quarantine regime rather than biosecurity. Whether you call it a quarantine regime or biosecurity, it is clear that both, being one and the same, are of paramount importance to our nation. Yet, as the Beale inquiry, a seminal report on our biosecurity system, noted, biosecurity in this place usually only rates a mention when something goes wrong rather than rating a mention as things almost always go right. I think it is somewhat a source of disappointment that we only highlight when things go wrong rather than looking at when they go right.

The Biosecurity Bill 2014, like the Beale review and other reviews that went before it, is clearly a past Labor government initiative. That is why it has Labor's support—because it was an initiative of a Labor government to start with. It was progressed and developed by a Labor government. But that was some 17 months ago now. The Abbott government could have brought this legislation forward some 17 months ago. It was Labor that recognised the importance of upgrading and modernising Australia's biosecurity laws, and it was Labor that first introduced this bill back in 2012.

I will just go to the heart of the Beale review. The Beale report concluded that we have a very good biosecurity system. Its overwhelming success, I think, is testament to that. We have had, by any measure, a very successful approach to keeping disease and pests out of our food chain. Beale also concluded that the system is not perfect, and that is fairly obvious. Beale also reinforced, very importantly, the view—and I am sure this is a view shared by all senators—that a zero-risk approach to quarantine is not a feasible approach, not one that is likely to lead to success and certainly not one we could afford in fiscal and resourcing terms. Rather, he reinforced a risk based approach to our quarantine system.

This bill is a significant modernisation that has been a long time in the making, and on that basis the opposition will be supporting the bill. Having said that, though, the position that this government is taking in relation to the position of the Inspector-General of Biosecurity, a position that has been recommended in numbers upon numbers of reviews and inquiries over the last 17 years, is, as I have said, very disappointing. Labor's Biosecurity Bill 2012 provided for the Inspector-General of Biosecurity independent powers of review and detailed transparency provisions, including parliamentary reporting.

This government has carried forward, sensibly, Labor's lapsed Biosecurity Bill 2012, with some tweaking. It has introduced largely the same legislation into parliament. But this version has one important and irresponsible—I would say—change that has been made. Granting new powers to Minister Barnaby Joyce to conduct reviews on biosecurity performance and dropping the plan to create that statutory, independent Inspector-General of Biosecurity is very, very irresponsible. It is irresponsible, it is short sighted and it is unnecessary, and it is in complete contradiction to what was laid out through the Beale review, as I have said, along with many other reviews.

In brief, this important role, a very important role in the original legislation, will no longer be independent. That is the bottom line here. It is Minister Barnaby Joyce who will be having all the power and all the say. There will be no independence, and that is of grave concern. The minister has indicated that he intends to use these powers to delegate an ongoing review role to the current Interim Inspector-General of Biosecurity, which will now be a non-statutory position. So it appears now that, rather than having that independent statutory officer reviewing the performance of the biosecurity system and all of its players, we will have no
less than just Minister Barnaby Joyce overseeing these processes. That is a concern to me. It is a concern to the opposition. It should be a concern to everyone in this place, if they are speaking honestly. It should be of concern, quite frankly, to the minister himself because it is not a responsibility he should even seek to have.

The inspector-general that Labor had in mind has, on an interim basis—and would have—reported independently of the minister's view and indeed of the view of the department, so the position plays an important role in ensuring the integrity and the transparency of the biosecurity import risk analysis process. Stakeholders also have the opportunity to appeal where they believe there has been a significant deviation from the biosecurity import risk analysis process, which might have adversely affected their interests. Not only does that inspector-general ensure transparency and integrity in the biosecurity system more broadly; the position also establishes a number of powers to ensure transparency in the way the role is carried out. The position was recommended, as I said, in numerous reviews as well. It was a fixed term appointment, allowing for the officer to give frank advice without fear of personal repercussions and to probe into the affairs of government even if that is politically uncomfortable.

How on earth will Minister Barnaby Joyce be able to conduct such a transparent role when he himself is a minister of the executive, a minister of government? How can there be confidence? How can the Australian community, the Australian agricultural sector or anyone have confidence in the integrity of any review process when Minister Barnaby Joyce is carrying out this role and cannot remove himself and be an independent player within it?

There is clearly a conflict of interest when the minister administering biosecurity legislation and the person responsible for reviewing biosecurity performance are now going to be one and the same. Surely those government senators see that. Surely those government senators have concern for that. It simply does not make sense. It simply highlights a conflict of interest that it has.

Of course, Labor was so much better than that. The legislation that we put forward in 2012 was so much better than that. We have tried to have ongoing bipartisan support in agricultural policy, because of the importance of agriculture to our nation's future, because it goes to the heart of food security in our nation's future. So to undo that bipartisanship by the removal of that independent statutory office holder to review our biosecurity processes is simply a backward political manoeuvre. I know it is a manoeuvre that is making a number of senators on the government side unhappy and uneasy, knowing that Minister Barnaby Joyce now has all the cards and all the power, carrying that conflict of interest.

Finally, I just want to say that this bill has no independent authority or alternative arrangement that minimises potential conflicts of interest. Its primary safeguard is a requirement that the Director of Biosecurity 'have regard to' the objects of the biosecurity legislation. However, this person is also the Secretary of the Department of Agriculture and has broader roles relating to the promotion of agriculture and trade and government priorities. It is simply not good enough to hope that the Department of Agriculture will at all times be able to avoid conflicts of interest in managing biosecurity risks and resisting all the pressures from within and outside government. Further, the nature of any review is undescribed and totally discretionary. There is no requirement to publicly release terms of reference of any review or to release the results.
There is no good reason to undermine Australia's biosecurity framework as this government would wish. In fact, as Australia's exposure to biosecurity risks increases, the reasons for a tougher framework get stronger. I go back to those original examples that I talked about at the start of my contribution: the Panama disease affecting the banana crop in Queensland; in my home state of Tasmania, the myrtle rust in Tasmania's northern eucalyptus species; and the first colonies of the red fire ant in Botany Bay. They are, just in the last two months, some of the important reasons why I call on the Senate to demonstrate some more of our collective common sense and strengthen Australia's biosecurity legislation by installing the inspector-general position. (Time expired)

Senator BACK (Western Australia) (11:48): In rising to speak strongly in support of the Biosecurity (Consequential Amendments and Transitional Provisions) Bill 2014 and those bills associated with it, it is disappointing to register the contributions by Senator Singh and Senator Cameron before her, two people who have had absolutely and utterly nothing to do with the formulation of the legislation we have before us. I am delighted to be able to record that here in the chamber with me are Senators Heffernan, Sterle and Siewert, who with me have been vitally associated with this legislation and its development over time—the transition to where we are today.

I suppose the best reflection of when you do not know what you are talking about is to spend 20 minutes ignorantly focusing on one or two very, very small areas that, in the overall context of the legislation, pale into insignificance. But, for Senator Singh's interest, the original inspector-general position had its origins as the inspector-general of horse imports as a result of the equine influenza outbreak that we had, which led to the Beale review and to others. Before she goes, I would just like Senator Singh to know that the inspector-general, Dr Michael Bond, is a very close personal friend. We are both Western Australians and were both at Queensland university in the 1960s, and I have maintained a very close association with him since that time. For that position to be belittled and to be focused on for the length of time it has! Dr Bond and the gentleman before him have been—and I am sure inspectors-general into the future will be—fiercely independent. If Senator Singh is in any doubt at all, she need just go back to the questions asked in Senate estimates of the inspector-general and about the role he plays and, in fact, his independence in terms of the questioning.

I did not even want to speak about partisanship, because this has been such a strongly bipartisan move that gets us to where we are today, and it is disappointing when people descend to political partisanship, especially in something of the importance of agriculture. I just reflect that this replaces a bill that came into existence in 1908, some 107 years ago. Senator Singh was going on about Minister Joyce having all these powers, almost as if they are particular to him. Does she think that he is going to still be the minister in 107 years time? Not even Minister Joyce hopes for that outcome.

But let us reflect briefly on what would have been the circumstances in 1908. Exports were of no interest at all. The newly formed states, once the colonies, were desperately trying to feed their populations. The concept of import was almost unknown. We were desperately trying to produce and to sustain those communities as they grew. Also, of course, one of the imperatives for Federation was to be able to try to normalise trade across what became state borders. So the concept of a Quarantine Act in 1908, important and all as it was, of course was totally and utterly different to where we are in 2015. And let us hope that, as a result of
the excellence of the work that we are doing here and into the future, this 2014-15 bill will hold good as indeed the original Quarantine Act 1908 did. Of course, it was modified some 50 times. Yes, it was the previous government that introduced the first draft of the Biosecurity Bill that we are discussing, but to minimise, trivialise and simply say it is some failure of an Abbott government that we did not bring the legislation in five minutes out trivialises the importance of the work that has been done by senators in this place, by departments and by ministerial officers to get to where we are today.

And there may be further changes needed. If there are, all well and good, but how important are the agriculture and agribusiness industries of this nation, currently generating in excess of $50 billion a year, more than 77 per cent of which is export? That is a critically important thing for people to understand. We are an exporting nation. From our own home state of Western Australia, as Senators Siewert and Sterle know only too well, we export more than 95 per cent of our grain. We cannot consume it. And so, when people say to us, ‘Why is it so necessary that we are trading internationally not only in the Asian region but beyond?’ it is because we depend on export trade. As a result of that, we must allow import trade, and so the Biosecurity Bill goes to the issues associated with it.

In 2012-13—and contrast this to 1908—there were some 16 million international passenger arrivals, 186 million international mail items, 1.7 million sea cargo consignments and more than 26 million air cargo consignments. We know that, when the children sitting up in the gallery now are adults, those numbers will have increased exponentially. Therefore, while you are watching this you need to know that legislation we are debating here will have an impact on you as young adolescents and as adults. As you travel overseas, as you study, as you develop your links overseas, everything that relates to this Biosecurity Bill will be critically important to you. When you come back into Australia and wonder why there is quarantine inspection of what you are doing, remember what is being protected here.

We all know the importance of Australia’s reputation as a green and safe environmental exporter and producer of foodstuffs. We also know—and again it would be of interest to those who are watching—that we will be feeding 1.9 billion people more in our region alone by 2050. But more importantly than that—the events recently with hepatitis A only serve to emphasise it—is that that community of people to whom we have the opportunity to continue providing foodstuffs want even more security of supply and greater safety of supply when we look at the risks. The Chinese—only one example—say that a hungry man is an angry man, and the government of President Xi is all about making sure his community does not become angry. So the opportunities that we have are enormous.

For me, one of the absolute delights of this legislation found its way as a joint submission in January of last year by the departments of agriculture and health. Why is that so critically important? Simply because we have got to have the world understand the one-health approach, not a health department associated with human health and a department of agriculture associated with animals and plants. It is well known internationally that more than 65 per cent of all human infectious and probably parasitic diseases have their origins in animals, and so therefore this legislation, in my view, is groundbreaking because it combines into the Biosecurity Bill those elements that are required in associating ourselves with the risks to human health and indeed those for which agriculture has responsibility.
The concept is of us joining human health and agricultural responsibilities into the one biosecurity bill to address the risks of pests and diseases that may be coming into this country. We need only think of the risk of the Ebola virus at the moment. We have the Hendra virus, which has killed a number of my veterinary colleagues. That same virus, borne through bats in this case into horses and on to humans, with a mortality rate in excess of 70 per cent is exactly the same virus as the Nipah virus, which in Malaysia, India and Bangladesh has caused and is causing the deaths of children and adults as a result of that virus coming through bats to pigs to humans and indeed directly from bats to humans. So that is just one area of significant importance in this Biosecurity Bill before us. I think that is what made me so disappointed when all I could hear from Senator Singh and Senator Cameron was some mention about an inspector general. Important and all though that position is and occupied though it is by my very close friend Dr Bond, there is far more to it.

I ask you to reflect for a moment on the figure I just gave, which is that agriculture contributes some $50 billion to the Australian economy. It has been estimated by ABARES that, if Australia gets foot and mouth disease,—and as a veterinarian I would extend that comment to 'when Australia gets foot and mouth disease'—if it spreads nationally, the estimated figure of the cost to eradicate foot and mouth disease is the same figure—$50,000 million. If there is one state alone, be it Western Australia, Queensland or the Northern Territory, into which the disease is going to come, the cost estimate is somewhere between $3½ billion and $5½ billion. As, I believe, Senators Siewert, Sterle and Heffernan would know, those are just the direct costs. They are not the costs associated with stopping the movement of people across the north. Imagine that now, in March, at the end of the wet season, we got foot and mouth disease across the north of Australia and we had to put a halt to vehicle movements, in other words, halt tourism across the north of Australia. That $50 billion would be short change compared to the overall impact on the economy of the north. Why do I say 'when' rather than 'if'? I am not suggesting to you that the presence of veterinarians is going to stop foot and mouth disease. Between Geraldton and Darwin we have one Commonwealth veterinary officer for the risk of a disease that would decimate this country's economy. So, there are very, very important elements in this bill associated with the capacity of this country to be able to deal with an incursion.

Of course, because of those figures that I quoted earlier, we have had to move to a risk based approach. In other words, we cannot guarantee that there will be no incursion of any organisms into Australia. Senators Sterle and Heffernan were very much involved when there was a strong request by America, Canada and Japan to allow beef to come into this country. Of course Canada and America did have—and probably in Canada's case it still does have—BSE, mad cow disease, bovine spongiform encephalopathy. At the time there was pressure on the then minister, Mr Burke, by the then Prime Minister, Mr Rudd, and the then trade minister, Mr Crean, to allow that beef to come into this country without there being the discipline of an import risk analysis. Senator Heffernan and Senator Sterle would well remember this, and maybe Senator Siewert would remember also. We had a number of hearings into that issue. Japan fell out as an applicant because they got foot and mouth disease. The Americans could not meet what Australia imposes on itself, which is a national livestock identification scheme for cattle. I do recall it was about this time in 2010 when we had what turned out to be the last hearing when I said to the then chief veterinary officer, 'Well, Dr Carroll, are you going to tell us about the seven-year-old Angus cow from Manitoba
in Canada that has BSE, or am I?’ and that led, of course, to Minister Burke requiring that there be a full import risk analysis. I make that point because the processes in place in this bill will ensure that there is a full biosecurity import risk analysis.

Time does not permit me in this discussion to actually go through all of the safeguards that are in place. Contrary to the comments made earlier about what role the Department of Agriculture might have, or what role the minister might have, it is the parliament that has responsibility to the Australian taxpayer. The reason I used the example of the importation of BSE beef, or beef from countries that have had it, was simply to make the point and to remind the chamber that on that occasion, despite the intense pressure of then Prime Minister and the then trade minister, eventually the then agriculture minister made the right decision. That decision was made as a result of the processes of the Senate, and the processes of the Senate required that there be an inquiry and that there be a number of hearings. The inadequacy of the original decision process was, in fact, exposed and the then minister made the right decision. History records, of course, that the Americans, the Canadians and the Japanese on that occasion all withdrew. It just makes the point that the parliament must always have the right and the role.

There are issues associated with regionality. We have a rich difference regionally in this country. The island state of Tasmania has certain advantages and challenges by virtue of it being insular. Australia, indeed, has certain benefits as a result of being an island continent. We in Western Australia have a whole series of different sets of circumstances, and each state and territory would claim those. I am pleased to see in the legislation that there is acknowledgement of regional differences within the overall capacity to deal.

If I have one concern, it is the question of regulations. The committee, which prides itself on putting policy before politics and has done so for some years, made a number of very, very important recommendations to which the government responded. For those interested, they should get hold of the responses by the government to the recommendations. Many of them are not in the act itself, if proclaimed, but in the regulations. Some of the issues that we have discussed here today are, for example, the demand to obtain independent scientific expertise, the demand and the right of wide consultation, the expectation and the opportunity of those who are likely to be adversely affected by decisions to be given further information prior to a final decision being made, and there are others that relate to the regulations. The point that I want to make, and I would make it whether or not we were in government or in opposition, is that the Senate committee must have the right to review those draft regulations, to examine them and to challenge them, if need be, before they are accepted. That is a normal process.

There are some definitions, for example, associated with external territory. There is some change in definition to the 12-mile limit rather than the 200-mile economic exclusion zone. There are issues associated with ballast water. The 1908 act was silent on ballast water in ships. I do not want to make light of it, except to say how critically important this is. What pleases me about this legislation, which was started by the previous government—to whom I give credit—which is being continued now and which will hopefully be completed by this chamber is the fact that it can be a living document; it can grow as time needs. We are all aware that the future of this country lies in our agricultural production, our agricultural exports and, indeed, our reputation.
Senator STERLE (Western Australia) (12:08): I rise to make my contribution to the Biosecurity Bill 2014 and related bills. Senator Back makes some very good points. Probably one of the most poignant points that Senator Back makes is that the Senate Rural and Regional Affairs and Transport references and legislation committees are diligent. We set about in our work to do what is best for our nation, what is best for our farmers, what is best for our fishermen—anyone involved in horticulture, aquaculture or agriculture food production—and what is best for Australian consumers. There is absolutely no doubt about that. We do our best. We do not politicise it. Unfortunately, sometimes we have a few senators who blow in and want to make a political point, but we are all focused on the main intent: to look after Australia’s agriculture, horticulture and fishing industries. We have worked diligently together for a number of years and under some fantastic chairmanship by me—I give myself a plug there—and by Senator Heffernan. So it is the same farm but a different paddock with whoever may be chairing at the time.

As Senator Back said, this bill is to replace and act that was first introduced in 1908. All credit to former agricultural ministers in the Rudd-Gillard era—Minister Burke, Minister Ludwig and Minister Fitzgibbon. I got agreement with my committee members that the new biosecurity bill, which we are going to put in place of the last one, was too important to rush. I got agreement that it did not matter what might be the will of the government of the day, we could not rush this bill. We had to thoroughly examine it. I had their full support. Of course, we know there has been a change of government.

Before I go to the circumstances of my problems with the bills as they stand now, I want to reiterate that biosecurity is probably one of the most important issues this nation has to address. We are an island and so fortunately we have some defences to save our agriculture and food production industries, but unfortunately through the best efforts of everyone involved we do get some serious incursions. I am fortunate to be part of the Senate Rural and Regional Affairs and Transport committees. We have looked into just about every incursion that has hit this country; and, if we have not looked it and examined it, we are very well aware of it and have certainly not been backward in coming forward to talk about it and make recommendations to our relevant ministers.

When I walked into this place in 2005, the first inquiry I copped was on citrus canker. I had a fistful of papers put on my desk and was told, ‘Read that, because you’ve got to come up to speed with citrus canker.’ It frightened the living daylights out of me! What I did find out through those first few months in the Senate committee process was that that incursion came in through—I cannot put it any other way—a devious method. I have to tell you that, at the time, the department did not cover themselves in glory. They were very, very shoddy in their work. They could not have been any more shoddy than warning the perpetrator that they were coming to have a look at the possible place of incursion. They gave them plenty of notice. The rest is history. It is something which we should not be proud of. But what it did do was take the committee, under the chairmanship of Senator Heffernan, to Emerald in Queensland. We saw firsthand the devastation that occurs to not only an industry but a community when someone drops their guard or when someone is being sneaky. We saw the wipe-out of the citrus industry in Emerald, even to the point where orange, lemon and lime trees in people’s own backyards—everything—had to be destroyed.
This is not political, but we have got another incursion on our doorstep in Queensland—and this is damned frightening. The rural and regional affairs committee was in Darwin last year, inquiring into something else, when we stumbled on the fact that the banana industry in Darwin was going to be wiped out by banana freckle. We know that every banana tree on every plantation in Darwin—I do not think it went any further than Darwin; I do not think it went down to Katherine, although I am not sure—had to be destroyed. Because of the incursion of banana freckle in Darwin, the industry was brought to its knees. There was a $26 million package. I do not know how you come to a figure like $26 million, because all I could see were family businesses put out of business, employees who worked in those family businesses put out of work and the service industry was left with nowhere to go. They lost a massive chunk of income and their workers were affected. This is just not good enough. I remember saying in Darwin, 'Let's hope to hell this doesn't get across the border'—and it has not.

I want to talk about the panama incursion. What we know at this stage about panama is that once it is in the soil it does not leave. I am told that it can be around for 40 or 50 years. So, goodness gracious, I have my fingers crossed! I really hope and pray that that incursion can be contained. I do not want to start scaremongering but, boy oh boy, if that gets into Queensland, not only do we talk about it being around for 40 or 50 years but it will wipe out the banana industry in Queensland. To a lesser but no less important extent is the fact that the banana industry in Carnarvon has just been wiped out by a cyclone. Fortunately, they will be able to bounce back because they are resilient up there.

I also want to touch on the importance of biosecurity, not only to our food industry but in terms of, as Senator Back touched on, the equine influenza outbreak in 2007, where we nearly did not have a Melbourne Cup—and putting aside the number of horses that were infected and put down. To come back to the intent of the bill, all I want is what is best for Australia. I want what is best for Australian consumers, and I want what is best for Australian farmers and food providers.

Not that long ago, in February, we had a Senate inquiry into this. I raised a number of concerns, as did my colleagues, with the Department of Agriculture. One of the biggest problems that I had was the possible watering down of the powers of the Inspector-General of Biosecurity. Another issue was that the department could not supply us with a copy of the regulations that were going to be hanging off this piece legislation. They tried to defend that by saying—and I am paraphrasing now—if we did not like it, it did not matter because they had consulted everyone. I think it was Senator Williams who asked who they had consulted, and they said stakeholders. Then I think it was Senator Ruston who asked for a list of the stakeholders that they had consulted, and then it came out that the stakeholders that they had consulted had not seen the regulations—there were no regulations!

When I asked Ms Mellor from the department where were the regulations and how far away were they, all I got was, 'They'll be here sometime this year.' When you are told that in February, 'sometime this year' could be up to 31 December. As a committee, and as representatives of the rest of the Senate, we were being asked to vote on a piece of legislation when we did not know what was in regulations. That was not the case when the bill was put up by the previous government; the regulations came out. We had to flush that out at Senate estimates, because the answers were a little bit different from what actually happened.
I am very keen to tighten up and do whatever we need to do to put biosecurity foremost in every government's mind, but I find it very disingenuous. I cannot accept voting on a piece of legislation when we do not know what is in the regulations. One of our fears of the regulations concerned the Eminent Scientists Group. The Eminent Scientists Group are now a part of the handbook of the decision making. When I asked Ms Mellor whether we had any guarantee that that the Eminent Scientists Group would still form part of the handbook of the decision making, I could not get a clear answer: 'We don't know; they're not ready yet.'

We in the opposition trenches cannot accept the bill as it is. In the committee, we put in a dissenting report. For us on the opposition side, putting in a dissenting report is not something we do every week, I can tell you. That goes for the government senators when they were in opposition too. We always did everything we could to achieve a consultative position where we could all agree. We would tweak words and we would add a few. We would have a few little disagreements, we would have a bit of heartburn and we would have the odd bit of biff between ourselves, but we would come to an arrangement. So when a dissenting report goes through the Rural and Regional Affairs and Transport Committee, it certainly does cause more heartburn. In this case there were some things that we just could not accept. I will share my concerns with the Senate. The dissenting report says:

Labor Senators do not agree with clause 567 of the Biosecurity Bill 2014 that provides the Agriculture Minister with review powers that will allow him to conduct reviews into the biosecurity system to identify opportunities for improvements in the assessment and management of biosecurity risks.

Our fear was this would all fall to the minister and he would have the final say. The report goes on:

Labor Senators also do not agree with clause 643—Delegation of powers by Agriculture Minister. This clause allows the Agriculture Minister to delegate any or all of his or her powers and functions under the Act (and any regulations made under the Act) to the Director of Biosecurity, an SES employee, or acting SES employee in the Agriculture Department, except for those relating to the Minister.

Labor Senators acknowledge concerns raised by submitters regarding the proposed review process under clause 567 and 643. The proposed review process was condemned as a 'backwards' and 'retrograde' step that would potentially allow conflict of interests.

That is the last thing that we would want to see in anything to do with biosecurity or enforcement of biosecurity. The report says:

Submitters highlighted key differences between the Biosecurity Bill 2014 clauses 567 and 643 and the review process designed under the Inspector-General of Biosecurity Bill 2012. Specifically, submitters noted with concern the proposed discretionary timing, conduct and scope of the reviews and the internal, confidential nature of review findings would not guarantee independent transparent review for example, the Australian Veterinary Association stated:

'If the Inspector-General's role is designed to be similar to that of an ombudsman (as described in the Beale Review) the public must be able to refer matters directly to the Inspector-General.'

AUSVEG came before us too, and they stated:

The explanatory memorandum for Clause 567 states that "... as the review powers are provided to the Minister, reviews will be conducted independently from the Department, ensuring independence between the subjects and the review (biosecurity officials) and the powers of the person conducting the review." However, as the powers for conducting a review into the biosecurity system lie with the Minister for Agriculture and may be conferred by the Minister for Agriculture, this cannot legitimately be described as an independent review process.

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CHAMBER
I want to quote the words that I have heard many, many times from my colleague Senator Heffernan, a government senator. In his view, and I find it very hard to argue with, you are only as independent as the person who pays you.

The Labor senators' dissenting report says:

Labor supports option 2 of the regulation impact statement that determined establishing the role of the Inspector-General of Biosecurity through legislation as a statutory officer, responsible for reviewing the performance and exercise of powers by the Director of Biosecurity, biosecurity officers and biosecurity enforcement officers as well as conducting biosecurity import risk analysis.

This is the preferred option as it would help assure stakeholders and Australia's trading partners of the integrity of the department's processes and would provide an independent, systematic approach towards maintaining and improving Australia's biosecurity system.

Labor recommends that the government adopt the recommendation of the Beale review to establish the Inspector-General of Biosecurity as a statutory body.

Establishing the role of the Inspector-General of Biosecurity through legislation would ensure that there is a statutory officeholder responsible for the independent audit—

I cannot stress enough that, on our side of the chamber, we want the independent audit—review and assessment of the department's biosecurity activities and processes. The role and function of the Inspector-General of Biosecurity would align with the Beale review's recommendation that an effective risk management system should include formal auditing activities.

In summary of that, in our dissenting report we had one recommendation, and that was:

That the Senate either amend the bill or request the House of Representatives to amend the bill to provide for establishment of the Inspector-General of Biosecurity as a statutory body.

For the life of me, I cannot understand why Minister Joyce has a problem with that, why Minister Joyce would want to start a brawl with us, to put himself in a position where he could be the be-all and end-all of any biosecurity issues. I do not think any minister in their right mind—because of their workload and what they have to do—would ever think that was a good idea. Unfortunately that is what Mr Joyce has done, and only Mr Joyce, the Minister for Agriculture, can answer about that.

I go back to saying this: biosecurity should never, ever be used as a political football. Biosecurity is something that should unite this chamber and the other place on whatever issue it may be. Sometimes we lose sight, as a nation, of what we are actually consuming, what we are putting in our mouths, where it comes from and what the labels may say. The classic example is the unfortunate incident we have had with the frozen berries. That could be anything. In defence of the company, it was identified quite rapidly. It would have been nice if it had been quicker, but anyway it was identified and it was stopped. But it is imperative that Australians understand that, if you want to have the best biosecurity, if you want to have the best opportunity to consume the safest food, whether it be—

The DEPUTY PRESIDENT: Order! I just remind advisers that they are unable to enter the chamber. I ask the whip to address that issue for me.

Senator STERLE: Mr Deputy President, you frightened the living daylights out of me! I thought: 'What the hell have I done this time? I'm on my best behaviour on this one. I'm not my normal self.' So thank you, Mr Deputy President. I cannot remember where I was at—it would have been good, but!
I was talking about what we are putting in our mouths. I digress a little bit, but is important for all those out there. We can have the best biosecurity system in the world—and we should; there is absolutely no doubt about that; we should never skimp on biosecurity—but we should also understand that, if we want to have the best biosecurity systems, we need to fund them. We need to have agreement in this house and in the other place. But we also have to support our farmers. The best biosecurity thing we could do is support our farmers, our horticultural industry, our fishing industry. We should also be able to expect and demand and receive the greatest opportunity, when we pick up a food product, to know, through whatever is on the label—none of this nonsense about imported goods but it is put together in Australia or whatever the rubbish is—whether we are actually supporting Australian industry, Australian jobs, Australian farmers, Australian fishermen and Australian horticulturalists.

Biosecurity is one very important issue, but unfortunately in this nation we have a real mismatch and we are at the behest of monsters like—in my opinion; not in anyone else's opinion—the Australian Food and Grocery Council. Every time we talk about food labelling, my goodness don't they bolt! What have they got to fear?

In wrapping up: we are calling on Minister Joyce to have a look at our request for the Inspector-General of Biosecurity. Give us a good reason why we cannot have that. It would be foolish to take away another avenue or two of the level of biosecurity we need. And to have the department not even able to tell us that the regulations will definitely contain the clause that will keep the Eminent Scientists Group—it smacks of something absolutely ridiculous. I call on the minister. It is not too late, Minister, to pick up the Labor Party's amendments and take them forward. Let us keep biosecurity foremost as one of the most important issues in this country, not only for food consumers but for our industries and for all those rural communities who are out there—we do not see them in Melbourne, Sydney and Perth—working their guts out, day in and day out, to feed all of Australia.

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (12:28):
Before I make my contribution in relation to the Biosecurity Bill 2014, can I just acknowledge the extraordinarily bipartisan approach that the Labor Party has taken with the government in trying to come up with a good and robust set of security measures for Australia's biosecurity. This particular bill has been around in various guises for a number of years now. It has been debated, and the committee system has consulted widely on this, both when Senator Sterle was the chair of the Rural and Regional Affairs and Transport Legislation Committee and now with Senator Heffernan as the chair of the committee. What we see today with the Biosecurity Bill 2014 is certainly a reflection of the extraordinary work that was done with the Biosecurity Bill 2012 and the committee that was chaired by Senator Sterle. This particular bill has come about because of the need to replace the complex 106-year-old Quarantine Act 1908. As anybody would realise, an act that was put in place in 1908 is most likely not going to have a great deal of relevance today. That is exactly what has happened over the intervening 106-year period—the act has been continually amended but the original act of 1908 remained principally in place. This particular bill is a reflection of the need to update that 1908 act to make sure it reflects the biosecurity risks we face in 2015.

It is interesting to note that, when that act was first passed in 1908, the only way any goods came to Australia was by sea. You can imagine that sea arrivals only would have meant there were a lot less things arriving by sea, a lot less regularly, and the ability of any government or
agency to intervene, and to test and check those sorts of goods, was quite a different story than it is today. In the last decade alone, the number of air passengers has grown by 80 per cent; sea containers have grown by 82 per cent; bulk cargo has grown by 16 per cent; and these numbers are just going to continue to grow. If you look at it in the context of the requirement on the department's resources to deal with these quarantine issues, in 2012-13 alone the Department of Agriculture had to clear 16 million arriving international passengers, 186 million international mail items, 1.7 million sea cargo consignments and 26 million air cargo consignments. It really does put in context the quantum of the issue this particular Biosecurity Bill is seeking to deal with.

The main purpose of this bill is the management of biosecurity risks in general—that is, the risk of pests and diseases, including human diseases, entering Australia, getting themselves established in Australia or spreading in Australia. The risk of causing harm to humans, animals, plant health, the environment or the economy needs to be considered in the context of this Biosecurity Bill. One of the major issues is the risk of ballast water, as you can probably imagine, with our seagoing vessels in areas such as the Great Barrier Reef and the extraordinary importance of protecting that particular asset. We have to be very mindful of what is being discharged at sea. Dealing with biosecurity and human biosecurity emergencies also needs to be considered.

The idea with this bill and its principal purpose, as I said initially, is to get into the 21st century with an act to enable the administration of what is a very changeable space. It also seeks to deal with some of the complexities of the regulatory requirements and administrative practices to make sure they are much easier to administer, and to give greater flexibility to the Commonwealth so it is able to manage these risks in a modern and flexible way and in a way that reflects the current environment and contemporary industry practice. It also seeks to give powers to make sure we are able to continuously monitor and manage both onshore and offshore risks, and that the tools we give to the people we require to undertake this compliance are fit for purpose—that they are modern and useful and reflect current-day activity. The Quarantine Act only contains criminal penalties and, as we know in modern society, there are a whole heap of other tools which should be made available to compliance officers to make sure they get the best possible outcome to deliver what is being sought for Australia.

The primary objective of this bill is to manage biosecurity risk. It is interesting. I mentioned in my opening statement that this process was started under the previous administration with the Biosecurity Bill 2012. As part of that process, the rural and regional affairs committee and the department undertook a lot of stakeholder consultation to try to determine what was going to be the best possible outcome. There were a number of things that came out of that consultation process which have been incorporated in the 2014 bill, which makes this bill a much better tool to reflect our needs. One of the things that was very strongly put to us as a committee, in our negotiations and consultation with the broader industry around Australia, was the need to accept that there are regional differences. A one-size-fits-all biosecurity approach to biosecurity risk was something the regions and industries did not believe was necessarily in their best interests, so this new bill reflects the need to identify regional differences and that the risk analysis process that is associated with various products needs to be considered in this context. As a result there have been some changes to
this bill, particularly to clarify the consideration of regional differences in biosecurity and how that plays out in the risk analysis—making sure that there is an level of independence in doing so. There was quite a substantial engagement with stakeholders and that consultation has resulted in these changes. One of the things we need to be very mindful of is that, while we have identified the regional differences as they currently exist today, it is a requirement that we constantly continue to talk to industry, and to monitor changes in the region and in the landscape, to make sure that future regional differences which may well come about are considered as an ongoing issue when we develop our biosecurity position in Australia.

There is no doubt that there is constantly a dilemma in this space about our ability to assist our agricultural industries, particularly in finding new markets around the world and making sure we have as free a marketplace as we possibly can to benefit the consumers of Australia, so they can get access to products which are coming into Australia they may well want to consume. As an exporting nation, Australia relies heavily on our primary producers and manufacturers to make sure the balance of payments of this country is such that we remain the prosperous and First World country we are. But one of the things that constantly and increasingly has become a risk to Australia is biosecurity. It is about maintaining a level of biosecurity that ensures into the future so that Australia does not end up a country that does not have the clean green image it currently has. But, at the same time, we have to be very mindful that we are a trading nation—and we would not be as successful or as prosperous as we are if we were not.

Senator Sterle raised in his speech the consequences of an incursion and how terribly difficult this balancing act is. Governments are faced with finite resources to put into the myriad areas which government has to fund and look after. As a primary producer myself, I would love to think that we had unlimited resources to put into biosecurity but that is not the case. So we need to make sure that we have legislative tools in place to maximise the level of protection that we can give to our farmers within the reasonable context of those parameters.

Whilst I have been a critic of the way the department has approached risk analysis in the past and I have also been a critic of letting biosecurity play second fiddle to trade on a number of occasions, there are some very clear examples that we can put on the record. There are two things that need to be balanced here. One is: what is the likelihood of an incursion? And the second one is: what are the consequences of that incursion should it actually occur? Subsidiary to that are a whole heap of other things about our readiness to respond to any incursion and our capacity to actually deal with it even if we had the resources.

The Australian Bureau of Agricultural Resource Economics and Sciences estimated that even a relatively small outbreak of foot and mouth disease in only one state has the potential to cost Australia in excess of $5 billion. When you consider that that is one tiny little outbreak in one state, you can imagine the consequences if an outbreak of foot and mouth disease was able to get away in Australia. You have to weigh up the cost of the biosecurity measures that are put in place against the potential outcome should an outbreak occur. The level of likelihood of an incursion may be quite small but it does not take you very long to realise that the cost of such an incursion would have such a devastating impact, not just on the people who are in this industry but on the broader Australian economy. We need to be very mindful that that is considered when making a decision to allocate resources.
Citrus canker occurred in Emerald in Queensland and we saw the entire citrus industry in one state completely decimated. Luckily for Australia, we were able to quarantine it in Queensland—no consolation for the Queensland industry but certainly for the rest of Australia. But once again you see how something as small as one person being able to import a particular product into Australia that was infected by disease completely took out an entire industry in a state. It is really important that when we are looking atтis risk analyses that we weigh up not just the cost of the biosecurity measure but also the potential cost to our economy should such an incursion occur.

As I mentioned, we have been working on this in the Senate Standing Committee on Rural and Regional Affairs and Transport since 2012. This particular bill was referred to the rural and regional affairs committee to have a look at. The committee has only had the bill for a very short period of time but, given the amount of work that was done previous to this bill, we were able to use a lot of the information that had been obtained in the consultation that occurred over the 2012 bill. The committee made a number of recommendations, 14 of which were recommended in a non-partisan approach.

I suppose it was a tiny little bit disappointing that despite the extraordinary amount of effort that went into this particular investigation as well as the one in 2012 that there was a dissenting report and also some adverse comments by the Greens. I was disappointed but, nonetheless, that should not go against the fact that there was a genuine attempt to try and come up with a consensus report. It was just disappointing that in the end we failed to achieve that. Given how sensible the recommendations in the report appear to be, I would think it very likely that the government would certainly consider them. There was a recommendation to ensure that any review undertaken under ministerial review powers is publicly released and tabled in parliament to give a level of transparency to this particular review process. There is no doubt that the committee unilaterally thought that that was good idea.

It was once again very clear that the committee thought: that the use of or reliance on scientific evidence and best scientific endeavour were absolutely essential to getting the right outcome; that the director of biosecurity should be given the opportunity to use whatever expert skills and advice needed to ensure the biosecurity risk assessment was as thorough as it possibly could be; and also that in the process of undertaking these risk assessments there is a constant and ongoing requirement to consult with industry. We have got science underpinning the decision making, but we also need to make sure that the interests, needs and first-hand, on-the-ground experience of the people that are going to be impacted by any consequence of an importation of a product into Australia are included in that risk analysis.

It once again comes back to this whole balance between the likelihood of the outbreak and the consequences of the outbreak. The only people who can truly give you a clear—

Debate interrupted.

**STATEMENTS BY SENATORS**

**The ACTING DEPUTY PRESIDENT (Senator O'Neill):** Order! It being 12.45, the Senate will now move to senators' statements.

**Queensland: Higher Education**

**Senator MASON (Queensland) (12:45):** Today I want to speak about what I believe is my home state of Queensland's most significant achievement over the last 25 years. I am not here
to talk about rugby or cricket, and it is not about mining, or tourism or even XXXX beer. Of course, these are all things that Queenslanders are very proud of, Senator O'Sullivan! But they are not as significant as the achievement I want to talk about just briefly, and that is about the rise of education and, in particular, of higher education in Queensland.

Many times in this chamber I have said that Australia is a superpower, not in many things but in just a few things. Of course, we are a superpower in resources—clearly—and also in agriculture. But we are also a superpower in higher education. Behind the United States and the United Kingdom, Australia has the most universities in the world's top 100—we are third in the world. We have the highest number of foreign students per capita in the world and, of course, the sector is our fourth-largest export and our largest services export. People do not only come to Australia for our beaches but they come here to be educated. This is an extraordinary achievement for a country of only 24 million people, to have the third-strongest higher education sector in the world.

It is one of the benefits of our proximity to Asia; its expanding middle class is hungry for a high-quality foreign education. And they come to Australia, where they know that not only is the quality of higher education very high—and you would know that from your background, Acting Deputy President O'Neill—but also that our lifestyle is incomparable. I would like to say today, of course, that the success and the rise of higher education in Queensland is part of that broader success story.

But this was not always the case. When I was growing up in Canberra I went to the ANU down the road here in the early 1980s, and people would often laugh about Queensland and Queensland universities. When the Commonwealth was allocating additional places in the late 1980s, the Melbourne university vice-chancellor at the time, Professor Alan Gilbert, infamously said that Brisbane did not need these additional places because there was little culture of higher education in Queensland. Jokes were then made back in those days about Griffith being the 'University for the Third World' and that QUT was the 'Queensland University of TAFE'. But no-one says that any more.

I remember the former premier, the late Wayne Goss, saying that Queensland faced a decision. We could choose between what he described as two futures: we could be like Alabama or we could be like California, and how much we were willing to invest in education would largely determine the outcome. Queensland chose California. Thanks to creative and farsighted leadership from premiers such as Peter Beattie, in his decision to make Queensland the 'Smart State'—you will recall that, Acting Deputy President—and more recently Campbell Newman, for investing in lifelong learning; the contribution made by successive federal governments; and, I should also mention, leadership by inspired vice-chancellors in Queensland, the Queensland higher education sector has developed rapidly and has overcome this 1980s' perception of tropical torpor in the north.

Three of Queensland's universities are ranked in the world's top 100 by *Times Higher Education*, with the University of Queensland in the top 100 and currently, of course, ranked third in Australia. Many schools and faculties across our nine Queensland universities are ranked at the top of their disciplines in Australia. For example, numerous times UQ has had the top MBA program in the Asia-Pacific; Griffith University has an outstanding physics centre and dentistry school, and its law school is ranked in the top 50 in the world; and QUT,
where I was delighted to teach all those years ago, was the only university in Australia to receive the highest possible rating for its information systems research.

And it is not just in Brisbane. James Cook University stands out for its marine science research; Bond University is at the cutting edge of forensic science and DNA profiling; the Australian Catholic University has a unique focus on ethics and a strong global network that fosters community engagement; Central Queensland University and the University of Southern Queensland are world renowned for their agricultural, environmental and veterinary research; and the University of the Sunshine Coast is a leader in sustainability research across tourism, environment and biology, and has its world-famous GeneCology Research Centre. And the cooperation our universities display when competing against other states for funding is also crucial to their success, and unique among the states. Higher education is truly Queensland's untold success story.

This success is paralleled by a dramatic change in the culture of primary and secondary schooling in Queensland. Just look at the retention figures of students at schools. My friend, Senator McLucas, sitting over there, would know all this! In 1954, when my mother was at school in Brisbane—I hope she is not listening to this!—Queensland had the lowest retention rate in the country; only 16 per cent of students completed year 12 in 1954. But by the 1980s Queensland had one of the highest retention rates. What happened was an enormous change in attitude during those years. People realised the importance of education, and this is reflected in the number of students continuing into tertiary study. Over 60 per cent of young Queenslanders now enter university, or apprenticeships or training programs. But, of course, there is more to be done.

Last year, the OECD released its regional wellbeing report card, and Queensland schools have not quite kept up with the other states. It is ranked fifth in Australia and in the lower 37th percentile across all regions of the 34 countries in the OECD. This goes to show that we need to do a bit more if our students are to have the opportunities they deserve.

There has been a lot of debate I know in recent days about higher education in this chamber. I am not really here to add too much to that debate, except to say: to put it simply, I do believe that there has to be reform at some stage. What form that reform takes is a matter for this parliament, but currently access is limited only by what students universities feel competent to teach. But of course ultimately, to retain quality, that may have to be restricted, and somewhere we are going to have to make some important policy decisions, and I say that not in the spirit of partisanship but simply reflecting on the future of the sector.

I did not always agree that everything that Mark Latham said, but I did agree with his idea that education provides a ladder of opportunity for Australians who are prepared to work hard and to climb. I agree with him there. There is no doubt it made an enormous difference to my life, and to the lives of many of us sitting in this chamber. I will always be grateful to my parents for their support and grateful to the community who, through their taxes, funded my education.

Not only is education important for personal development and fulfilment but—as we all know in this chamber; we all know it today, and Australians know it—it is now directly linked to the economic success of our nation as a whole. Knowledge is becoming the world's most important import and export. That might sound like a funny thing to say, but knowledge is now the world's most important import and export, and it is education that provides the raw
material for this trade. Educating foreign students, mostly from Asia, contributes about $15 billion to the economy each year. So, again, it is not only our beaches that are bringing visitors to Australia; it is very much our lecture halls.

While we are well positioned to take advantage of the Asian century, the waters of its rise will be quite difficult to navigate. A recent PWC study indicated that by 2050 Australia will likely be pushed down the global economic ladder, barely remaining in the top 30 economies. At the moment, I think we are the 12th largest economy on earth—12th or 13th.

Senator Ludwig: Thirteenth.

Senator MASON: Thirteenth. But by then we will be lucky to be in the top 30. So it will be a struggle to maintain our economic and, therefore, political relevance. While increasingly developing countries will take centre stage in global politics, Australia will be at risk of losing influence. But, as the closest state to Asia, Queensland is increasingly playing its part in driving knowledge and innovation for Australia. Queensland has come a long way in a very short time, and this is an achievement that deserves much greater public recognition.

National Produce Monitoring Program

Senator LUDWIG (Queensland) (12:55): I want to talk today about the issue that we have seen happen in imported berries. Australians are quite rightly concerned about the recent contamination outbreak of hepatitis A in imported frozen berries. As senators, as legislators, it is our job to respond to emerging challenges, like this outbreak, to prevent future contaminations and risk to the health of Australians.

Many see the solution to this problem as being related to a country-of-origin labelling system. By informing people of where their food comes from, it is argued, they can make an informed decision about the risks associated with eating imported products. Such a system is worthy of attention, but for it to have a meaningful impact on our decision to eat Australian grown and made food we need to know that that food is safe. This government's decision to defund the National Produce Monitoring Program has left any country-of-origin laws completely ineffective.

A concerted approach is required that incorporates testing of imported goods, country-of-origin labelling, and a domestic clean, green approach. You need a continuum from imports to domestic produce to make sure that we have a proper process and system in place. The concept of national produce monitoring program dates back almost a decade.

Nine years ago, the Council of Australian Governments identified chemicals used in Australian agriculture as part of a hotspot in the National Reform Agenda and established a ministerial taskforce to drive reform. Two years later, the Productivity Commission report Chemicals and plastics regulation found that the sector lacked national consistency in how it was regulated and that it could benefit from a national governance framework. The report made 30 recommendations for reform and informed the ministerial taskforce on chemicals and plastics regulation that was established in 2008. These reforms included: measures to limit the maximum chemical residue that can be found on food; regulating the use of chemicals on dairy farms; restricting access to high-risk agricultural and veterinary chemicals; and nationally harmonising poison scheduling to make it consistent across states. The COAG Primary Industries Ministerial Council developed a proposal for a single, national framework to improve the effectiveness of the regulation of agricultural and veterinary chemicals.
This council later merged into the Standing Council on Primary Industries, or SCoPI. In October of 2012, SCoPI announced that a number of elements would be harmonised, including minimum licensing and competency requirements for agricultural and veterinary chemicals users, and minimum access to chemicals provisions and veterinary prescribing and compounding rights. As part of the arrangements, the Australian government would fund a five-year nationally coordinated produce monitoring program.

In May 2013 the regulatory model was approved. The model contained a harmonised, enhanced national monitoring and trace-back program for chemical residues in produce. This model would provide a nationally consistent base level of produce monitoring to maintain confidence in the agvet chemical system, and to appropriately identify risks and respond to adverse events. Produce monitoring would also provide the evidence necessary to evaluate the proposed access to chemicals arrangements and assist in providing vital data to inform future reforms. The proposed model would link directly with existing compliance and enforcement processes in the jurisdictions and build on existing industry and government-run schemes.

A five-year pilot of the National Produce Monitoring Program was announced by the Gillard Labor government in the 2013-14 budget, with $25.4 million over five years. Funding was provided under the sustainable agriculture stream of the Caring for Our Country program, which meant that the expenditure for the pilot program was already included in the forward estimates. The regulatory impact statement stated that the bill would provide a benefit-cost ratio of 2.9 and a net benefit of $66.21 billion over 10 years. It would also help to negate negative environmental and trade impacts caused by chemical use. The unseen environmental impacts are rarely taken into account by those opposite and they are quite happy, it seems, to pass these costs on to future generations. The program was a success by health and safety standards, and it was also an economic success.

Mr Mark Tucker, the then Deputy Secretary of the Department of Agriculture, Fisheries and Forestry spoke about the program in the Senate Rural and Regional Affairs and Transport Legislation Committee:

When we are looking at essentially reforming and having a nationally consistent approach to the use of agvet chemicals in Australia there was a large argument between a number of jurisdictions about how to treat off label and minor use of chemicals. I think it is fair to say there are diametrically opposed views between jurisdictions on how they are handled in their own jurisdictions, and we could not reach agreement across jurisdictions on how to have a national scheme.

He went on to say:

When we looked into that in some detail, we found there was basically no reliable data that could determine whether or not one regulatory approach would be more successful than another. So it flowed through a process of negotiation and discussion with our state and territory colleagues. It was agreed that we needed to do a national produce monitoring system.

He also added:

We will set up a national system over the next four years based on risk and priority to do actual testing. As part of that we will be talking to a number of people who already do some of that for their own purposes.

He went on to explain that of course there are a range of companies, supermarkets such as Coles and Woolworths, that do their own testing to ensure that produce is clean and green. He then ended that discourse with:
We will enter into a bit of a discussion about them and on what basis we may be able to get access to that data so we can establish a firm basis of essentially what sorts of levels of residue there may be on our produce going to market.

Despite all of the environmental, economic and health benefits that would come about with a national produce monitoring program, it was defunded by the Abbott government in the 2014-15 budget. The federal Department of Agriculture have refused to release sampling results from the one year that the pilot program ran. You do wonder what they have to hide. This is of course of great concern given that a random test for the current system in Western Australia last year revealed six violations of pesticide limits found in 80 samples of apricots and peaches.

This government is determined to focus its efforts purely on imports while cutting safeguards on domestic produce, and it is not good enough. We need a seamless web. This proposal will not protect Australians. I believe we need to remain vigilant on the safety of our domestic produce and maintain our world-class standards. These standards are valued and are vital in placing a premium on our products. People around the world know that our exports are safe, they are clean and they are green. Removing these safeguards and not ensuring that there is a system in place to guarantee these safeguards was, and still remains, a very hasty reaction by government with no foresight into the future of our regional economy. The government was very short-sighted in removing produce monitoring, because the states and territories wanted to ensure that they had a nationally consistent model in place. This government abandoned this monitoring, defunded it and left it to the states and territories to continue their own ad hoc system. This is quite a disappointment when the fruit and vegetables we export across the globe are renowned for their quality, whether they be out of Tasmania, Victoria, New South Wales, Queensland or any of the other states. We have one of the best systems in place to ensure that our produce hits overseas markets in a clean and green way. We need to ensure domestically that we have produce monitoring in place to give us the base level data that can assure us that our systems and our mechanisms remain the best in the world.

**Discrimination**

Senator SIEWERT (Western Australia—Australian Greens Whip) (13:05): I rise today to talk about a very important issue affecting Aboriginal and Torres Strait Islander peoples. Unfortunately, there continues to be discrimination, ill-treatment and, in fact, often complete disregard for Aboriginal and Torres Strait Islander peoples in this country. This cannot be ignored and must be addressed by everybody ranging from the very top of our policy decision making—from the Prime Minister—right down to emergency services on the ground in remote areas of Australia and Western Australia.

Since the Prime Minister made his remarks about remote Aboriginal communities being lifestyle choices, ministers and conservative journalists have come out to defend his poor choice of words. We have heard time and again from Mr Abbott's right-wing journalists and allies that we should not hang off his remarks and draw attention to them, because there are more important things to worry about. These people are used to mopping up after Mr Abbott's continued poorly thought through remarks across an array of issues. But it is important that we draw a line and explain why it is important that this does not continue to occur. I would like to make it clear that allowing these insensitive remarks to go through to the keeper says
to the community, 'It's okay for the country's leaders to use such casual ill thought through language, and it is okay for you to do that too.' It says, 'It's okay to completely downplay the longest-standing Indigenous culture in the world and it's okay to close their communities.'

Unfortunately, it is not the first time that our Prime Minister has made these sorts of insensitive remarks. I am sure we all remember when he remarked that Sydney was 'nothing but bush' prior to the arrival of the First Fleet and when he made comments about the country being 'unsettled' before British foreign investment. He has also made comments about the sorts of jobs that would be available on Work for the Dole and said:

There may not be a great job for them but whatever there is, they just have to do it, and if it's picking up rubbish around the community, it just has to be done …

These types of insensitive remarks, although downplayed by Mr Abbott's supporters and comrades, bore straight to the community and affect the day-to-day existence of Aboriginal people across the country.

We—our leaders and everybody—need to ensure that we are careful and use carefully chosen words, because Aboriginal people are still being affected by discrimination and ill treatment. In fact, I was at a hearing of the Joint Select Committee on Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples inquiry just on Friday last week, where a young Aboriginal man outlined to the committee the bullying that he had suffered at school because he is an Aboriginal young man. So it is still happening today, and we cannot pretend that it does not. We need to also think about the other impacts that it has on our Aboriginal and Torres Strait Islander community.

I have to do a very unfortunate thing today and draw the chamber's attention to an example of just how dismissing Aboriginal people and being inappropriate and insensitive with our language sends subtle comments that have a day-to-day impact on Aboriginal people in remote communities. Overnight, the news came out that five mostly elderly Aboriginal people with medical conditions were declined access for up to seven hours to the Carnarvon cyclone shelter and hospital ahead of the impact of Severe Tropical Cyclone Olwyn. It was reported on ABC North West WA news by Ben Collins:

They were told to go to the hospital, the hospital declined. And then they were told to go to the evac (evacuation) centre where they were also declined …

They were:

… told by the volunteer there that they were under strict instruction that the evac centre was only for people from Coral Bay and that they won't be accepting … Aboriginal people from Mungullah Village …

The group included four elderly people on dialysis and a younger person with severe personal health issues. So, after being rejected from a hospital, the five Aboriginal residents sat staring at an empty evacuation centre while being told, 'There's no room, no food, not sufficient power; the air conditioning doesn't work; the bedding's not right; and you're not from Coral Bay.' The Aboriginal medical service CEO said that other people began to arrive at the Carnarvon cyclone shelter, and he was alarmed that no-one else was declined entry. This centre was empty, and the first five people there were elderly and frail. Moments later, a couple of Europeans, tall, strong backpackers, walked straight past the group and were signed in. They were apparently told to grab a seat and make themselves at home.
This is a disgrace. This is the sort of ill treatment and discrimination that Aboriginal people continue to face in this country. This is why people get so concerned and outraged when ill-thought-out comments about 'lifestyle choices' are made. It is not the first time, and it sends a message to the community. It is all well and good for Mr Abbott to stand with groups, to have photos of him alongside Aboriginal people, to visit certain areas in Australia and to have his photos taken and played out in the media repeatedly, but, when these inappropriate comments are played out across our televisions, our radios and our newspapers, the message is clear that it is okay to make these sorts of comments—when it is not. These comments and this approach undermine Aboriginal and Torres Strait Islander people's ties to the land, and they undermine our efforts to close the gap.

The federal Minister for Indigenous Affairs recently announced the Indigenous Advancement Strategy funding that is supposed to cover a range of services, and the Assistant Minister for Health also announced funding for Aboriginal medical services. Both the Indigenous Advancement Strategy and the health funding go to fund Aboriginal medical services. But many of our Aboriginal health organisations are still unsure about the level of funding they will receive and whether it will be enough to do their job.

There is still so much confusion about the funding for programs that are part of our strategy to address closing the gap. I spoke in this place yesterday about the Central Australia youth funding, which is still unclear, and I am hearing that medical services in Western Australia may not receive adequate funding to support vital medical services. We are still trying to find out the degree to which organisations have been funded, who has got funding, who has missed being funded and what programs are going to be funded.

Regardless, this goes to show that we need to make sure that we are taking a proper, considered approach in everything we do to address closing the gap and to truly end Aboriginal and Torres Strait Islander disadvantage. We need to ensure that we do not, whether purposely or by ill-considered words, lead to the community thinking it is okay to dismiss Aboriginal and Torres Strait Islander cultures and not understanding that the message words send plays out on the ground to Aboriginal and Torres Strait Islander peoples.

It has recently been drawn to my attention—it has just become known and is now playing out on the ground—that the group who were grandfathered to CDEP and were supposed to be grandfathered through to 2018 through CDEP are now going to be transitioned off that by the end of this financial year; in other words, June 2015. So they are going to be taken off getting wages—because that is how communities see CDEP. That is wages. They have proper jobs under CDEP. What is the new policy on jobs in remote communities? It is to transition people who are on CDEP to the new jobs approach, which means Work for the Dole. So they are going to go onto lower wages, off CDEP, onto Work for the Dole. What sort of message does this send to Aboriginal and Torres Strait Islander communities? ‘You have a real job now. We promised that we’d keep it going to 2018 while we develop more job opportunities in the community so you can transition from that job to another job. Oh, no. We’re going to finish that now in 2015 and make you work for the dole.’ That sends another message to our Aboriginal and Torres Strait Islander community. It is inappropriate, and people need to think about what they say and make sure they are not contributing to the disadvantage of Aboriginal and Torres Strait Islander peoples.
Australian Capital Territory: Schools

Defence Community Organisation

Senator SESELJA (Australian Capital Territory) (13:15): On 5 March, I was very pleased to visit Canberra Grammar School for the official opening of the Snow Centre for Education in the Asian Century. The Snow centre comprises a new facility which has transformed the frontage of the school campus and is dedicated to educating students to be global citizens, particularly in the Asian century. The building has 12 classrooms for the teaching of Asian languages, geography, history, economics and culture. It also includes an indoor and outdoor amphitheatre, an exhibition area, open learning spaces, student collaboration pods, conferencing facilities and networking features to connect students to other education centres around the world. The centre will also work in close collaboration with other educational institutions, such as the Australian National University's College of Asia and the Pacific.

The centre was funded by Canberra Airport owner, philanthropist and old boy of Canberra Grammar School Mr Terry Snow. Mr Snow's $8 million gift to the school is one of the largest single donations to a school in Australian history and reflects his dedication to improving Canberra's culture and capacity for education.

It also could not have come at a better time, with this government's efforts to engage further with our Asian partners, with free trade agreements with China and Korea and our economic partnership with Japan. These agreements have the potential to unlock investment and trade in all manner of economic areas, and it is great that this centre exists to be able to train the next generation in preparation for this century.

I wish to offer my congratulations to Canberra Grammar School for this excellent, forward-thinking initiative, and also of course to Terry Snow for his generosity. I look forward to seeing the students who study in this centre impact and influence Canberra, Australia and our world.

On Saturday, 14 March, I had the privilege of attending a welcome for new Defence families who have been posted to Canberra this year. The event was held at the Australia Defence Force Academy and hosted by the Defence Community Organisation. The Defence Community Organisation is a national organisation that offers a broad range of programs and services to help Defence families make the most of the challenges and opportunities that accompany the military life. The welcome event was designed to establish community links between civilian communities and ADF families. The event was an excellent opportunity for me to welcome these new residents of the Australian Capital Territory. I had the pleasure of making the acquaintance of over 75 families, each of them a welcome addition to our community here in Canberra.

Previously I have made statements in this chamber about great institutions such as the Australian War Memorial that memorialise the sacrifice of our servicemen and servicewomen. Whilst it is crucial in this, the Centenary of Anzac, that we reflect on the sacrifice of our defence personnel, it is also right that we reflect on the sacrifices made at home by the families left behind. Defence families are often left without a loved one for long periods of time. Further, families are often left dislocated from their extended families, regularly being posted across Australia and overseas. Although organisations such as the
Defence Community Organisation go some way to supporting these families, the absence of a parent remains a significant challenge. The resilience and enthusiasm of these families is an inspiration. They shoulder a burden that often goes unseen and unacknowledged.

Meeting these families was a great experience, and I thank the Defence Community Organisation for putting on this great event. I extend the deepest of gratitude and warmest of welcomes to these new members of the ACT community and wish them a pleasant and productive time in the nation's capital.

On Saturday, 28 February, I had the honour of representing the Prime Minister at St Clare's College, Canberra, for the opening and blessing of their school refurbishments. The event kicked off St Clare's College's 50th anniversary celebrations. Catholic Girls' High School Griffith, as St Clare's was originally known, was blessed by His Grace Archbishop Eris O'Brien and officially opened by the federal education minister, Senator John Gorton, on Sunday, 30 May 1965. Since those early days the school has expanded from the original enrolment of 183 girls in the first and second form to just over 1,030 students across years 7 to 12. St Clare's College is now the largest Catholic girls' secondary school in Canberra and teaches a wide variety of subjects, holds a high academic standard and retains a firm commitment to the Gospel message.

I have a personal connection with the school both through my sister and through my wife and her family. In fact, my wife, Ros, has suggested that a new wing at St Clare's could have been named after her family given that there were six McPhee girls who went through St Clare's and they were there for a non-stop period of about 25 years, I think, of the 50 years of St Clare's. No doubt there are many other family stories that have gone into making St Clare's the wonderful school that it is. I want to thank the students and staff of St Clare's for welcoming me and my wife, Ros, and our daughter Grace into their school and hope their school refurbishments and commitment to learning sees the school go on for a long time to come.

I also this month had the privilege of representing the government at St Vincent's Primary School in Aranda here in Canberra for the blessing and opening of their recently refurbished classrooms. The Commonwealth government contributed a little over $500,000 through the Capital Grants Programme so that these classrooms could be refurbished and refitted for up-and-coming students. This project was a great collaboration between the Catholic Education Office, the Commonwealth government and the local school community, who raised nearly $200,000 themselves to see this project completed.

St Vincent's is a vibrant local school that provides a great environment for learning and a strong community for the parents and families of students. I was struck by the enthusiasm and passion of staff and students alike during my visit and I am confident of seeing them take full advantage of these new facilities to get great educational outcomes.

I was grateful to join Monsignor John Woods, who represented the Catholic Archdiocese of Canberra and Goulburn, and Moira Najdecki, director of Catholic education in Canberra, for their work on the day. It was great to see Alistair Coe, the member for Ginninderra, attending the event as well; he is a great supporter of the school community. I would also like to thank Marg Koenen, the Principal of St Vincent's, who was able to usher this project through to completion and gave us a wonderful and warm welcome on the day.
Finally, I also had the honour of visiting Holy Family Parish Primary School in Gowrie, representing the government to open brand new classrooms also funded through the Commonwealth's Capital Grants Program. Six new classrooms and flexible working areas were built and refurbished, and students and staff get the chance to enjoy these new facilities and teach and learn more effectively. The Commonwealth government provided $700,000 to the project. While it must be said that buildings themselves don't necessarily make great schools, good-quality facilities can enable students and teachers to get the most out of their lessons. These new learning spaces take into account the latest in education research and will see students have the opportunity to learn more effectively. I was impressed as I always am with the professionalism of the Holy Family staff and the attitude of the students, who are looking forward to taking advantage of the new classrooms and learning spaces. I want to congratulate Principal Anne-Marie Marek and the entire school community not just for their work in bringing this project to fruition but also in ensuring that Holy Family continues to be a wonderful school community in the Tuggeranong Valley in Canberra.

Abbott Government

Senator POLLEY (Tasmania) (13:23): I rise today to draw attention to the lies and backflips perpetrated by this Abbott Liberal government and the effect it is having on my home state of Tasmania. Their agenda is built on lies and broken promises. It is built on policies which are hurting low-income people, families, pensioners, students, job seekers and the homeless. If you are marginalised in Australia, you will suffer under the agenda of this cruel Abbott government.

The first Abbott-Hockey budget has gone down as one of the worst budgets in history, under the most dysfunctional government ever. Since taking office the Abbott government has launched an unrelenting attack on low- and middle-income Australians. No wonder the Australian people do not trust the Prime Minister to lead this country. Going into an election, promising one thing and then doing something completely different—this was meant to be an adult government. This was meant to be a government of no surprises. Instead we have been struck with people like 'Mr Fixer' and his program of national tertiary education destruction.

Those opposite may not know what it is like to live hand to mouth, but there are millions of Australians who do. The majority of Australians live hand to mouth and they are hurting. I know personally of the hardship of having to depend on a weekly paycheque, living from hand to mouth and what it is like to try to manage a budget reliant upon a disability pension. I have a better comprehension of what it means when the Abbott Liberal government makes these savage attacks on low- and middle-income families. People like me know what effect it is having when they change the indexation on pensioners. We know what effect it has on their daily living costs. We know what the effects are when you break your promise not to cut education.

Although the Higher Education Amendment Bill 2014 was voted down in the Senate last night, it is blatantly wrong that in the future, if this government gets its way, families will only be able to send their children to university if they can afford it, if their credit card is big enough. If this government had its way, students would be burdened with debt for the rest of their lives. It is all very well for the Liberal government to deny that there were going to be $100,000 degrees, but make no mistake: if they get their way and change the system, that is
exactly what will happen. This government seems determined to Americanise our education system and to continue down that path.

Education is the gateway to a brighter future. Education should not be a debt burden for young people or for those trying to improve their status in the work environment. We should be investing more in education, not cutting it and making it harder for those who want to go to university and give themselves a brighter future. If the Liberal government really believed in educating and upskilling the workforce, they would not be cutting funding to the TAFE system in this country. In the last election Mr Abbott said that there would be no cuts to education and no cuts to TAFE, but what did they do? Already this government wants to cut $113 million from the budget of the University of Tasmania.

If we turn to health, now they want to introduce a tax to visit the doctor. Their agenda has always been to undermine Medicare and universal care in this country. Our country depends on the work that GPs do. This government should be putting more money into preventive health care, but no. What do they do? They energise the GPs in this country to mount a campaign—thus far successful—to stop any further introduction, although the government keep coming up with new ways, so stay tuned to that one.

I turn to pensioners. When the Liberal government stings pensioners and changes the pension indexation and increases the fuel tax, the Liberal government never considers what effect this will have on those on very limited income or the lower socioeconomic indicators within our communities. But it is interesting. If I recall, the Treasurer, Mr Hockey, said: The poorest people either don't have cars or actually don't drive very far in many cases.
That statement alone demonstrates how out of touch this government is.

When we were in government, we actually gave pensioners in this country the biggest increase in the history of this country because we recognised they needed it. Do they need more? Is there more to be done? Of course there is. But those opposite have, as usual, slugged those who can least afford it. Under this government, the 'adult government', the government of chaos and the government of lies, we are now in a situation where we have to rely on people like Mr Abbott and 'Mr Fixer'—and where are they when older Australians are terrified of getting sick and not being able to afford to go to the doctor? That includes those who are self-funded retirees. These are also the families who—

Senator Colbeck: Madam Acting Deputy President, I rise on a point of order. It would be nice if Senator Polley were to refer to members of this place and the other place by their correct name.

The ACTING DEPUTY PRESIDENT (Senator O'Neill): I remind the senator of the standing orders with regard to that matter.

Senator Colbeck: Perhaps she might also withdraw the other name that she has been using.

The ACTING DEPUTY PRESIDENT: I do not think there is any need for the senator to withdraw. Continue in accordance with the standing orders, Senator Polley.

Senator POLLEY: This situation is outrageous. Have we really fallen this far? Is this the fix that this government is talking about?
I turn to the local member for the federal electorate of Bass in Tasmania. He has constantly failed to stand up for and speak up on behalf of his constituency. He has not come out and defended those people in our community who are concerned about the introduction of a GP tax. He supported the government's attack on higher education. He has done nothing but deny that the government is changing the indexation of the pension for those in our community who have worked hard and pay their taxes. He is extremely vocal and proactive when someone criticises him, but he never stands up for the people who matter—and they are the people who put him in this place. Unfortunately, he is one of those MPs who overreacts to those people who disagree with him. It does not matter if you are an academic or a journalist who is writing up a story that is contrary to the government's position. I ask him to consider taking on board the concerns that are raised with him and in this place rather than coming out and attacking people individually.

This government are not a government for everyone. This government are only concerned with governing for themselves and for those who support them at the big end of town. We know that whenever the Liberals have been in government they have always attacked and directed their negative policies at those who can least afford them. It is in their DNA.

Let's look at the dysfunctional budget and the black hole for a moment. The failed GP co-payment will cost $3.5 billion. The failed university fee policy will cost $640 million. The failed welfare reform will cost $1.2 billion. This is just a snapshot of the failed policies of the Abbott Liberal government's budget. So how will they make up this shortfall? I will tell you how. It will be through more surprises. It will be through more policies of surprise from people like 'Mr Fixer'. Despite their election commitment to not be a government of surprises, over the last year and a half—

Senator Colbeck: Mr Acting Deputy President, I rise on a point of order. This is the second time I have raised a point of order against Senator Polley about using a member of parliament's correct title. It would be nice if she actually understood what she was saying rather than just reading it from her transcript and addressed members of this place and the other place according to their correct titles.

Senator POLLEY: On the point of order, I am referring to 'Mr Fixer' because that is what the education minister named himself.

The ACTING DEPUTY PRESIDENT (Senator Edwards): Senator Polley, it is well known and it is written that you should address members of the parliament by their correct titles. I ask you, as somebody who has been here much longer than I have, to do exactly that.

Senator POLLEY: Over the last year and a half, Australians have been waiting for a good government to arrive. The Prime Minister of this country said on 9 February that good government was going to start. Well, I say to Mr Abbott and the Minister for Education and Training, known as 'Mr Fixer', 'We are still waiting.' All you give us are increased budget deficits—

Senator Colbeck: Mr Acting Deputy President, I rise on a point of order. Senator Polley is paying no respect to this chamber and its standing orders—no respect at all. She comes in here and in her speech she talks about making attacks on people and then proceeds to do just that by not using people's correct titles. This is the third point of order I have taken in this 10-minute speech already, and we still have time to go. The standing orders clearly state that
members of this place and the other place are to be referred to by their correct titles and not some made-up name that Senator Polley might like to utilise.

Senator Urquhart: On the point of order, Senator Polley did in fact listen to you, Mr Acting Deputy President. I understand that she did refer to the Minister for Education and Training, so she did in fact refer to Mr Pyne in his correct capacity.

The ACTING DEPUTY PRESIDENT: I heard 'Mr Abbott' and 'Mr Fixer' in the delivery. I am quite happy to review the Hansard. I would just ask all senators to address parliamentarians by their correct titles.

Senator Colbeck: On the point of order, the Minister for Education and Training's name is Mr Pyne. It is not anything else. It is Mr Pyne. It can be 'Minister Pyne'. It can be 'Mr Christopher Pyne'. It is not 'Mr Fixer'. It is a breach of standing orders for Senator Polley to refer to the minister by anything other than his name. She knows that. She is trying to be clever. Senator Urquhart really should not be intervening in this. Senators and members should be—

The ACTING DEPUTY PRESIDENT: I have ruled on this. I now call Senator Polley and ask that she adhere to standing orders.

Senator POLLEY: For the record, I did refer to the Minister for Education and Training. What this highlights again is that this is a government that is in chaos. It is a government that has been built on lies and broken promises. It is a government that is full of backflips and quick fixes. When it comes to issues in relation to the area that I am responsible for, and that is aged care, we saw this government come into office with no policies, no vision and no plan for the future of the ageing community in this country. We saw them take away a supplement in the sector for those who were caring for those people with severe behavioural issues relating to dementia. What have we seen? We have seen a quick fix brought in with a flying squad that is not going to do anything at all to address the concerns of those in the sector who are caring for the most vulnerable people in our community who are living with dementia. They have sent in a flying squad but there is no plan, and this is supposed to be implemented by the end of this year.

This is a government that is in chaos. This is a government that was so critical of the former Labor government. But since coming in to office their promise of being an adult government, a government of no surprises, could not have been further from the truth. It does not matter whether people in this chamber put their concerns on the record here. We know that those people on the other side do not listen to us and that they do not listen to the community. They have failed to ensure that they are listening to the community. The community has stopped listening to them because the community no longer has any faith in this government. (Time expired)

Australian Native Animals

Senator LEYONHJELM (New South Wales) (13:37): Australians are good at many things, but conserving native fauna is not one of them. In the last 200 years, 11 per cent of our native mammals have become extinct. This is one of the worst conservation records in the world. There are species of kangaroos, wallabies, bilbies and potoroos—and of course the Tasmanian Tiger—that are no longer with us. According to the Proceedings of the National Academy of Sciences, a further 36 per cent of our remaining mammals have reason to be
nervous about their prospects for survival. Some argue that we should simply throw more taxpayers’ money into preservation, but that amounts to doing the same thing over again and expecting a different result.

The Commonwealth national parks agency, Parks Australia, spends nearly $70 million a year to look after just six terrestrial national parks. In terms of resources available per property, Parks Australia must be one of the world’s richest national park organisations, yet Australia’s last mammalian extinction is believed to have occurred on Christmas Island, one of the areas they manage. In 2009, attempts to capture a once-common small bat known as the Christmas Island pipistrelle failed. Writing about this in The Sydney Morning Herald in 2012, Professor Tim Flannery recalled asking the then environment minister, Peter Garrett, for assistance to save this species from extinction, only to be told that nothing needed to be done on the grounds it would survive if we looked after its environment. Now it appears the Christmas Island pipistrelle is a casualty of this fallacy, and its extinction may yet be remembered as the longest-lasting legacy of Mr Garrett’s career in politics. This is ironic considering that, as lead singer of Midnight Oil, Mr Garrett once released an album called Species Deceases.

A study of Kakadu National Park, another park overseen by our well-resourced Commonwealth national parks agency, found that there has been a 71 per cent decline in the number of native animals over recent decades and that almost half of its area has no native mammals at all. In other words, national parks do not guarantee species survival because they and the animals in them belong to everyone, and they also belong to no-one. They have no value. Thus there is no incentive for anyone to keep them safe from predators, whether it is dogs, cats or foxes. Yes, they can be protected by building enclosures to keep these animals out, but the only source of funds for this is taxpayers. Private investment is uncommon. And yet the long-term survival of at least some Australian animals is assured because they are kept as household pets in other countries. Sugar gliders, certain species of wallabies and blue-tongued lizards are among them. This is because people take care of animals that belong to them. As it stands, Australians may freely own a pet that can and may in fact kill scores of native animals. They may also own a few varieties of snakes and native birds, such as budgies, galahs and cockatoos. Dingoes and a few native animals may be kept in some states on a strictly non-commercial basis. But the vast majority of our beautiful native mammals may not be kept as pets, and very few people can keep them if they want to.

Allowing native animals to be kept as pets will ensure their survival. Just as cats and dogs are in no danger of dying out, the same will be true if native animals are privately owned. It means they have value. Some who oppose keeping native animals as pets cite welfare concerns, saying they may not be well cared for. By that logic, we would have no pets. The experience overseas is that Australian animals, such as sugar gliders and blue-tongued lizards, live much longer in captivity than they do in the wild. In reality, most of those who oppose keeping native animals as pets are fundamentally opposed to private property. It is not about the animals but about ideology.

There is no disputing that some native animals may make unsuitable pets, at least in certain situations. Many are nocturnal, for example, which might require us to adjust our own sleeping habits to enjoy them. And obviously there is no suggestion of taking animals from the wild; like cats and dogs, and also like budgies, galahs and cockatoos, they need to be bred
as pets. But, allowing for those considerations, widespread ownership of native animals as pets is something that should be promoted.

Sugar gliders could be owned by Australians as well as foreigners. Certain kinds of wallabies make great pets. The quoll may replace domestic cats. The bilby is often nominated as a great candidate for domestication. In the right circumstances, possums, Tasmanian devils, wombats, native rats, antechinus and bandicoots would also be great pets. My party, the Liberal Democrats, and our sister party in New South Wales, the Outdoor Recreation Party, believe Australians should be free to keep native animals as pets. And the sooner we are free to do so, the sooner the future of our native animals will be assured.

**Sugar Industry**

**Senator O’SULLIVAN** (Queensland—Nationals Whip in the Senate) (13:43): Without making light of the contribution of the previous speaker, I too want to speak about a group of mammals—or mammalia, to use a scientific term—that are under threat of extinction. That would be the cane farmers of my home state of Queensland. It is now a matter of public record that significant changes are being proposed within the sugar industry to do with the marketing arrangements that have been in place over the last 100 years. I will approach my contribution very carefully, acknowledging that we currently have a live Senate inquiry into the question. I will confine my references only to matters that have been taken in public evidence in the hearings that we conducted recently in northern New South Wales, Mackay and Townsville.

With respect to those hearings, in order to bring to the attention of my fellow senators the depth of the anxiety about this issue, some very seasoned senators who sat on the inquiry during a number of those days indicated they had never seen crowds of the size of those that attended the public hearings. In Mackay, there were in excess of 200 people from small, family owned farms attending. In Townsville, it is reported that the number swelled to some 350. These farmers were very, very engaged in the process and provided me, as a member of the committee, with a further opportunity to speak with them, as I have been doing over the last 12 months, about this most vexed issue.

It was recognised in the very early stages of the development of the sugar industry in Australia, a national industry which just happens to be confined largely to my home state of Queensland, that it suffered because of a perception that the millers, the ones who processed the sugar cane, had an unfair advantage over the growers of the cane. As a result, there was a royal commission, in 1912, I think, but certainly a bit over 100 years ago, that examined this very important issue.

Whilst life moves on, and oftentimes legislation changes to keep pace with the issues of modern life, the issue at the heart of this in the sugar industry has not changed. For those who might not be conversant with the production of sugar, it is a crop that when propagated has an almost five-year economic cycle. That means that when a farmer makes the decision to grow sugar cane their commitment, in terms of amortising the cost of production and the net yield they might receive, is amortised over a five-year period. It is a crop that is harvested within a very tight time frame at a particular time of the year. Farmers have only 11½ to 12 weeks to harvest the crop and get it to the processors, because the cane starts to lose sugar content and cannot be harvested after a certain time.
It is at the point of harvest the real challenge occurs. Harvested cane is a very perishable commodity. It is unlike any other soft commodity that we produce in Australia, in that its life in being able to yield content is measured in hours—not days, not weeks but hours. It is not a commodity that can be stored. It has very limited options with respect to its transportation from the point of production to the point of processing. Anyone who has driven through sugar country will remember the image of the tens of thousands of kilometres of very light rail that is owned by mills and the very light, open cane-carriages that the product is put in. If you were to plonk yourself on top of a load of cane and take that little light-rail journey you would arrive at only one place—your mill. In modern times, even if there were a mill close by—there is at least one geographic arrangement in Queensland where growers do have an option between mills, and it is interesting that, recently, cane growers exercised that option as a result of this issue in the industry—you may well arrive at another mill that is owned by the same miller. We are talking about the market power of millers.

The royal commission decided that to offset the power of millers they would invest what is described as a growers’ economic interest in the product that they produce. We are not talking about ownership and equity; we are talking about an economic interest, which has allowed the cane growers to have input into the marketing arrangements for two-thirds of the yield of the crop that they deliver to their local mill. In effect, they hand a stick of cane, as they have done for well over 100 years, to the miller. That is the miller's reward for processing their cane. Two-thirds of the output that comes from the processing remains, economically—at least its fortune is in light—in the hands of the grower, the producer.

A long time ago, they decided to create what I refer to as an artificial single desk at what is currently Queensland Sugar Ltd, which is owned between the millers and the growers, which means that they join as an industry and they rise and fall on the decisions taken within the marketing environment. The industry was deregulated. I think the issue that presents at the moment was an unintended consequence of deregulation. I am not an advocate of reregulation—I think that there is only one policy worse than deregulation, and that is reregulation—but in this instance we have an anomaly where a number of very powerful millers want to take the economic interest of the grower. They want to extinguish the choice of the grower in deciding who will market their cane or their sugar and the terms on which they sell their produce. These are foreign owned companies; I am not against foreign ownership but I am against any corporate ownership within the agricultural processing sector that can make decisions which will impact on growers and on the whole industry—where the industry is not taken into account.

The hallways here in Parliament House are full of lobbyists. Millers are going door-to-door trying to convince some of us that the best thing to do this is to leave the market commercial arrangements to sort themselves out. It is not a free market when you have only one buyer of your commodity or where you do not have the market's attention—

Senator Heffernan: I want to make sure they have not been to my door and they will not be coming.

Senator O'SULLIVAN: I think they would know better than to come to your door, Senator Heffernan. The fact of the matter remains that, as a parliament, we have an obligation to four and a half thousand small and corporate family farms, which happen to be in Queensland, and to all of the communities that rely significantly on the outcome of this
inquiry. It is not only of interest to the national economy but to the economies of hundreds of small communities and districts in my state. I urge all fellow senators to keep a close eye on the process of the inquiry and to have an input. I am sure common sense will prevail, and we will find a way to protect the interests of these farmers, as we ought.

**Australian Charities and Not-for-profits Commission**

**Senator BILYK** (Tasmania—Deputy Opposition Whip in the Senate) (13:54): During the last sitting week, the Senate received the latest annual report of the Australian Charities and Not-for-profits Commission the ACNC. Although charity registers exist in most developed countries, the ACNC is the first of its kind in Australia. It was established in 2012 by the previous Labor government. As of 30 June 2014, there were 60,736 charities on the register. In the last financial year, charities and other not-for-profit institutions contributed $58 billion to the Australian economy.

Australian charities do important work—caring for Australia's most vulnerable and disadvantaged people, supporting development projects and providing disaster assistance at home and overseas, caring for our natural environment and protecting the welfare of animals. Unfortunately, that work is undermined by a small number of unscrupulous operators who use charities as a front for scamming, money laundering or, disturbingly, financing terrorist activity. Obviously, if donors and supporters cannot identify genuine charities, then it damages our faith in the entire sector. That is why the sector has a need for a strong and effective regulator. It gives Australians confidence that when they donate their money or time it is to a genuine charity that complies with basic governance standards.

The ACNC's annual report demonstrates that Australians have embraced the agency and that it has been an outstanding success. Their website had 3.6 million views, including 1.5 million page views of the charity portal. There were 300,000 views of the charity register. Forty thousand annual information statements were submitted by charities, of which 98 per cent were submitted online. The commission processed 252 complaints against charities. Of these complaints, 92 per cent of investigations were completed with advice given to the complainant within the benchmark time of five days.

Despite its success, it is curious that the Abbott government has been pursuing a policy for the past 17 months of abolishing the ACNC. The Abbott government claims its commitment to abolishing the charities commission is a measure to 'reduce red tape'. But I ask: if Australia's charities are so concerned the ACNC will impose more red tape, then why are four out of five of them in favour of retaining the commission and its regulatory role? The fact is the ACNC itself is helping to reduce red tape for charities by working to reform a complex and fragmented regulatory framework. The ACNC is working with state and territory governments on the harmonisation of charity regulation and reporting.

The commission's 'report once, use often' framework has led to the creation of the Charity Passport, a single report to the ACNC that can be sought by different government agencies when providing grants. The ACNC is also working with governments to adopt an accounting standard across the not-for-profit sector. When a charity, or not-for-profit organisation registers with the ACNC, it is automatically registered with state and territory authorities too, provided that their home state or territory has signed up to the scheme. The governments in South Australia and the ACT have already progressively linked their charities rules to the...
national scheme over the past few years, and I am pleased that the Labor opposition leader in New South Wales, Luke Foley, has announced that his state would sign up to the ACNC, should a Labor government be elected there on 28 March.

As I mentioned before, charities overwhelmingly support retaining the ACNC. The last two State of the Sector surveys by Pro Bono Australia showed more than 80 per cent support, despite the government's ongoing campaign against the commission. In other words, four out of five charities prefer regulation through the ACNC to alternatives such as co-regulation, self-regulation or regulation through the Australian Taxation Office. In March last year, 40 charities—including the RSPCA, Lifeline and Save the Children—signed an open letter to the Prime Minister urging the government to retain the ACNC. The letter stated that, in returning the regulation of charities to the Tax Office,

… red tape will continue to grow, the size of the bureaucracy will grow, and services to the sector and the public will be reduced.

I welcome the recent statement by the new social services minister, Scott Morrison, that abolishing the ACNC is not a 'high priority' for the government, but I wonder why it is on their list at all. The ongoing uncertainty over the future of the ACNC is holding back the progress of streamlining regulation and reducing red tape for charities. Abolishing the ACNC is bad policy. It will result in poorer regulation, more red tape for charities, and will damage Australians' confidence in charities and not-for-profit organisations. It is about time the Abbott government listened to the charity and not-for-profit sector and abandoned its ideological campaign to scrap the ACNC.

MINISTERIAL ARRANGEMENTS

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (13:59): by leave—I advise the Senate that Senator Abetz, Leader of the Government in the Senate, will be absent from question time today as he is attending a funeral in Tasmania. In his absence, questions on the Prime Minister's portfolio and the Public Service should be directed to me, questions on the employment portfolio should be directed to Senator Fifield, and questions on the agriculture portfolio should be directed to Senator Scullion.

QUESTIONS WITHOUT NOTICE

Economy

Senator KETTER (Queensland) (14:00): Mr President, my question is to the Minister representing the Treasurer, Senator Cormann. Can the minister confirm reports that 'Treasury is behind schedule in preparing the budget because of the lack of clarity about what the government wants, with too many inconsistent instructions'?

Senator CORMANN (Western Australia—Minister for Finance) (14:00): I can confirm for the chamber that the government is completely on track in putting together our second budget, which will of course continue to build a stronger, more prosperous economy, and create more jobs, so that everyone can get ahead. The initiatives in our second budget will be focused on jobs, growth and opportunity, and they will continue to repair the budget mess that we have inherited from our predecessors.

Senator Cameron: We know what the budget mess is: it is all yours!
The PRESIDENT: Senator Cameron.

Senator CORMANN: As I was saying, our second budget will focus on jobs, on growth, on helping families, on putting Australia on a stronger foundation for the future, and on making sure that our expenditure growth is sustainable for the future and is sustainable for the medium to long term—because we inherited a situation from Labor where government spending was getting out of control; where debt was getting out of control. Under Labor, we were on a trajectory to government net debt of more than 100 per cent as a share of the economy within a few decades—I mean completely unsustainable. We are turning the situation around. As I said yesterday, we inherited from Labor a weakening economy, rising unemployment, and a budget position that was rapidly deteriorating. The economy is now strengthening, jobs growth is strengthening, and the budget position is improving and, of course, we will continue to work to improve the budget bottom line, and we will get the budget back to surplus as soon as possible.

Senator KETTER (Queensland) (14:02): Mr President, I rise on a supplementary question. Can the minister further confirm reports that there are ‘deepening concerns in Treasury that ministers are running out of time to finalise huge decisions on the May 12 budget’?

Senator CORMANN (Western Australia—Minister for Finance) (14:02): I completely reject the premise of that question, and I completely reject the assertion that is made in that question. What I will confirm is that the government continues to work hard to put Australia on a stronger foundation for the future. The government continues to work hard to protect living standards and to create better opportunities for the future. The government continues to work hard to ensure that the funding for the important benefits and services that the government provides for people across Australia is affordable and sustainable within the economy of the medium to long term—because the situation that we inherited from Labor was completely unsustainable. The problem was that—under Labor—if we stayed on that trajectory, we would be continuing to live at the expense of our children and grandchildren. We would continue to put our hands into the pockets of our children and grandchildren and fund our lifestyle today at their expense. We do not think that is fair. We think it is important that the funding and the spending of government is actually affordable, and that we get back to surplus as soon as possible—(Time expired)

Senator KETTER (Queensland) (14:03): Mr President, I rise on a further supplementary question: Minister, does the government remained committed to all the unfair measures in the 2014-15 budget, including cutting health, education, pensions and higher education?

Senator CORMANN (Western Australia—Minister for Finance) (14:04): The government remains committed to do what needs to be done to put Australia on a stronger foundation for the future. The government remains committed to do what needs to be done to strengthen economic growth, to create more jobs, to help families, and to ensure that the important benefits and services of government are affordable in the economy, and are affordable for taxpayers over the long term, and indeed forever. As I indicated to the chamber yesterday, as a result of the ageing of the population, we are going from a situation where right now we have about 4.5 Australians of traditional working age for every Australian aged 65 and over, going down to 2.7 Australians of traditional working age for every Australian aged 65 and over—so that obviously means that there is a growing pressure on a smaller
number of working taxpayers to fund the larger number of services over the decades to come. We need to ensure that we are in the strongest possible position to deal with that challenge. We are dealing with it. When is the Labor Party going to stop being in a state of denial about the disastrous situation that they have left behind? (Time expired)

Migration

Senator BACK (Western Australia) (14:05): Mr President, my question is to the Assistant Minister for Immigration and Border Protection, Senator Cash. I refer to the government's response to the independent review of the 457 visa scheme and I ask the minister: how will the government's reforms of the scheme boost its integrity and address genuine skills shortages?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:05): I thank Senator Back for his question. The government is committed to ensuring that the subclass 457 visa program acts as a supplement to—and not a substitute for—Australian workers. I announced today that the government will act on recommendations of the independent review of the 457 visa program to strengthen integrity within the program, to ensure that Australian workers have priority, and to support employers with genuine skills shortages.

I can confirm that the review did not find that there was widespread misuse of the program. It did, however, make some sensible suggestions for the strengthening of the program and for reducing the red-tape costs for business. The review panel consulted extensively across Australia, meeting with over 140 stakeholders face-to-face, and considering in excess of 189 written submissions, including from businesses, unions, industry bodies and academics. Key recommendations of the review included increased focus on targeting employers who seek to misuse the program; greater transparency around the department's sanctions processes; and proactive sharing of information between key government agencies. The Department of Immigration and Border Protection will work collaboratively with the Australian Taxation Office to crosscheck records to ensure that workers on 457 visas are receiving their nominated salary, and are not undercutting Australian workers.

The government will also introduce a new penalty, making it unlawful for sponsors to receive payment in return for sponsoring a 457 visa worker. In terms of business, the government will ensure that businesses that utilise the 457 program appropriately will incur less regulation and cost, without compromising on the necessary safeguards that underpin the scheme. We will reduce the regulatory burden for those businesses with a proven track record by streamlining sponsorship requirements.

Senator BACK (Western Australia) (14:07): Mr President, I ask a supplementary question. Can the minister advise the Senate of the number of 457 visa holders currently in the labour force and how this figure compares with that under the previous Labor government?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:08): The number of primary subclass 457 visa holders in Australia as at 28 February 2015 was 107,306. This represents less than one per cent of the Australian workforce. Of course, Labor and the unions would have the public believe that, under a coalition government, there has been a massive...
influx of 457 workers to Australia. The statistics, however, tell a very different story. In fact, since the election of the Abbott government, there has been a 2.7 per cent decrease in the number of 457 visa holders.

Senator Cameron: That's because the economy is tanking.

Senator CASH: I remind those opposite—and, in particular, Senator Cameron, who quite frankly has a lot of bark when it comes to 457 visa workers—that former Prime Minister Julia Gillard hired a 457 worker as the head of her communications team. Where was Senator Cameron then? There was complete silence. He rolled over and he had his little tummy tickled, like he always does—all bark but no bite.

Senator Cameron: I thought he should have gone right away! I don't think he should've been here for one minute! It was the worst 457 visa ever!

Honourable senators interjecting—

The PRESIDENT: Order! Both sides will now come to order.

Senator BACK (Western Australia) (14:09): I ask a further supplementary question. Following Senator Cameron's interjection, I ask the minister: why is it important that Australians retain confidence in the 457 visa program?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:09): The 457 program, as Australians know, is vitally important to our economy. The ability to fill vital skilled positions often facilitates a business's existence or even its growth. A business that has to close because it cannot access the labour it needs employs no-one. That is bad news for the employer and it is bad news for the employees who no longer have a job. The independent review of the 457 program found no evidence of widespread fraud, as alleged by the former Labor government and, in particular, former minister for immigration, Mr Brendan O'Connor. In relation to the statistics, under Labor the figures grew from 68,400 primary visa holders in 2010 to approximately 110,280 in September 2013. And most of those holders were in positions that were not in short supply.

Budget

Senator MOORE (Queensland) (14:10): My question is to the Minister representing the Minister for Social Services, Senator Fifield. I refer to the minister's statement to the chamber that 'The government remains committed to all of its social services budget measures.' Does the government still remain committed to all 2014-15 budget measures, including cutting the indexation of the age pension?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:11): I thank Senator Moore for her question. As Minister Morrison has indicated on many occasions, all of the government's budget measures remain on the table. What that means is that the minister is very open to propositions from colleagues in this place or the other place who think that we can achieve good outcomes in a different way. But, obviously, any colleague who brings forward a proposition needs to have that proposition costed and to make sure that they can identify how it would be funded. So I think Minister Morrison has been very clear—and particularly clear in his recent Press Club address—that he is keen to engage with colleagues from all parties on achieving the
government's stated budget objectives. But let me state again: those budget measures do remain on the table.

I want to make absolutely crystal clear that the proposition put forward by those opposite that this side of the chamber is desiring in any way, shape or form to cut pensions is wrong. Pensions, under the government's propositions in the last budget, will continue to increase. That is the clear proposition of this side of politics. Any suggestion that pensions will be cut is completely and absolutely wrong. They have increased and will continue to increase twice a year.

Senator MOORE (Queensland) (14:13): Mr President, I ask a supplementary question. Following on from the assistant minister's answer, I refer to comments by the CEO of Council on the Ageing, Mr Ian Yates, who said that—and these are his words—if the government cuts the indexation rate of the pension, full pensioners would be living well below the poverty line. Is Mr Yates correct?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:13): As was indicated in the budget and, indeed, in the MYEFO, and also in the Intergenerational report, the intent of this government is to see pensions put on a sustainable footing. It is our hope that, in the future when the budget is in a better and stronger position, it will be possible to revisit the matter of the indexation that is related to pensions. As I say, that is something that was made clear in the Intergenerational report. It was something that was made clear in MYEFO. Let me read from page 32 of MYEFO:

Once the Budget returns to a surplus of 1 per cent of GDP, there will be more capacity to revisit the level of government support provided to groups such as age pensioners, while having regard to other factors such as the ageing population and a maturing superannuation system.

Senator MOORE (Queensland) (14:14): Mr President, I ask a final supplementary question. I refer to the Prime Minister who said that indexing the pension to CPI is—and I quote—'perfectly reasonable'. Does the minister agree that it is perfectly reasonable to cut the indexation rate of pensions which would see pensioners living well below the poverty line?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:14): I have two points in response. Minister Morrison has made clear that he is very happy to discuss the concept of an adequacy review of the pension every three years, and that is something that he is very open to discuss with colleagues in this place. The other point I should make is that, despite the scaremongering of those opposite, age pensioners will keep the energy supplement, formerly the clean energy supplement, and they will continue to receive the pension supplement and pensioners will also benefit from the abolition—which has happened, thank goodness—of the carbon tax. What we have done on this side of the chamber—

The PRESIDENT: Pause the clock. Senator Moore, a point of order.

Senator Moore: A point of order, Mr President, on the particular question. I note the information the minister has been sharing, and I appreciate that, but the particular question was about the cut to the indexation rate, and the minister has not addressed that part of the question.
The PRESIDENT: Thank you, Senator Moore. I remind the minister he has 20 seconds in which to answer the question. Minister.

Senator FIFIELD: Thank you, Mr President. We have ensured, on this side, that pensioners are better off because we abolished the carbon tax which benefits pensioners, but we kept the compensation that had previously been put in place. So, pensioners are unequivocally better off. As I made clear, we do hope in the future, according to the IGR and the midyear review, to revisit this issue. (Time expired)

Trans-Pacific Partnership Agreement

Senator WHISH-WILSON (Tasmania) (14:16): My question is to the Minister representing the Minister for Trade and Investment, Senator Payne. This morning, former Australian trade negotiator, Dr Ruth Lopert,—now one of Minister Robb's so-called scaremongers who has questioned the secretive Trans-Pacific Partnership Agreement—publicly stated that the TPP will cost 'possibly hundreds of millions of dollars to the government' in higher medicine costs. She went on to say that through intellectual property and patent law changes:

The taxpayer will be paying more and ultimately if this affects the long-term sustainability of the PBS (Pharmaceutical Benefits Scheme) that will likely be pushed onto consumers through higher co-payments.

She gave the example of the drug Humira, which is a biologic used to treat arthritis, and said that a one-year delay in the market entry of a follow-on version of that drug to a competitor would mean savings foregone of roughly $44 million a year. Will the government rule out changes to Australia's domestic intellectual property or patent laws via the TPP that will punish Australian taxpayers?

Senator PAYNE (New South Wales—Minister for Human Services) (14:17): I will take the more specific aspects of the last part of Senator Whish-Wilson's question on notice and seek some advice from the Minister for Trade and Investment. What I can say is that the government have made their position on the TPP process perfectly clear. We will not accept any outcome in the TPP that would adversely affect Australia's health system. We will not sign up to any international agreement that restricts the Australian government's capacity to govern in Australia's own interests, whether it is in the area of health care, the environment or in any other regulated area of the economy. The minister has also made absolutely clear that there has been extensive consultation in the process leading up to the TPP development. In fact I think we are now up to over 1,000 stakeholder consultations since 2011. That includes 150 with a broad range of stakeholders who are interested in public health issues, for example—

The PRESIDENT: Pause the clock. A point of order, Senator Whish-Wilson.

Senator Whish-Wilson: I have a point of order on relevance, Mr President. I specifically asked about the cost to Australian taxpayers.

The PRESIDENT: Thank you, Senator Whish-Wilson. Senator Whish-Wilson, right up-front in the answer to the question by the minister she indicated she would take the specifics of the question on notice and is enhancing the answer with her comments. The minister is in order. Minister.
Senator PAYNE: Thank you very much, Mr President. Had I been able to finish the sentence, I was going to say that those thousand consultations included 150 with a broad range of stakeholders interested in public health areas. There were 50 in the past year. They included Medicines Australia, Choice, the Public Health Association of Australia and intellectual property experts. In fact, just for passing interest, it also included 14 consultations with the ACTU, for example, re the labour chapter of the TPP. The stakeholder consultations are invaluable in shaping our negotiating positions. I said very clearly when I began that the government will not accept a position in the TPP process that would adversely affect Australia's health system.

Senator WHISH-WILSON (Tasmania) (14:19): Mr President, I ask a supplementary question. Last night on ABC's 7.30, Dr Stephen Parnis of the Australian Medical Association, perhaps another of Minister Robb's scaremongers—

Government senators interjecting—

The PRESIDENT: Order! Senator Whish-Wilson. On my right. We will reset the clock; you can start again.

Senator WHISH-WILSON: Mr President, thank you. Last night on ABC's 7.30, Dr Stephen Parnis of the Australian Medical Association, perhaps another of Minister Robb's scaremongers, said in relation to the TPP and medicines: The details really matter here. And if he says the PBS is protected but the agreement extends intellectual property rights or patent laws in favour of pharmaceutical companies, then the reality will be the opposite.

How will the government assess what impact the TPP will have on domestic medicine prices and what assurances can you give the Australian people that medicines will not rise? (Time expired)

Senator PAYNE (New South Wales—Minister for Human Services) (14:20): Let me repeat, the government's position is clear. We will not accept any outcome in the TPP that would adversely affect Australia's health system. We will not sign up to any international agreement that restricts Australia's capacity to govern in its own interest, whether in the area of health care, the environment or any other regulated area of the economy.

Senator WHISH-WILSON (Tasmania) (14:21): Mr President, I ask a final supplementary question. I asked how it was going to be assessed, Mr President. The Productivity Commission, the pharmaceutical payments review and, most recently, the Harper review into competition policy—another bunch of scaremongers—have all recommended that an independent economic analysis of the intellectual property and patent provisions in trade deals be carried out and published before any negotiations are concluded. Will the government listen to these groups and ask the Productivity Commission to undertake an economic analysis of IP and patent provisions in the TPP and publish it before it is signed?

Senator PAYNE (New South Wales—Minister for Human Services) (14:21): I will take the senator's question on notice and seek advice from the minister.

Economy

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (14:21): My question is to the Minister for Finance and Minister representing the Treasurer, Senator
Cormann. Can the minister advise the Senate what the government is doing to reverse the former Labor government's disgraceful raid on the savings accounts of everyday Australians?

**Senator CORMANN** (Western Australia—Minister for Finance) (14:22): I thank Senator Bushby for that question. I also thank Senator Williams, who has shown a lot of interest in this particular policy issue. Back in 2012, the now Leader of the Opposition, Mr Shorten, as the minister for financial services at the time, was responsible for what was arguably the greatest Australian bank robbery of all times. Today this government is reversing the disastrous, outrageous attack on people's bank accounts that was imposed on them by none other than Mr Shorten. Remember, this was a pre-Christmas raid on people's bank accounts back in 2012. Who was there at the scene of the crime? It was none other than the former finance minister—

*Senator Wong interjecting—*

**Senator CORMANN:** Senator Wong—the first finance minister in the history of the Commonwealth to do that. Here they were: they had promised a surplus in 2012-13. Remember that? In fact, some of them said they had already delivered the surplus. And here they were, before Christmas, worried it was not going to happen. So let's come up with some smoke and mirrors. Let's go after people's bank accounts in order to try and make it look like we have got a surplus. So they said, 'We've got to have a $1.1 billion surplus.' Where did half of it come from? Other people's bank accounts. Unbelievable! I still remember sitting in my office in Perth, looking at the television, watching Senator Wong at the scene of the crime, watching the then Treasurer, Mr Swan, and watching Mr Shorten, the now Leader of the Opposition, as they were putting their hands into people's bank accounts—right into people's bank accounts. It was Mr Swan's Christmas. Here they were with $550 million in one year. They knew it was not the government's money. *(Time expired)*

**Senator BUSHBY** (Tasmania—Chief Government Whip in the Senate) (14:24): Mr President, I ask a supplementary question. Will the minister advise the Senate how the previous approach hurt Australians and penalised people who saved for their future.

*Opposition senators interjecting—*

**Senator CORMANN** (Western Australia—Minister for Finance) (14:24): That is a very important question. I see that people on the Labor side are laughing about the inconvenience they caused people across Australia, because they imposed on people across Australia. The Labor government went after money that they knew was not theirs. They went after money that they knew they would have to pay back. They went after money which they knew people would be forced to claim back through ASIC. In fact, that generated an industry of business people who are now charging people 25 per cent commissions on money which is their money, out of their own bank accounts, in order get their own money back. Of course, 156,000 bank accounts worth around $550 million were raided. That money is not our money. It is not the government's money. It is people's own money. It has serious consequences in terms of imposing costs and inconvenience on people across Australia essentially to try and create the false impression that the government had more money than it actually did. *(Time expired)*
Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (14:26): Mr President, I ask a further supplementary question. Can the minister give examples of how the previous government scheme harmed people.

Senator CORMANN (Western Australia—Minister for Finance) (14:26): This is where Senator Cameron should listen, because, as I said yesterday, if we don't learn from history we are condemned to repeat it. The rules Mr Shorten wrote had harsh and unfair consequences. Community groups trying to access emergency accounts were slowed down by up to six months. A farmer was unable to sow his crop after years of drought because money in an emergency account, literally for a rainy day, was not available to him. It had been seized by the Labor government. There are farmers around Australia who, when they are experiencing drought, who are waiting for a rainy day, do have cash in a bank account which they might not touch for two or three years—and in comes Bill Shorten, who puts his hand in their pockets. A mother and son were unable to visit a dying relative overseas because they could not get access to a bank account which Labor had seized. These are real live examples—(Time expired)

Senator Williams: Mr President, I raise a point of clarification. Am I allowed to move an extension of time for the minister to answer the question?

The PRESIDENT: You can do anything by leave, Senator Williams. I do not think leave will be granted—but I cannot pre-empt the Senate.

Senate

Senator LAZARUS (Queensland) (14:27): My question is to the Senator representing the Senator representing the Prime Minister, the Hon. George Brandis. Yesterday the Prime Minister reportedly stated during a party room meeting that the Senate crossbench is feral. I understand this to mean that every crossbench senator in this chamber in the eyes of the Prime Minister is feral. I carry out our responsibilities with great pride, honour and diligence. Why would the Prime Minister of Australia call the crossbench feral and, by implication, therefore call every crossbench senator in this great chamber feral? Does the minister believe such language will be helpful to positively negotiate with the Senate in the future?

Opposition senators interjecting—

The PRESIDENT: Order on my left!

Senator Heffernan: Mr President, I raise a point of order. I thought, on good advice, that we were unrepresentative swill, as Mr Keating suggested.

The PRESIDENT: That is no point of order.

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:29): Senator Lazarus, I can assure you that the Prime Minister and every minister in the government have the greatest respect for the eight crossbench senators, including for you. We may disagree with you, as plainly we do on a number of important measures, but we respect you personally, and we respect your constitutional position and the way in which you discharge it.
But I am bound to say that the Prime Minister and the government are frustrated at the fact that so much legislation that is important to the Australian people has been blocked by this chamber. The Senate should be a chamber of review, a house of review—not a house of refusal. Yet time and time again, the Labor Party and the Greens—with which, I am sorry to say, on occasions the crossbench senators have joined—have blocked important legislation. The most recent example is the government's higher education reforms. As we all know, last night this chamber blocked those reforms and, in doing so, dealt a terrible setback to the Australian higher education sector, a terrible setback to Australian universities—

Senator Moore: Mr President, I raise a point of order. I am seeking your guidance, but I wonder whether the minister's comments are moving towards reflecting on a vote in this place.

The PRESIDENT: He is not adversely reflecting on the vote, necessarily. The minister is in order.

Senator BRANDIS: This is a package of measures that had the strong support of 40 of the 41 Australian university vice-chancellors. Forty out of 41 thought that this was a good thing for the Australian university sector. (Time expired)

Senator LAZARUS (Queensland) (14:32): Mr President, I ask a supplementary question. According to dictionary.com, the word 'feral' means 'existing in a natural state, as animals; not domesticated; or wild like a pack of feral dogs or wild animals roaming the woods'. Did the Prime Minister have any senator in mind when he referred to the Senate crossbench as 'feral'? Is the Prime Minister going to apologise to each and every one of us for such an appalling and disrespectful statement? (Time expired)

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:33): The Prime Minister certainly did not say that about the crossbench. He did not say that about the crossbench. It may be that the Prime Minister had some senators in mind, Senator Lazarus, but, if he did, it was not you.

Honourable senators interjecting—

Senator BRANDIS: I suggest you look to your right and to your immediate left if you want a clue as to who the Prime Minister might have—

The PRESIDENT: Order! The level of noise is unacceptable. It does not paint the Senate in a good light, by any stretch of the imagination.

Senator Milne: Mr President, I raise a point of order. Immediately to Senator Lazarus's left is my colleague Senator Siewert. I would be horrified to think that she would be referred to as a feral, and I ask the Attorney-General to withdraw it.

The PRESIDENT: That is not a point of order.

Senator Wong: Mr President, on the point of order: you may not have heard, but I understood Senator Milne asked for that to be withdrawn.

The PRESIDENT: I did not hear that. My apologies. Can you clarify what you wanted to have withdrawn, Senator Milne?
Senator Milne: The Attorney-General told Senator Lazarus that the person to his immediate left was one of the ones referred to as feral, and that is my colleague Senator Siewert. I am asking for that to be withdrawn.

Senator Singh: Mr President, on a point of clarification: was it actually me that Senator Brandis was referring to as feral?

Senator Heffernan: Mr President, I raise a point of order. I think the people in the gallery think we are all bloody feral.

The PRESIDENT: There is no point of order. It would be no surprise to any senator in the chamber that I did not hear the comments of Senator Brandis, because of the level of noise within the chamber. If Senator Brandis has said something which needs to be withdrawn, I will leave it up to Senator Brandis to make that assessment. Please can we just keep the noise down. The odd interjection can be amusing but not the level that we have had.

Senator BRANDIS: Mr President, I was merely speculating on what might have been in the Prime Minister's mind; I was not making a comment about any individual senator. Amidst all this merriment and jollity, Senator Lazarus, there is a more important point to be made. These higher education bills are absolutely critical for the university sector. I know that we have not yet been able to persuade you and others of the crossbench to support them, but the government will, after a period of deliberation, be re-presenting these bills. (Time expired)

Senator LAZARUS (Queensland) (14:37): Mr President, I ask a further supplementary question. Rather than describing Senate crossbenchers as 'feral', wouldn't it be better for the government to actually consider the Senate's suggestions? For example, yesterday's Senate references committee report regarding higher education recommended a proper review into costs and funding of the sector and alternatives to deregulation. Will the government take this recommendation on board or just keep calling senators names?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:37): Senator, I have assured you that that statement was not made by the Prime Minister about the crossbenchers. But I will tell you, Senator Lazarus, because I know that you have been engaged in this discussion, I know that you have been good enough to give the minister and his staff a good audience on these bills, we will re-present the higher education legislation in a few months time. In the meantime, if you will entertain us, we will continue to try and persuade you why 40 out of the 41 Australian university vice-chancellors are right. We will seek to persuade you why, for example, the Nobel laureate Professor Brian Schmidt was right when he said:

… this is an incredibly important reform. The current university funding model is … not very good. I would say it's close to being broken.

We will continue, with respect, to seek to persuade you, Senator. (Time expired)

Workplace Relations

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (14:38): My question is to the Minister Assisting the Prime Minister for Women, Senator Cash. Can the minister inform the Senate of any incidents which evidence a subculture of abuse or violence against women in the workplace?
**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:39): I thank Senator Ruston for the question. Yesterday Minister Abetz highlighted four very serious cases of abuse and aggression by CFMEU officials directed at female staff members of the industry watchdog. There was the official who reportedly spat at a female inspector. The Heydon royal commission found Luke Collier used lewd expletives to refer to the same female inspector. At Senate estimates we learnt that Victorian assistant secretary Shaun Reardon made late-night threatening phone calls to a female inspector. And we learnt of another official who threatened to bring seven mates over to gang-rape a female staff member.

Late yesterday the Federal Court handed down another decision finding against the CFMEU, finding several of its officials responsible for the 2012 Grocon blockade in Melbourne. One of the respondents found to have committed these unlawful acts of intimidation was the same Shaun Reardon. Another who was also found to have acted unlawfully was one Craig Johnston, who was described by the court as a member and officer of the CFMEU and a branch council member. Mr Craig Johnston has a history when it comes to workplace thuggery. This is the same Craig Johnston who, as Victorian secretary of the AMWU, smashed his way into Melbourne offices, leading 30 balaclava-clad thugs, hurled chairs through windows, up-ended filing cabinets, flung computers to the floor and threatened staff, including a woman who was five months pregnant. This woman was left cowering from the fumes of a fire extinguisher released by Johnston and his thugs, which she feared would harm her unborn baby and which led to the need for counselling. For his deplorable actions, Johnston was convicted of riot, affray, criminal damage and aggravated burglary and served nine months in prison. He was expelled from his union but, when he was released, the CFMEU took him on as an organiser. I call on senators opposite to stop the spread of this subculture of disrespect and abuse against women. *(Time expired)*

**Senator RUSTON** (South Australia—Deputy Government Whip in the Senate) (14:41): Mr President, I ask a supplementary question. Could the minister further inform the Senate what has been the response of leaders of the trade union movement to these incidents of abuse and aggression towards women?

**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:41): Far from the union movement raising concerns about these very serious matters, as I said, Mr Johnston was re-employed by the CFMEU. It appears that the union movement is too concerned with its baseless workplace relations scare campaigns to protect women threatened by union thuggery. Yesterday ACTU President Ged Kearney was asked specifically about whether the union movement would support any building industry watchdog, and she said no. I find it concerning that the unions believe that there is no need for a watchdog to stand up for women on building work sites. CFMEU National Secretary Dave Noonan responded to the sexist expletives fired at a female inspector by his official Luke Collier by issuing a defensive press release stating, ‘Swearing on building sites is nothing new.’ I call on the ACTU and the CFMEU to stand up to union thuggery and support a strong building watchdog and the return of the ABCC.

**Senator RUSTON** (South Australia—Deputy Government Whip in the Senate) (14:42): Mr President, I ask a further supplementary question. Will the minister inform the Senate of...
any concerns raised by others about incidents of abuse and aggression towards women in the building and construction industry?

**Senator CASH** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:42): There is a deafening silence from those opposite on this issue. The Labor Party and the Greens—I note both led by females in this place—need to stand up for women on this issue. Their parties are happy to accept millions of dollars in donations from the CFMEU, but I ask whether they are happy to call that union to account when the sexist and abusive behaviour of its officials is so despicable. They say they want to close the gender pay gap by supporting female participation in non-traditional industries, but I have to say: what woman, or female, is going to want to go into the building and construction sites when this type of behaviour by union officials is on display day after day? And it is condoned, quite frankly, by those on the other side, who owe their places in this place to those same unions. Labor and the Greens need to stand up and call it out when they see it, especially when it comes to union thuggery on building sites. *(Time expired)*

**Sydney Harbour: Cruise Industry**

**Senator LEYONHJELM** (New South Wales) (14:44): My question is to the Acting Leader of the Government in the Senate and the Minister representing the Minister for Defence, Senator Brandis. The cruise industry is the fastest-growing sector of the tourism industry and is currently worth $1 billion a year to the economy. During the summer cruising season, there are severe limitations on berths on the eastern side of the Harbour Bridge in Sydney Harbour, Australia’s most popular port and my home town. As a consequence, some cruise lines have stopped sending cruise ships to Australia. My understanding is that the Navy has berths at Garden Island that are not always fully utilised. I also understand the tourism industry has been seeking access to Garden Island for cruise liners for five years. Given that the berthing of each cruise ship means an average one million dollars a day for the Sydney economy, does the minister agree it would be in Australia’s interests for the tourism industry’s needs to be accommodated?

**Senator BRANDIS** (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:45): Thank you very much, Senator Leyonhjelm, for your question, and thank you for the courtesy of the advance notice you gave my office of the question. I do have some information for you.

The government is a great supporter of the tourism industry. Cruise ships use a number of berths in Sydney Harbour. During the peak season in Sydney, both cruise ships and the Navy increase the demand for berth space at Garden Island. Access is open to the whole cruise industry, but access is obviously subject to operational support and security requirements, which may change at short notice. The Commonwealth has to ensure that maintenance and operational support assets at Garden Island are funded and utilised as best as possible to deliver the naval capability required by Defence—a proposition with which, Senator Leyonhjelm, I am sure you would agree.

The security of Defence facilities is also of significance, and the security situation—as you would well understand, Senator—can change rapidly. The government has agreed to continue the offer of up to three cruise ship visits to Garden Island each season, subject to operational support and security requirements. Seven cruise ship visits to Garden Island were sought by
the Port Authority of New South Wales in the January to March 2015 time frame. Of those, only two could not be accommodated for operational reasons; four were withdrawn by the Port Authority; and one was accommodated at a naval buoy.

Senator LEYONHJELM (New South Wales) (14:46): Mr President, I ask a supplementary question. Can the minister advise what measures the government will take to ensure the rapidly-growing cruise industry continues to benefit Sydney?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:46): Yes, Senator. It is, of course, primarily a matter for the New South Wales government to consider what measures can be taken to ensure that the rapidly-growing cruise industry continues to benefit Sydney. Nevertheless, in the answer I have given to your primary question, I have outlined the way in which Defence accommodates the cruise industry at Garden Island.

Garden Island is a purpose-built naval base, with the required infrastructure and security built to accommodate the Navy's needs. When all berths are fully operational, they will meet the Navy's requirements for cycling ships between berths dedicated to heavy maintenance and those berths best assigned to operational ships. That constitutes the constraint, which I indicated in my answer to your primary question, on the capacity of the Navy to accommodate the cruise ship industry.

Senator LEYONHJELM (New South Wales) (14:47): Mr President, I ask a further supplementary question. Can the minister advise what additional call on the harbour and, in particular, Garden Island will be made by the Navy in coming years?

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (14:48): Yes, I can, Senator. The additional requirements of Garden Island by the Navy are to ensure that the berths that are available will meet future fleet infrastructure and security needs. The government will be publishing, later in the year, the Defence white paper. An element of the Defence white paper will deal with the future shape of the Australian Navy in the years and, indeed, the decades to come; and, consequential upon those needs, the facilities at Garden Island—and other naval bases as well—will be appropriately configured. When the Defence white paper is published and, in particular, when its indication of future naval needs is indicated, I will offer you a briefing in relation to the last question.

Medical Workforce

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (14:49): My question is to the Assistant Minister for Health, Senator Nash. I refer to the Specialist Training Program which provides training for Australia's future medical specialists, particularly in rural and regional areas. Will the government deliver 900 specialist training positions through to 2017?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:49): There are a number of programs, at the moment, being considered in terms of their future funding and that is one of them. But what I say to the senator is to point out what we are doing for rural and regional Australia when it comes to health. Indeed, it is a far greater contribution than we ever saw from those opposite in government. We only have to look at what we saw in the last budget—$238 million to double
the practice incentive payment program. This was something those out in rural communities in the health sector had been calling on for some time and it took this coalition government to deliver it. There is $52.5 million for infrastructure to expand teaching provision in those general practices. They are the types of things—

Senator Urquhart: Mr President, I rise on a point of order: relevance. My question was very specific, and it was: will the government deliver 900 specialist training positions through to 2017?

The President: Thank you, Senator Urquhart. I was listening carefully to the minister's answer. She indicated that particular program was one of the programs under consideration, so it has been directly answered in part. I call the minister; she has one minute and 14 seconds in which to respond.

Senator Nash: Those specialist training places are important in rural areas—indeed, specialist training is very important in our rural and regional areas. That is why I went on to expand on what we are actually doing in rural and regional areas, which is something this government is very focused on—unlike those opposite when they were in government. Things like 500 additional places for nursing and allied health—nothing like what we saw from those opposite when they were in government. For them to raise, now, the issue of specialist training when they were in government and it was something—

Senator Moore: Mr President, I rise on a point of order: direct relevance to the question. The question was specifically about the 900 specialist training positions. Will the government meet that target by 2017? There are only 38 seconds left, Mr President.

The President: This is a difficult point of order because the minister has really answered the question. She has not necessarily answered it in the way you would like; but you can take out of the minister's answer that it is under consideration and there will be no guarantee. I can only invite the minister to continue her answer.

Senator Nash: When it comes to specialist training and the considering of those types of things, it is this government that is going to do a far better job than the previous Labor government did when they were in government. You only have to go and talk to the medical sector to know that it is those types of things that the coalition is focused on—in complete contrast to those opposite when they were in government.

Senator Urquhart (Tasmania—Deputy Opposition Whip in the Senate) (14:52): Mr President, I thank you for answering the question that the minister did not. I now ask a supplementary question. Can the minister confirm that organisations have not yet been told that their contracts for these training positions will continue post June 2015? I would again ask the minister: will the government deliver 900 specialist training programs through to 2017? 'Yes' or 'no' would be wonderful on that one.

Senator Nash (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:52): I do not think I can be any clearer than say again to the Senate that that particular issue is being considered by government. I do not know how many times I have to say that to those opposite before they might actually understand the sentence that is in front of them. Perhaps the senator would listen to the answer of the first question and perhaps maybe rejig her supplementary question so that it actually reflects something that has not already been answered. It is this coalition government that is going to
deliver a strong health system and a strong health sector. Indeed it was the previous Labor
government that left this government in an absolute mess not only in the areas of health but
right across the board. It left us on a trajectory of debt of nearly $667 billion. It is this
coalition that is going to deliver when it comes to health.

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (14:53): Mr
President, I ask a further supplementary question. I refer to the Royal Australian College of
Physicians who say that over the half their college specialist training program positions 'rotate
through rural and remote areas and almost a quarter through Indigenous communities'. These
benefits would be jeopardised should funding not continue and contracts not signed in the
near future. When will the minister provide certainty to trainees and their training providers?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and
Assistant Minister for Health) (14:54): Again, this is under consideration. I am not sure for
those opposite how long it is actually going to take for that to get through but that is indeed
the case. When it comes to rural and regional affairs and when it comes to Indigenous affairs,
it is this government that is delivering $3.1 billion for Indigenous health. And guess what? It
is $500 million more than we saw under the previous Labor government. That is what this
government is doing for issues like Indigenous health. And when it comes to rural and
regional affairs, we only have to go through the extensive list of programs. It is this coalition
government that is having to fix the Labor mess we got left with in the GP rural incentive
payment program. It was a complete mess that this coalition government had to fix. When we
look at district of workforce shortage, also in rural and regional areas, it was this coalition
government that had to fix Labor's mess—as we are having to do in so many areas.

Live Animal Exports

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (14:55): My
question is to the best Minister for Indigenous Affairs in decades, Senator Scullion,
representing the best Minister for Agriculture in decades. I refer the minister to recent data
released by Meat and Livestock Australia that shows a record—

Opposition senators interjecting—

The PRESIDENT: On my left.

Senator O'SULLIVAN: This is an important question for agriculture. You should listen
up. It shows a record 1.2 million live cattle were exported from Australia in 2014 valued at
$1.23 billion. With forecasts from the Australian Bureau of Agriculture and Resource
Economics suggesting our live export trade is set to reach at least one million head of cattle in
2015, can the minister outline how a strong live export trade is assisting Australian graziers to
recover from recent drought conditions?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of
The Nationals in the Senate) (14:56): The coalition government unequivocally supports the
live export trade. The value of the live export trade including cattle, buffalo, sheep and goats
between October 2013 and November 2014 exceeded $1.6 billion. That means that a greater
return to our primary producers is this government's core priority and that is something that is
happening as we speak. What is also often disregarded is that this trade contributes to the food
security of millions of people in importing countries across the world, particularly in markets
where there is a strong cultural preference for freshly slaughtered meat. Added to this,
Australia's leadership in the trade has provided significant opportunity to positively influence animal welfare conditions in these countries and continues to do so. We can be proud that under the exporter supply chain assurance scheme, ESCAS, animal welfare outcomes have improved not only for Australian exported livestock but also domestic livestock and those sourced from other countries.

The live export industry generates employment for around 10,000 people including in ancillary industries such as transport, veterinary and feedlot services. The live cattle trade also provides employment opportunities for Indigenous people in Northern Australia's live export region. On top of this, the industry has provided training to more than 7,000 people working in the supply chains in Asia and the Middle East including managers and animal welfare officers who help improve animal handling and husbandry techniques. The increased use of stunning equipment has become active and respected through trade diplomacy.

The government have also committed to relieving the red tape burden for the industry under ESCAS. We will not be reducing our assurance on animal welfare but what we will be doing is removing duplication, rework and unnecessary bureaucracy. These practical changes are designed to make live export processes faster and more cost-effective.

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (14:58): Mr President, I ask a supplementary question. Can the minister advise the Senate what actions the Australian government is taking to open new live export markets for our red meat industry?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:58): I must reiterate that from the combined efforts between government and industry including extensive work to reopen and improve market access, over 1.6 million head of cattle have been exported since this government came to office in October 2013. In 2014 the government successfully negotiated access to six livestock export markets: Egypt, Bahrain, Iran, Cambodia, Thailand and Lebanon. I am hoping that the Minister for Agriculture will soon be announcing access to China. This proves the coalition government's commitment to live export trade and further proves this government's commitment to Australia's primary producers. It is further evidenced by the fact that under the final month of the previous government a price of a light steer out of Darwin was 165c a kilo. As of 5 March this year, the same animal made 275c a kilo—a massive 67 per cent increase in returns through the farm gate.

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (14:59): Mr President, I ask a further supplementary question. Can the minister advise the Senate how Australia's Exporter Supply Chain Assurance System, ESCAS, is improving global animal welfare?

Senator Sterle: Congratulations, Joe Ludwig!

The PRESIDENT: Order! On my left!

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (15:00): As evidenced in the recently released report into the performance of ESCAS, more than 99 per cent of Australian livestock was exported without reported incident. Out of the 8,035,633 livestock exported from Australia since the system was introduced in 2011 until 30 November 2014, there have been just 12,958 animals, or 0.16 per cent of the total, where there was a potential adverse animal outcome.
Australia is the only one of more than 100 countries that export live animals that requires World Organisation for Animal Health welfare standards to be met as a minimum for exported livestock. As I have mentioned, the industry has provided training for more than 7,000 people working in supply chains in Asia and in the Middle East.

The good work of Meat and Livestock Australia, Livecorp and the Australian Live Exporters' Council must also be recognised in improving welfare outcomes all over the world, and that work will continue indefinitely.

Senator Brandis: Mr President, I ask that further questions be placed on the Notice Paper.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Pensions and Benefits

Senator MOORE (Queensland) (15:01): I move:

That the Senate take note of the answer given by the Assistant Minister for Social Services (Senator Fifield) to a question without notice asked by Senator Moore today relating to the indexation of pensions.

We know, and we have gone over this numerous times, that before the last election there was no discussion with anyone in the wider Australian public about any changes to the rates of payment for pensions. In fact, to the contrary, there were assurances made quite strongly that there would be no change. In fact, we were told very clearly that pensioners would welcome the new government.

However, in the very first budget there were changes put in place to pensions and, contrary to what we hear consistently from the other side, these changes to the indexation of pensions will remain a cut to the take-home payment of pensions for many pensioners in our country. This is not just for aged pensioners but for carers as well—people who, in many cases, are totally reliant on that pension for their livelihood. That is something that we took very seriously in government.

Mr Deputy President, you would remember that in 2009 there was a very detailed inquiry done that looked at pensions in Australia. It looked at the rates, it looked at the processes and it looked at the kinds of issues that were alive in our community and how people felt about this payment. As a result of that review, we brought in changes that actually made a significant difference to the way that pensions were indexed. But this was actually building on really strong work that had gone on before. Indeed, it was Mr Howard who was most vocal about the importance of the rate of pension to pensioners. He was very proud of the work that his government had done and looked at maintaining an appropriate relationship between wages across the community and those people who were in retirement, or who were caring for others and who needed that kind of support.

But what we have seen is not just a rejection of the concerns raised about the reduction in pensions but arrogance—a statement that pensions are not being cut. And there was a statement of what we could say was the 'bleeding obvious', that pensions have risen at the stated times in the cycle over the last 12 months. No-one denies that. The argument that we have been raising is quite clear: the way the age pension works—and the other pensions that come off that—is by indexation of those payments to keep the actual value of the pension real in comparison to what is happening across the community.
That, indeed, has been changed by this government. And today we heard from Minister Fifield that this change—the 2014-15 change—is still on the table. It is on the table of the minister. However, we were also told that while these things are lying on the table, that actually anyone is able to come forward with suggestions and concerns. Well, what I know is that many people have come through to all of us—and I know it would be to the minister as well—with their concerns about the real value of the pension. This is talking about people who rely on this payment. It is not necessarily people who are able to move in and out of the pension system—and there are some of those. These are people whose fortnightly livelihoods are their payments from their government.

There have been a number of surveys done by the National Council on Ageing and ACOSS, and a number of people who have looked seriously at the rate of pensions and the real impact of indexation. Calculations have been made—and they do vary. The way the current system works is that the pension is indexed by the higher rate of the three models that could be taken: CPI, wages and a particular variant that we introduced which looks at costs and issues for pensioners—three models. Depending on what is happening at the time of the change, the higher of those three indexation rates is put onto the pension. That will change from 2017 if these 2014-15 budget ideas are still on the minister’s table. What we want to know is whether there has been any response to the number of concerns that have been raised about what could lead to a significant reduction in the fortnightly pension income for people reliant on that payment.

We have heard figures of $80 a week—that is a lot of money if that is your sole income. It is a lot of money for anyone who is looking at the rate—(Time expired)

Senator SESELJA (Australian Capital Territory) (15:06): I thank Senator Moore for bringing this very important discussion forward. Before I comment on the question that Senator Moore was taking note of, it is hard to go past the contribution of Senator Cameron in question time—

The DEPUTY PRESIDENT: Senator Seselja, there is only one question before the chair—

Senator SESELJA: I understand that, Mr Deputy President, but I did want to give credit to Senator Cameron for his acknowledgement that the 457 visa for John McTernan was the worst 457 visa ever. It is interesting how quickly Labor turns upon itself.

I will come to the question before the Senate. Indeed I will, because it is very important that we make our pension system sustainable, and keep it sustainable. It is also very important that we do not have scaremongering from the Labor Party and that we do not allow the scaremongering of the Labor Party to go unchallenged.

So I want to make a couple of points about the need for fiscal sustainability and the reality of what is happening to pensions, not what Labor claims is happening to pensions. Labor has claimed that pensions are going down, that pensions are being cut, when in fact that is absolutely not the case. They are doing their best to scare pensioners in this country in a disgraceful scare campaign, which seems to be all that the Labor Party has left. But of course we know that in fact that is not true. So let us deal with the facts rather than what the Labor Party is saying.
We are seeing pensions going up twice a year, as they always have. Let us be clear on that. So we have seen in fact no changes yet to the way pensions are indexed. In fact, what we have seen is pensions going up twice a year. In March of 2014, the total age pension—which comprises the basic rate, the pension supplement and the energy supplement—increased from $827.10 a fortnight to $842.80 for singles, and from $623.40 a fortnight to $635.30 each for couples. In September 2014, the total age pension increased from $842.80 a fortnight to $854.30 for singles and from $635.30 a fortnight to $644.00 each for couples. Both of these pension increases were in line with cost of living increases, which were higher than the alternate indexation option of MTAWE. So, instead of taking at face value what the Labor Party claims, let us deal with the facts: pensions will continue to go up twice a year.

In addition to that, we have gotten rid of the carbon tax, which has seen electricity prices, for the first time in living memory, come down. So one of the great costs for pensioners has been reduced. For the first time in living memory we have managed to lower the cost of energy in the country by getting rid of Labor’s and the Greens’ carbon tax. So pensions have been going up while we have been working on other areas, such as cutting the carbon tax, to lower costs for pensioners and families in this country.

In the time that I have left, I want to make the point—and it needs to be said—that the situation we face where we are looking to make our budget sustainable is not an insignificant one. We have inherited a challenge from the economic vandals in the Labor Party; they thought that they could just spend their way out of trouble, that they could consistently spend more than we earn. And they left us with a debt legacy of $1 billion a month in interest payments. At the moment that is projected to rise to $3 billion a month. That is $100 million more in spending a day than we have in revenue. That is completely unsustainable.

The Labor Party should be condemned for their economic vandalism when they were in office. Our job is to try and restore that. When it comes to pensions, we want to do it by ensuring our pensions remain sustainable so we can look after the most needy, instead of wasting money the way the Labor Party did on all manner of inefficient spending. That is the challenge that we have inherited; that is the challenge that we are up for. We want to make sure that our pensioners get a fair go and that they continue to see their pensions rise and continue to rise into the future.

Senator CAROL BROWN (Tasmania) (15:11): We all know in this chamber, and indeed around the country, that at the last election the Prime Minister promised there would be no changes to pensions. We have known since then that that commitment by the then opposition and now government was a lie.

Unfortunately, here in question time today, we had Senator Fifield, playing with words and using weasel words to say that the pension changes are not ‘cuts’. We all know they are indeed cuts. Senator Seselja has also used those words. It is playing with words, playing with people’s lives, with pensioners’ lives. You do not make savings in your budget if there are no cuts. The savings are there and there is a cut to the pension.

As Senator Moore said in her contribution, changing the indexation to only a CPI indexation does indeed erode the value of the pension. Analysis after analysis, review after review—and the community sector—has estimated that the change to just CPI indexation will result in an $80 a week cut to the pension over the next decade. That is indeed a massive cut.
to the pension and one that pensioners cannot afford. Quite frankly, they were tricked by the Abbott opposition when they were told there would be no changes.

I have had many constituent inquiries—many people ringing up concerned, many pensioners ringing up concerned—begging for the Labor Party to do everything they can to ensure that these changes do not get through the parliament.

We know that in 2009 the Labor government introduced an increase to the pension. We also know that Dr Harmer reviewed the adequacy of the indexation. Following the recommendations of the Harmer review, the Labor government introduced a fairer system of pension indexation by adding a new indicator, which was the pensioner and beneficiary living cost index, and increasing the male total average weekly earnings benchmark to 27.5 per cent. So this government are asking the pensioners—we have 3½ million Australians in receipt of a pension and approximately 2.4 million of those are age pensioners—asking those people who can least afford to take this massive hit on their incomes and who are already doing it hard, to take this massive hit of $80 a week on their pay. They are asking them to take this hit because this government do not care about pensioners.

We have had Mr Morrison trying again to trick the Australian people—and it does not work; they have been caught out—by saying that the latest pension increase was in line with CPI. That is complete and utter rubbish. It was not CPI. If it had been, the pension increase would have been less. That is not hard to understand even for coalition senators. If you only use CPI and you take away the other indexation measures, and those are the measures that would have kicked in, then the increase is less. That is a cut. Unfortunately, those people who can least afford those cuts are being hit by this government, and they deserve better. They deserve to have this Prime Minister, a Prime Minister who said that he would keep his promises, honour the commitment not to change the pension and not to cut the pension. Unfortunately, this government has turned very, very quickly into a very mean and tricky government. (Time expired)

Senator CANAVAN (Queensland) (15:16): What we have heard from the other side in this debate on pension indexation is a clear reflection of the fact that they are completely unengaged with the real problems we face as a nation. The real problem we face is how we are going to continue to pay for stuff. We all want more stuff in our lives but we have to pay for it somehow. The Intergenerational Report 2015, which came out last week—one of the most important reports for some time—shows that if we continue on the path we are on and do not do anything, in 40 years' time the pension is going to cost us $165 billion a year in today's dollars. If you want to check that, Senator Conroy, go to page 69 of the report. That is exactly what it says.

Senator Conroy: Three! It's a hat trick. How many did you score?

Senator CANAVAN: How are you going to fix that, Senator Conroy? Senator Conroy is going to fix that by scoring goals, apparently. He is going to fix it by going and making lots of money for us from the English Premier League and he can pay for all of our pensions.

The DEPUTY PRESIDENT: Senator Canavan, I would ask you to address your remarks through the chair.

Senator CANAVAN: It is $165 billion a year—and that is in today's dollars; there is no inflation there. That is more than a third of our current budget, our current spending. Average
Australians pay about 30 per cent of their income in tax—around $20,000 to $25,000 a year. How will taxpayers pay for everything in the future? In the future a third of our tax is going to have to go to pensions before we fund defence, hospitals, the PBS and Medicare. We have to do something about that if we want to continue to provide an overall safety net for our country—and I certainly want to do that. If we want to continue to help people doing it tough we have to make decisions now or we are going to end up with a situation where our kids and grandkids cannot fund that amount and more radical surgery will have to be undertaken. I do not want that to happen. I want to act now because we are in a position right now to act without panicking. We are in a position to do something about this issue before we get forced to do something about it, when we can no longer borrow money from overseas at the same time low interest rates we can right now and when we have massive amounts of debt but have to continue to go back to foreign markets, to foreign banks and to foreign governments to ask them to bankroll our bills. If we cannot do that, then we have completely lost control. Instead of us, here in this chamber, being able to sit down and debate these matters reasonably and with some flexibility, we will be pushed into a situation where we will be forced to make change—it will be taken out of our parliament's hands and it will be in the hands of those who we would seek finance from.

I noted in Minister Fifield's answer in question time today—I do not know if the other side did—that he did say that we are all ears. We are happy to have a discussion as a government about what alternatives might be in place here to deal with this issue, because this is seriously an issue. But there are no alternatives right now from the other side of this chamber who purport to be an alternative government. If you purport to be an alternative government, you should put up alternative proposals to deal with the major issues that face our nation. I note that the minister was asked by the Labor Party: are we still committed to the changes announced in last year's budget? The minister said that, yes, they are still on the table; we are still committed to making sure that we put a bunch of Australian government spending programs on a sustainable path and we are still committed to hearing other proposals to put those programs in place. I just wonder what the Labor Party are still committed to, because their option to deal with this issue is to put up taxes instead. They are still committed to a carbon tax. We have not heard what they are going to do about a mining tax, but presumably they are still committed to that. They are still committed to policies like shutting down the live cattle trade—which we also heard in question time. They are still committed to making sure that Australians in this country pay more taxes and not to funding our future through making reasonable savings and tough decisions on our budget.

Senator Whish-Wilson interjecting—

Senator CANAVAN: Yes, and the Greens want to put up taxes too. I should not leave you out of this, Senator Whish-Wilson. I do not believe that more taxes are the solution for this country. I do not believe that our future should be based on paying more taxes. I believe taking off taxes is the right way to go about things. I believe that getting rid of the carbon tax was a multihundred dollar boon for pensioners in this nation. We did not take the increased pensions away from them by doing that, but we did take away the increased costs. Those costs are around $500 a year for the average household, and as a result of our decision pensioners no longer have to bear those costs. The extra pensions have been maintained and pensioners are much better off now than they were at the election 18 months ago.
Senator GALLACHER (South Australia) (15:21): I too rise to take note of the answer given by Senator Fifield. I know lots of pensioners, and I interact with quite a number in my suburb, because there is a petition circulating at the moment in respect of some cuts in funding initiated by this federal government. I heard Senator Cormann say today that, if you do not learn from history, you are doomed to repeat the mistakes. Had Tony Abbott's new indexation system been in place for the last four years, a single pensioner on the maximum rate would be around $1,500 a year worse off than today. So here we go. Changing this indexation after making a very deliberate, up-front promise not to do anything in the pension area has been rightly picked up by the pensioner community.

We are accused of scaremongering. We do not have to scaremonger. Pensioners are very, very worried about this indexation proposal. We see the two economic dries, Senator Seselja and Senator Canavan, say: 'It has to be done. It has to be done.' The economic rationalists, in Senator Canavan and Senator Seselja, are sent out here to defend the indefensible. There are all manner of members of this place. Out of the 226 of us, there would be no-one who has not had representation on this issue. This issue is widely held and deeply felt, and it is not a scaremongering campaign. People are very, very worried. There are people who do not make a success of this great economy of ours, who by no fault of their own, by dint of their hard work and effort, have failure in the body, just get through to retirement and then have a respectable living on the pension. It is being denied by these people. They send out their foot soldiers, Senator Seselja and Senator Canavan: 'Well, we can't roll the bills over in 2030. Who will look after us?'

We had a proposition where we could incrementally increase people's chances of having a greater respectable retirement by increasing superannuation. That is the way to do it: allow people to have a good, useful, well-paid job and to have a contribution to superannuation that allows them to build a successful fund to then take control of their retirement. But I have to tell you that superannuation has only been around since 1986. There are a lot of people in the economy who are going to retire with minimum savings in super, just a little bit to keep them from actually being on the poor list, and you are taking away the pension that would sustain them, at least in terms of a minimal subsistence level.

And I do know lots of pensioners. I will touch on one issue: the National Partnership Agreement on Certain Concessions for Pensioner Concession Card and Seniors Card Holders. That means that there is another $190 that is going to go on the rates of pensioners because this government has taken $27 million, I think it is, out of the contribution to that national partnership agreement in South Australia alone. That will affect 160,000 pensioners. So, for all the government's claims of doing great things for pensioners in abolishing the carbon tax, it does that on one hand and then it takes it all back on the other. This really is an issue which will come back to haunt this government. And I do not believe that it will even have the intestinal fortitude to carry it out. Its own backbench is in revolt about it. As I say, it sends out the dry economic foot soldiers, Canavan and Seselja, to give us the spiel—no heart in it, no passion in it, no feeling in it.

The pensioners of Australia and the pensioner organisations of Australia will mount a very successful campaign. We on this side know who we stand with. We stand with the pensioners. We stand with those people who need that payment to survive in a decent way. And we are not about changing an indexation, which allows them to get less. We would prefer that they
continue on the highest possible index to sustain their modest retirement with a bit of dignity as recognition of the hard work they have put into our great Australian economy.

Question agreed to.

Trans-Pacific Partnership Agreement

Senator WHISH-WILSON (Tasmania) (15:26): I move:

That the Senate take note of the answer given by the Minister for Human Services (Senator Payne) to a question without notice asked by Senator Whish-Wilson today relating to the Trans-Pacific Partnership agreement.

This country is currently negotiating the biggest and most dangerous corporate deregulation agenda it has ever seen, in secret, behind closed doors, under the disguise of a trade deal. This deal is called the Trans-Pacific Partnership Agreement. Trade impacts right across our country. The TPP has 30 chapters. We have had some leaked chapters, so we have some idea of what is being negotiated away in our name. But, apart from that, Australians—not just your average Australians but parliamentarians like myself and, I would dare to say, most of the front bench in this government—have not seen any detail at all on this trade agreement.

I have raised issues in this place time and time again, including in question time today, asking for detail to be provided. Anyone who questions this secret, dangerous, deregulation agenda is called a scaremonger. I have raised questions from the AMA, from the Public Health Association, from the Productivity Commission, from the Harper review, from Choice—from a lot of very respected groups across this country who want answers. Last year, when the Senate passed an order for the production of documents for the government to release the text of the Trans-Pacific Partnership Agreement and the government came out and said it could not do so in the national interest, I went and saw our very helpful Clerk, Rosemary Laing. I said, 'What does a senator do in these situations when a government won't listen to what the Senate says?' She passed me Odgers' Australian Senate Practice and said: 'You've got to keep making their life difficult for them. Keep putting up motions. Keep asking questions. Send things off to committee. Keep using the Senate to try and get the government to comply.'

Well, they have not complied. Again Senator Payne said she would take my questions on notice today. Well, I think it is fair to say that for the last five years every Australian, everyone in the USA and everyone in Japan, in Malaysia, in Singapore, in Brunei, in Vietnam and in New Zealand—everyone—has had their questions taken on notice by their respective governments on this secret deregulation agenda. It has an environmental chapter. It has a chapter on intellectual property and how that impacts the Pharmaceutical Benefits Scheme in this country. It has a chapter on internet usage. It has a chapter on labour standards. It has a chapter on quarantine. You see, this deregulation agenda under the disguise of trade is all about synchronising laws and regulations between countries. There is no such thing as free trade; it does not exist, because markets are imperfect. So what this is is an attempt to take away what are called transaction barriers or barriers to transactions and free exchange.

As parliamentarians, we make the laws in this country. Our laws should not be made by negotiations involving one or two ministers in this country and all the special interests that are in their ear the whole time. It is a feast of friends for special interests, particularly big
corporations, at these behind-the-scenes trade deals. They should be coming to us and saying, ‘This is what we want to do.’ We should scrutinise it before it has gone into law.

This will be signed by cabinet before it is given to government, and it cannot be amended—a massive deregulation agenda given to us: ‘Vote for it lock, stock and barrel, or get out of the way.’ How is that fair? How is that equitable? How is that good democracy? Well, it is not, and we have to do something about it here in the Senate, because trade deals are political.

The minister said today that there have been a thousand briefings. I have been to one of them. There was no information given to anyone in the briefings. Yes, they will listen to your concerns, but you do not know if your concerns are taken and put into this text or incorporated in these deals. Why would they be when, for the government of the day and the executive, all the politics around trying to get headlines, sign deals and go up in the polls is driving these deals, rather than getting good legislation in place for things like public health?

I asked a question today about public health. I will continue to ask questions in this place, because it is the only place where I can do so as an elected representative. That is what I was put into parliament for: to hold this government to account. It is high time now for us to be getting answers to questions from this government on the secret deregulation agenda which is the Trans-Pacific Partnership agreement.

Question agreed to.

PERSONAL EXPLANATIONS

Senator CAMERON (New South Wales) (15:32): I seek leave to make a brief personal explanation.

Leave granted.

Senator CAMERON: During question time yesterday, in an answer to a question from Senator McKenzie, Senator Abetz misrepresented me and my conduct in recent budget estimates hearings. Senator Abetz referred to the conduct of an organiser from the CFMEU and suggested I was a defender of the conduct and of thuggery in general. No observer of my conduct as an official of the AMWU, and as a senator in this chamber and in committees of the Senate, can conclude that I am a promoter or defender of criminal or thug-like behaviour. What I have done is examine the conduct of the head of Fair Work Building and Construction, Mr Hadgkiss. That is the right and proper thing for me to do. What is not right and proper is for Mr Hadgkiss, and now the minister, to use allegations of criminal conduct to pursue a political campaign against the Labor Party and me personally.

I have never tolerated intimidation and bullying, and I will not bow to the attempt by the minister to intimidate me in relation to Fair Work Building and Construction. If Senator Abetz has evidence that crimes have been conducted by any person, he should report those crimes to the police, not trot them out as political fodder during Question Time. If the criminal conduct alleged by Senator Abetz has taken place, I condemn it and urge Senator Abetz to refer his allegations to the police so they can be properly investigated.

I seek leave to table a document.

Leave granted.
Senator CAMERON: Thank you. This document is a media release from the CFMEU under the name of its national secretary, Mr Michael O'Connor, in response to allegations made under parliamentary privilege. The CFMEU have called on Fair Work Building and Construction—

The PRESIDENT: Senator Cameron, personal explanations have to relate to you personally. If you are now going to introduce a defence or an explanation on behalf of another entity, that is not in order.

Senator CAMERON: I am happy for that advice, Mr President. I simply table the document. I will go back to where I was. If the criminal conduct alleged by Senator Abetz has taken place, I repeat: I condemn it and urge Senator Abetz to refer his allegations to the police so they can be properly investigated. Senator Abetz has grossly misrepresented my conduct. I reject that misrepresentation, and I thank the Senate for allowing me to correct the record.

PETITIONS

The Clerk: A petition has been lodged in accordance with the list circulated to senators. The terms of the petition will be incorporated in Hansard.

Higher Education

TO THE HONOURABLE PRESIDENT AND MEMBERS OF THE SENATE IN PARLIAMENT ASSEMBLED

Support student choice. Support higher education reform

There are more than 100,000 students in Australia who choose to study with a non-university higher education provider.

We choose these learning institutions because they suit our educational goals, career aspirations and personal circumstances.

The degree we receive is of equal value to its equivalent at a public university.

But we are penalised for this choice.

As a student studying with a private higher education provider, we cannot access government financial support. Unlike students who study at public universities, we pay full fees and an extra 25% on our HECS debt.

We call on the Senators of the Australian Parliament to support student choice. Why should we be disadvantaged simply because of where we choose to study?

Education is about increasing opportunity for all.

We urge you to pass the government's higher education reforms so that all students may have access to government supported places regardless of where they choose to study.

After all, it's all about choice.

http://www.ipetitions.com/petition/support-student-choice-support-higher-education

by Senator McKenzie (from 1,453 citizens).

Petition received.
NOTICES

Presentation

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (15:35): I give notice that on the next day of sitting I shall move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Public Governance and Resources Legislation Amendment Bill (No. 1) 2015, allowing it to be considered during this period of sittings.

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

The statement reads as follows—

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2015 AUTUMN SITTINGS
PUBLIC GOVERNANCE AND RESOURCES LEGISLATION AMENDMENT BILL (No. 1) 2015

Purpose of the Bill

The Bill would support the ongoing implementation of the Public Governance, Performance and Accountability Act 2013 (PGPA Act) which commenced on 1 July 2014. For example, the Bill would make:

- technical amendments to further improve the operation of the PGPA Act, including a provision to support the administration of GST obligations of non-corporate Commonwealth entities;
- amendments to provisions within the Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014 (PGPA (C&T) Act) that would streamline transitional arrangements supporting the implementation of the PGPA Act;
- amendments to the enabling legislation of Commonwealth entities to harmonise with the PGPA Act;
- amendments to improve and clarify the governance and resource management arrangements of the enabling legislation of Commonwealth entities that have been identified during consultation.

Reasons for Urgency

A number of amendments contained in the Bill are required to be in place for the new financial year, commencing 1 July 2015. There are no administrative alternatives to implement the effect of these amendments and as a result, there would be several adverse results if the Bill is not passed by 1 July 2015. For example, the Bill would amend the:

- PGPA Act to provide ongoing legislative authority for GST arrangements that support the management of GST by non-corporate Commonwealth entities, such as Departments of State. These arrangements must be in place before 1 July 2015. Without this amendment, GST inclusive payments made by non-corporate Commonwealth entities may fail to be sufficiently supported by appropriations, and in some cases entities may be unable to fully fund payments to suppliers and cover remissions to the ATO. As part of the PGPA (C&T) Act, transitional provisions preserved GST arrangements under the Financial Management and Accountability Act 1997 until 30 June 2015; and
- enabling legislation of four entities, the Clean Energy Regulator (CER), the Murray-Darling Basin Authority (MDBA), the Climate Change Authority (CCA) and the Reserve Bank of Australia, to address their currently sub-optimal legal structures. These structures adversely impact their...
operations, to differing degrees. The structures of the four entities have been addressed in a transitional rule, which will lapse on 30 June 2015. Without a permanent solution in legislation, CCA and CER would revert to being corporate entities, impacting on how they currently operate on a day to day basis, and how they manage their legal obligations and reporting requirements. The MDBA Chief Executive would be unable to manage the day to day administration of the entity in their own right, and members of the Reserve Bank Board would not be able to disclose material personal interests in an efficient manner.

**Presentation**

**Senator Bilyk** to move:

That the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity be authorised to hold private meetings otherwise than in accordance with standing order 33(1) during the sittings of the Senate, as follows:

(a) Thursday, 14 May 2015; and
(b) Thursday, 18 June 2015.

**Senator Singh** to move:

That the Parliamentary Joint Committee on Law Enforcement be authorised to hold private meetings otherwise than in accordance with standing order 33(1) during the sittings of the Senate from 5.30 pm, as follows:

(a) Wednesday, 13 May 2015; and
(b) Wednesday, 17 June 2015.

**Senator O’Sullivan** to move:

That the Senate notes Fortescue Metals Group chairman, Mr Andrew ‘Twiggy’ Forrest’s self-described ‘ten-year aspirational challenge’ to develop 5 000 gigalitres of water from existing aquifers in Australia to irrigate and drought-proof farmland, as well as to open up thousands of hectares of land for new agricultural projects.

**Senator Ludlam** to move:

That the Senate—

(a) notes that:

(i) Perth is in urgent need of a light rail network to serve the metropolitan area,

(ii) the Barnett State Government committed to the Metro Area Express ‘MAX’ light rail network for Perth at the 2013 state election, and

(iii) only 18 months later, the Barnett Government walked away from the project; and

(b) calls on the Abbott Government to:

(i) reallocate the $500 million funding promised for the Perth Light Rail, and

(ii) immediately reallocate the $900 million currently allocated to the Perth Freight Link to public transport and alternative freight options.

**Senator Lazarus** to move:

That the resolution of the Senate of 30 September 2014 appointing the Select Committee on Certain Aspects of Queensland Government Administration related to Commonwealth Government Affairs be amended as follows:

(1) Omit paragraph (4), substitute:
(4) That the committee consist of 5 senators, 1 to be nominated by the Leader of the Government in the Senate, 2 to be nominated by the Leader of the Opposition in the Senate, 1 to be nominated by the Leader of the Australian Greens and 1 to be nominated by any minority party or independent senators.

(2) Omit paragraph (7), substitute:

(7) That the committee elect as chair a member nominated by any minority party or independent senators and, as deputy chair, a member nominated by the Leader of the Opposition in the Senate.

Senator Milne to move:

That the Senate—

(a) congratulates the Australian Business Roundtable for Disaster Resilience and Safer Communities for being the first private sector organisation to win the prestigious 2015 United Nations Sasakawa Award for Disaster Risk Reduction;

(b) notes the work of the Productivity Commission that the Federal Government has spent record levels of over $13.7 billion on post-disaster relief and recovery in the past decade, while outlays on pre-disaster mitigation were only 3 per cent of this figure;

(c) notes the increasing frequency and intensity of extreme weather events as global temperatures rise; and

(d) calls on the Federal Government to massively invest in pre-disaster mitigation in order to reduce post-disaster spending, while saving homes, lives, critical infrastructure and reducing insurance premiums.

Senator Fifield, Senator Moore and Senator Siewert to move:

That the Senate—

(a) notes that 21 March 2015 is World Down Syndrome Day;

(b) acknowledges that the theme for the 4th World Down Syndrome Conference to be held at the United Nations (UN) headquarters in New York on Friday, 20 March 2015, is 'My Opportunities, My Choices—Enjoying Full and Equal Rights and the Role of Families'; and

(c) expresses its congratulations, best wishes and support for the Australians attending the UN conference and all members of the Australian Down syndrome community who have been celebrating World Down Syndrome Day during the week beginning 15 March 2015 and will do so this weekend.

Senator Rhiannon to move:

That the Senate—

(a) notes that:

(i) the New South Wales Labor Party recently received a political donation from coal seam gas company Santos Ltd,

(ii) the New South Wales Labor Party subsequent to taking the donation, returned $2 200 to Santos Ltd acknowledging this money would cause community doubt that Labor was committed to a coal seam gas-free north coast,

(iii) in the recent New South Wales leaders' debate the Labor leader, Mr Luke Foley, failed to rule out coal seam gas development if Labor formed government with his statement that there is a role for gas in the state's energy future, and

(iv) the Federal Labor Party received more than $90 000 from Santos Ltd in the 2012-13 and 2013-14 financial years; and

(b) calls on the Federal Government to:

(i) ban political donations from mining and coal seam gas companies, and
(ii) end coal seam gas and coal mining on agricultural land and associated water resources.

Senator Fifield to move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Public Governance and Resources Legislation Amendment Bill (No. 1) 2015, allowing it to be considered during this period of sittings.

Withdrawal

Senator XENOPHON (South Australia) (15:36): I withdraw business of the Senate notice of motion No. 2 standing in my name for today, proposing a reference to the Economics Legislation Committee.

COMMITTEES

Legal and Constitutional Affairs References Committee

Reporting Date

The Clerk: Extension notifications have been lodged by committees as follows:
Legal and Constitutional Affairs References Committee—
Australian Federal Police—Oil for Food Taskforce—extended to 24 March 2015
comprehensive revision of the Telecommunications (Interception and Access) Act 1979—extended
from 18 March to 23 March 2015.

The PRESIDENT (15:37): Does any senator wish to have any of those motions put? There being none, we will proceed.

Rural and Regional Affairs and Transport References Committee

Reference

Senator McKENZIE (Victoria) (15:37): I, and also on behalf of Senators Williams, Canavan and O'Sullivan, move:

That the following matter be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 12 August 2015:

The effect of market consolidation on the red meat processing sector, and in undertaking the inquiry, the committee consider:
(a) the potential for misuse of market power through buyer collusion and the resultant impact on producer returns;
(b) the impact of the red-meat processor consolidation on market competition, creation of regional monopolies and returns to farm gate;
(c) the existing selling structures and processes at saleyards, particularly pre- and post-sale weighing, as well as direct sales and online auctions, and whether they remain relevant;
(d) the regulatory environment covering livestock, livestock agents, buyers and meat processors; and
(e) any related matter.

Question agreed to.

MOTIONS

Melanoma March

Senator O'NEILL (New South Wales) (15:38): I, and also on behalf of Senators Di Natale, Xenophon and Seselja, move:
That the Senate notes that:

(a) 12,500 Australians are diagnosed with melanoma each year, and 1,650 of those are diagnosed with advanced melanoma;
(b) advanced melanoma kills more than 1,500 Australians each year—or one death every 6 hours;
(c) melanoma is the most common cancer in young Australians aged 15 to 39, and those diagnosed with advanced melanoma have a median survival of only 8 to 9 months;
(d) melanoma is estimated to be the third most commonly diagnosed cancer in 2014 in Australian:

(i) males, after prostate and colorectal cancer, with 7,440 cases, and
(ii) females, after breast and colorectal cancer, with 5,210 cases;
(e) advanced melanoma costs hundreds of millions of dollars each year, and has a devastating personal cost to individuals and families; and
(f) in March, Australians around the country will participate in the Melanoma March community walks to raise awareness of melanoma.

I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator O’NEILL: Clearly melanoma is an issue that is increasingly confronting Australian families right across this country. Sadly, Australia is winning the race in terms of the amount of melanoma per capita. That is why what is happening with the Melanoma March right across this country is so important. The seaside city of Gosford on the Central Coast is looking forward to their third annual Melanoma March, from which funds will be raised to contribute to ongoing research with regard to melanoma. Funds raised, obviously, are vital for the research that will inform practice moving forward, and there are very heartening signs of new methodologies that elevate the immune system to help people overcome and fight melanoma from within their own bodies.

Small towns like Picton in rural New South Wales and right across the country, from Bathurst to Tweed Heads, Wagga Wagga and Bribie Island, will be participating, and I encourage senators and community members to participate fully.

Question agreed to.

Cyclones

Senator MILNE (Tasmania—Leader of the Australian Greens) (15:40): I move:

That the Senate—

(a) notes:

(i) the tragic loss of life and devastating impacts of Tropical Cyclone Pam on schools, hospitals, homes, water supplies, crops, fertile lands and critical infrastructure in Vanuatu,
(ii) the initial $5 million pledged by the Government and encourages ongoing increased support and assistance as it is requested by our Pacific neighbours, and
(iii) that the President of Vanuatu, Mr Baldwin Lonsdale, has attributed the intensity of the damage wreaked by Cyclone Pam to global warming; and

(b) calls on the Government to:

(i) heed and act on the Intergovernmental Panel on Climate Change 6th assessment report on extreme weather events as they are intensified by global warming, and
(ii) prepare updated disaster mitigation and response plans as the impacts of global warming worsen.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The Australian government stands firm in its support of our friends in the Pacific who have been impacted by Cyclone Pam. Australia has provided in excess of $8.5 million in initial emergency humanitarian assistance to deal with the crisis. This is in addition to the $60.4 million in development assistance we will provide to Vanuatu in 2014-15. The Australian government is acting decisively on climate change. The government is committed to reducing Australia’s carbon emissions by five per cent below 2000 levels by 2020. This target is comparable with other advanced economies and that put forward by the opposition. In contrast to our colleagues opposite, we obviously did not support their mechanism for dealing with this matter.

Question agreed to.

Same-Sex Relationships

Senator HANSON-YOUNG (South Australia) (15:42): This is a motion relating to a free conscience vote on marriage equality by all members in this place and the other. I move:

That the Senate agrees that all members of Parliament and senators should be granted a conscience vote on the issue of equal marriage in Australia.

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (15:42): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator BRANDIS: The government will be opposing this motion. There is a sense in which for the Liberal and National parties every vote is a conscience vote in the sense that all members of the Liberal and National parties are always at liberty to vote at variance from their parties' agreed position. If they happen to be members of the front bench then they are expected to retire from the front bench if they wish to exercise that right, but that is a right they undoubtedly have. So it is inappropriate to describe what Senator Hanson-Young has in mind as conscience vote, though she did say in moving the motion a 'free' vote.

Whether or not a political party grants a free vote—in other words, gives its members liberty to vote at variance from the party's position—or indeed does not adopt a party position is entirely a matter for the domestic management of the political party. It is inappropriate and, frankly, not the Senate's business to interfere with the domestic management of a political party. (Time expired)

Senator HANSON-YOUNG (South Australia) (15:43): I wish to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator HANSON-YOUNG: I thank Senator Brandis for his government retort on this. I think it is absolutely important and totally in line with representing the views of my constituents in this place. Overwhelmingly Australians believe that their members of parliament should be able to vote freely on the issue of marriage equality. That has been heard loud and clear by many people in this place. I must say that I understand Senator Brandis has to follow Tony Abbott’s line on this, but I was just trying to let him free.
Mental Health

Senator WRIGHT (South Australia) (15:45): I, and also on behalf of Senator McLucas, move:

That the Senate—
(a) notes the effects of Commonwealth funding uncertainty on the mental health sector, including staff loss, a reduction in services to clients and declining staff morale;
(b) understands that 40 per cent of mental health organisations have already experienced loss of staff due to funding uncertainty, as outlined in a survey by Mental Health Australia;
(c) notes that skilled mental health practitioners have commenced leaving rural communities to find work in urban areas due to employment uncertainty;
(d) recognises that mental health organisations will soon be required under law to give notice to staff whose jobs are no longer secure as a result of Commonwealth funding uncertainty;
(e) acknowledges the financial and mental health impacts of job insecurity for those working in the mental health sector; and
(f) calls on the Federal Government to urgently end the funding uncertainty plaguing the mental health sector and give organisations the confidence they need to plan ahead and continue to provide vital mental health services for Australians.

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (15:45): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: On behalf of Minister Ley, the Abbott government are absolutely committed to improving the lives of Australians with a mental illness and their families. As part of the budget we delivered on our election commitments by expanding the headspace network to 100 sites, by establishing a National Centre of Excellence in Youth Mental Health and by establishing a comprehensive new youth e-mental health platform. We are committed to building a world class mental health system that delivers the best possible services to support people experiencing mental ill-health. That is why we have tasked the National Mental Health Commission to do a thorough review of all existing services—state, federal and non-government. The final report has been concluded and provided to government. We will now consider the report and its recommendations and will respond to the review after appropriate consultations. The government are conscious of the need to resolve these matters quickly, and will advise mental health service providers and others soon.

Question agreed to.

DOCUMENTS

WestConnex

Order for the Production of Documents

Senator RHIANNON (New South Wales) (15:46): I move:

That there be laid on the table by the Minister representing the Minister for Infrastructure and Regional Development, no later than 4 pm on Wednesday, 25 March 2015, the following documents relating to the WestConnex road project in New South Wales not previously provided to the Senate, including but not limited to:
(a) any agreements or Memorandum of Understanding detailing the milestones and requirements that New South Wales must meet, tied to the Commonwealth funding commitment;
(b) traffic modelling forecasts, including alternative public transport options available, and the resultant effects on inner Sydney congestion and transport connections;
(c) routes under consideration, or previously under consideration, including tunnel exit and entry points;
(d) exhaust stack chimney locations and air pollution forecasts;
(e) modelling of proposed tolls and predicted costs per trip; and
(f) construction cost estimates.


The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government opposes this motion. WestConnex is a critical project for Sydney that will provide much needed congestion relief for commuters, deliver an estimated $20 billion of economic benefits to New South Wales and create 10,000 jobs during construction. The Australian and New South Wales governments are absolutely committed to building this project. Construction has already started on the first section which involves widening the M4 between Church Street and Homebush Bay Drive. This will cut morning east-bound travel times along this section by up to 74 per cent from 19 minutes down to five. Once completed WestConnex will increase capacity and slash travel times from Western Sydney and south-western Sydney to the CBD, airport and Port Botany. It will also enable the urban renewal of Parramatta Road.

Extensive information on the project and its benefits are widely available to the public, including the summary business case, two environmental impact statements and Infrastructure Australia's assessment of the project. The assessment process for each section of WestConnex can be viewed on the New South Wales Department of Planning and Environment website, and any concerns relating to potential community impacts can continue to be expressed through the environmental impact statement processes.

Question agreed to.

MOTIONS

Nuclear Energy

Senator DAY (South Australia) (15:48): I move:

That the Senate—

(a) welcomes the South Australian Government's Royal Commission into the Nuclear Fuel Cycle;
(b) notes That the Prime Minister (Mr Abbott) said recently 'it's important to see how South Australia can benefit from greater participation in the nuclear cycle'; and
(c) informs the South Australian Royal Commission of this resolution.


The PRESIDENT: Leave is granted for one minute.

Senator MOORE: Labor believes that nothing is to be gained by politicising the royal commission. The royal commission is a matter for South Australia. It will gather the latest expert advice on complex public policy matters. Federal Labor has a longstanding opposition
to nuclear power based on the best available expert advice. South Australia's inquiry will consider a range of critical economic, social, legal and environmental issues. Labor welcomes the commitment of the Commonwealth government to ensure their agencies cooperate fully with the royal commission in areas such as radiation protection, nuclear security policy and international nuclear law.

Senator LUDLAM (Western Australia) (15:49): I seek leave to make a brief statement.

The PRESIDENT: Leave is granted for one minute.

Senator LUDLAM: Before we commit this to a vote, with greatest respect to Senator Day, it is presently illegal to build nuclear power stations in Australia, and it is presently illegal to import high-level radioactive waste, or spent fuel, or reprocessing wastes from overseas. I respectfully suggest that Senator Moore might like to have a quiet word with some of her South Australian colleagues, who appear to have wandered off the reservation. The Greens will be opposing this motion for the very fact that the nuclear industry is basically a dead industry walking. Wherever you look in the world, the industry is going out the back door fast. I do not see why we would tie the South Australian economy, or any other part of the Australian economy, to the most expensive, risky, time-consuming, polluting, downright dodgy, electricity generation method. The most insane way of boiling water that has ever been devised—

Senator McKenzie interjecting—

Senator LUDLAM: Senator McKenzie, that would be misleading the Senate. It is very important, and I agree with Senator Moore— (Time expired)

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

The Senate divided. [15:54]

(The President—Senator Parry)

Ayes ....................34
Noes ....................33
Majority ...............1

AYES

Back, CJ
Birmingham, SJ
Canavan, M.J.
Colbeck, R
Edwards, S
Fierravanti-Wells, C
Heffernan, W
Leyonhjelm, DE
Madigan, JJ
McGrath, J
Muir, R
O'Sullivan, B
Payne, MA
Ronaldson, M
Ryan, SM
Sinodinos, A
Wang, Z

Bernardi, C
Bushby, DC (teller)
Cash, MC
Day, R.J.
Fawcett, DJ
Fifield, MP
Johnston, D
Macdonald, ID
Mason, B
McKenzie, B
Nash, F
Parry, S
Reynolds, L
Ruston, A
Seselja, Z
Smith, D
Williams, JR
Senator Brandis did not vote, to compensate for the vacancy caused by the resignation of Senator Faulkner.

Question agreed to.

Live Animal Exports

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (15:57): I, and also on behalf of Senator Back, move:

That the Senate recognises:

(a) recent comments to the media by Australian Cattle Veterinarians Association president, Dr Enoch Bergman, in support of Australia’s live export trade;

(b) that Dr Bergman told Australian Broadcasting Corporation Rural on 11 February 2015 that Australia's participation in the live trade enabled it to influence animal welfare outcomes among destination nations: ‘If Australia were to be removed from that conversation those cattle would be sourced elsewhere. Our role would be supplanted, and I think we're well engaged to actually influence welfare outcomes where those animals land’; and

(c) That the Australian Cattle Veterinarians Association is a sub-section of the Australian Veterinary Association and reports on the welfare of sheep and cattle.


The PRESIDENT: Leave is granted for one minute.

Senator RHIANNON: This motion misleads the Senate and should be withdrawn. The Australian Veterinary Association and the Australian Cattle Veterinarians group have
distanced themselves from suggestions that they support the live export industry. They have stated in their media release:

This is not accurate. We do not support or oppose the live export industry. Rather, we emphasise that while the trade continues, high animal welfare standards should be maintained and enforced.

Senators Back and O'Sullivan have got it wrong again. Their assertion that Australia’s live export trade inspires positive change in the importing countries is an absurdity. Australia sends animals to some countries with the worst animal welfare records in the world. The Greens reiterate the call to support the transition to chilled meat exports, which grows more Australian jobs and boosts our regional economies.

**Senator O'SULLIVAN** (Queensland—Nationals Whip in the Senate) (15:58): I seek leave to make a short statement.

**The PRESIDENT:** Leave is granted for one minute.

**Senator O'SULLIVAN:** I would invite Senator Rhiannon to look carefully at the motion because it relates to a specific individual who is quoted as having made a statement. That individual stands by his statement and there is no reference to him making the statement in a particular capacity. It is in relation to his own capacity.

Question agreed to.

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (15:59): by leave—Mr President, under the standing orders I ask that the Greens be recorded as being opposed to the motion.

**Housing Affordability**

**Senator DAY** (South Australia) (15:59): I, and also on behalf of Senator Leyonhjelm and Senator Lambie, move:

That the Senate—

(a) condemns the deliberate restriction of land for new housing and subsequent price gouging by state and territory land management agencies; and

(b) highlights the constraints on land supply which are the principal causes of worsening housing affordability.

**Senator LUDLAM** (Western Australia) (16:00): I seek leave to make a brief statement.

**The PRESIDENT:** Leave is granted for one minute.

**Senator LUDLAM:** The Australian Greens will not be supporting this motion, mainly because the second part, which goes to the issue of land supply, asks the Senate to agree that land supply is the principal cause of worsening housing affordability. I think that is, unfortunately, flat wrong. There is no question that it is a factor, but that kind of oversimplification of the housing—

**Senator Day interjecting—**

**Senator LUDLAM:** What would you know? When was the last time you visited, Senator Day, a mining town in the north-west of Western Australia? It is not simply land supply—

**Honourable senators interjecting—**

**Senator LUDLAM:** You might learn something if you just settle down. In some markets, it is population growth, the mining boom and construction costs. What about a tax system that
has pitted investors against young first home buyers? A simple-minded concentration on land supply is stranding many young families—far from jobs, services and public transport—a long way from town. It is much more complex than this motion would indicate.

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

The Senate divided. [16:02]

(The President—Senator Parry)

Ayes ..........................10
Noes ..........................48
Majority .......................38

**AYES**

Back, CJ
Day, R.J. (teller)
Leyonhjelm, DE
Muir, R
Wang, Z

**NOES**

Bilyk, CL
Bullock, J.W.
Cameron, DN
Colbeck, R
Dastyari, S
Edwards, S
Fifield, MP
Hanson-Young, SC
Lazarus, GP
Ludlam, S
Marshall, GM
McEwen, A (teller)
McKenzie, B
Milne, C
Nash, F
Parry, S
Peris, N
Reynolds, L
Rice, J
Ruston, A
Siewert, R
Smith, D
Urquhart, AE
Whish-Wilson, PS

Canavan, M.J.
Lambie, J
Madigan, JJ
O’Sullivan, B
Williams, JR

Birmingham, SJ
Bushby, DC
Cash, MC
Collins, JMA
Di Natale, R
Fierravanti-Wells, C
Gallacher, AM
Ketter, CR
Lines, S
Ludwig, CR
Mason, B
McGrath, J
McLucas, J
Moore, CM
O’Neill, DM
Payne, MA
Polley, H
Rhiannon, L
Ronaldson, M
Ryan, SM
Sindonis, A
Sterle, G
Waters, LJ
Wright, PL

Question negatived.

*In division—*

**The PRESIDENT** (16:02): Order! Senator Heffernan, you are not participating in the division. I remind senators they cannot move once I have appointed tellers.
Cruise Ship Terminals

Senator RHIANNON (New South Wales) (16:06): I seek leave to amend general business notice of motion No. 659 standing in my name, relating to cruise ship terminals.

Leave granted.

Senator RHIANNON: I move the motion as amended:

That the Senate—

(a) notes that:

(i) a New South Wales parliamentary inquiry into the Environment Protection Authority found that the decision to build a $57 million cruise ship terminal at White Bay in Balmain, instead of at Barangaroo, was a ‘serious error’, and acknowledged the significant impact of fumes and the corresponding issues with noise and vibrations have had on the quality of life of the surrounding community,

(ii) the relocation of the cruise ship terminal to White Bay was opposed by the cruise ship industry, local councils and community groups alike,

(iii) since the White Bay facility opened in 2013 it has received many complaints from local residents concerned about the health impacts of the air and noise pollution associated with cruise ships,

(iv) the cruise ship industry is growing significantly and contributes to the Australian tourism industry and local jobs, and

(v) as a growing industry, the cruise ship industry must minimise its growing environmental impacts and remove the significant health risks that its high sulphur fuels currently pose; and

(b) calls on the Federal Government to work with state governments on a national plan that enables the cruise ship industry to:

(i) implement mandatory requirements that all new cruise ship terminals have ship-to-shore power,

(ii) implement the New South Wales parliamentary recommendations to install shore to shore power for ships when they are moored at White Bay, and for cruise ship operators to develop noise mitigation strategies, and

(iii) ensure that the maximum allowable sulphur content for all cruise ship fuels is reduced to 0.1 per cent in line with United States of America and European Union regulations.

Senator MOORE (Queensland) (16:06): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator MOORE: Labor acknowledges efforts to refine the wording of this motion, but we are unable to come to an agreement on final words. Labor welcomes cruise ships to Australia as a rapidly growing means of bringing international tourists to Australia, therefore creating local jobs. As with all industries, the environmental impacts of cruise shipping need to be carefully managed. New South Wales Labor acted to refer White Bay community concerns to a New South Wales inquiry, and it has welcomed the recent decision of the New South Wales government to copy New South Wales Labor’s policy to mandate low-sulfur fuel. Federal Labor supports work with state governments and the cruise industry to minimise local community impacts, including fuel use, berthing practices, noise monitoring and ship to shore power.


The PRESIDENT: Leave is granted for one minute.
**Senator FIFIELD:** The decision to put White Bay cruise ship terminal next to a residential area in Balmain was made by New South Wales Labor. The New South Wales coalition government is taking action. By 1 January 2020, all ships docked at Australian ports must comply with much stricter pollution controls when docked in port. A revised international agreement will provide much stricter limits on air pollutants contained in ship exhaust gas, including sulfur oxides and nitrous oxides, and prohibit deliberate emissions of ozone-depleting substances. By 2020, all ships docked at White Bay will be required to implement new measures to reduce the sulfur cap in fuel from 3.5 per cent to 0.5 per cent. The Commonwealth government congratulates the New South Wales Minister for the Environment, Rob Stokes, for commencing consultations with the cruise industry to bring forward new measures ahead of 1 January 2020. The Commonwealth government supports stronger action to improve air quality, including actions by the cruise ship industry to introduce measures ahead of 2020 to reduce sulfur dioxide emissions from cruise liners docked at ports near residential areas. *(Time expired)*

**The PRESIDENT:** The question is that the motion moved by Senator Rhiannon, as amended, be agreed to.

The Senate divided. [16:09]

(The President—Senator Parry)

Ayes ......................11
Noes ......................43
Majority ................32

**AYES**

Di Natale, R
Lazarus, GP
Milne, C
Rice, J
Waters, LJ
Wright, PL

**NOES**

Back, CJ
Bullock, J.W.
Cameron, DN
Colbeck, R
Day, R.J.
Fawcett, DJ
Fifield, MP
Ketter, CR
Lines, S
Lundy, K.A.
Marshall, GM
McEwen, A (teller)
McKenzie, B
Moore, CM
Nash, F
O'Sullivan, B
Payne, MA

Hanson-Young, SC
Ludlam, S
Rhiannon, L
Siewert, R (teller)
Whish-Wilson, PS

Birmingham, SJ
Bushby, DC
Canavan, MJ.
Collins, JMA
Edwards, S
Fierravanti-Wells, C
Gallacher, AM
Lambie, J
Ludwig, JW
Madian, JJ
Mason, B
McGrath, J
McLachlan, J
Muir, R
O'Neill, DM
Parry, S
Peris, N

**CHAMBER**
MATTERS OF PUBLIC IMPORTANCE

Superannuation Inequality and Housing Affordability

Senator PARRY (Tasmania—President of the Senate) (16:11): A letter has been received from Senator Siewert:

Pursuant to standing order 75, I propose that the following matter of public importance be submitted to the Senate for discussion:

The Abbott Government's failure to tackle superannuation inequality and housing affordability.

Is the proposal supported?

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

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

Senator MILNE (Tasmania—Leader of the Australian Greens) (16:12): I rise today to note the Abbott government's failure to tackle superannuation inequality and housing affordability. No-one could have missed the Treasurer's thought bubble that suddenly superannuation could be a source of funds for people to take out to buy a home. Out it went, spun out on the airwaves, without any backing, consideration, modelling, reports—anything. It was just spun out there as another thought bubble. What it demonstrates is that the coalition does not have a clear idea of what superannuation is intended to do, nor has it got any real grasp of the issue of housing affordability. That was shown here in the Senate a few minutes ago when we had the ridiculous proposition put before us that the principal reason for housing affordability issues is the failure to free up cheap land on the edge of cities. I am distracted, because that is the most ridiculous proposition. Everybody knows that the poorest people are forced to the furthest edges of the cities, where there is no public transport and no services. They drive the oldest and least efficient cars. They end up in hot boxes on the edges of cities and in poverty traps. That is not the way that you are going to change the issues of housing affordability. But I am going to allow my colleague Senator Ludlam to speak more on that.

I want to speak to the issue of the government's failure to tackle inequality in our current superannuation system. Superannuation in Australia is meant to be a way of delivering a comfortable retirement for everyone and taking pressure in the long term off the age pension, enabling people to save for their retirement. It is not meant to be a tax haven for the wealthy, and that is what it has become—a tax haven for the wealthy. That is why the Greens have put forward a more than reasonable proposition that says it is not reasonable that you put money into superannuation and it is taxed at a flat 15 per cent. How is that fair, if people can load up
their superannuation at 15 per cent when they would be paying 47c if they were in that tax bracket? They get away with a 32c in every dollar windfall gain, knowing when they turn 60 they can take it out tax-free. It is a way of using the superannuation system as a tax haven. What we have said is: let’s get serious about raising revenue. Let’s get serious about removing the tax breaks that are skewed very heavily in favour of high-income earners and start caring for lower-income workers.

We had it looked at by the Parliamentary Budget Office and quite clearly you can raise more than $10 billion—$10.16 billion would be raised over four years—if you brought in a progressive superannuation proposal. For people earning up to $100,000 nothing would change, so it affects those on high incomes. It goes back to the principle that superannuation is about saving for your retirement. Yet what have we seen in here? We have seen the government maintain the inefficient and unfair system, and also move to abolish—which is just disgraceful—the low income super contribution. These are people who earn less than $37,000 a year. They have to have money going into superannuation. It goes in and it is taxed. That is just wrong. They are paying disproportionately more and that is why there was a low-income super contribution of $500 which the government put into super accounts so that you do not lose around $27,000 in expected retirement savings—because that is effectively what happens to people who earn less than $37,000 if you take away that low-income supplement. But the government was mean enough to say to people who earn less than $37,000: ‘You pay; the rest can use it as a tax haven.’

That is why we should adopt this policy. It is $10.16 billion. It is there for the taking in this year’s budget, and I urge the government to do that and ditch this nonsense idea that you can continue to use superannuation as a tax haven and a way of accessing money for housing. That is not what it is designed to do. (Time expired)

Senator SINODINOS (New South Wales) (16:17): I welcome this debate today. It is a good debate to have because there are issues around both the structure of superannuation and the matter of housing affordability. I do not think it is a matter that can be swept under the carpet.

I come first to superannuation. The important thing about superannuation is that, on all sides of politics now, it is accepted that we have the three pillars of superannuation. We have the compulsory superannuation guarantee; we have voluntary savings; and we have the age pension. Wealthier Australians have a higher capacity to fund their own retirements; less-well-off Australians will rely more—wholly or partly—on the pension. The government asked David Murray and the Financial System Inquiry to look at superannuation, and one of their findings was that superannuation tax concessions were poorly targeted. The government has agreed with the inquiry to refer this issue to the tax white paper process. In other words, there is recognition that change may be necessary and there is a process which is being put in place to look at that. One of the lessons of the recent past is not to put major structural reforms, for example, into a budget context. The Prime Minister has made that very clear in recent times. What we are doing is putting in place a process where in a coherent way, as part of a look at the whole of the taxation system, we can look at issues around these sorts of tax concessions.

There has been a lot of debate about the cost of those concessions. Treasury have produced certain estimates. There are others who have produced different estimates. Some claim the
estimates are inflated. That tax white paper process is a place where we can have a look at the proper cost of those concessions and how they should be targeted. One point I will make, as a survivor of the 1996 Howard government, is that one of the measures we took in that budget was the superannuation surcharge. It was seen as hitting, in large measure, our own base; but it was part of a series of measures to try to sell cuts across the board. So there is a history within the coalition of looking at the equity of superannuation. Our history says we do that and what we are doing now, through the white paper process, is continuing that inquiry.

The 2010 Australia's Future Tax System Review found that super should continue to receive tax assistance but there is a case for distributing assistance more equitably between high- and low-income individuals. The Rudd government did not adopt the AFTS review's recommendations on this matter; but we are going further and we will have a proper review.

I come to this issue about the low-income superannuation contribution. I take the point that Senator Milne has made. The dilemma for the coalition was this: it was one of a number of spending measures which were tied to the minerals resource rent tax by the former government, a tax which we have since repealed—a tax which was failing to raise revenue it was meant to raise. It was initially, you will all recall, the resources super profits tax. It became over time, as it was further refined, the minerals resource rent tax. It never made the billions of dollars of estimated revenue that was being touted by the former government, yet tied to it was a whole series of spending measures. These measures were tied to it because the idea was: 'We are raising all this revenue. We are taxing'—allegedly—'these foreign multinationals and all that money will go in spending, often recurrent spending, across the broader community.' The fact of the matter was we had to make our decision. If you are getting rid of the tax, what do you do about the spending associated with the tax? That was why we are committed to repealing the low-income superannuation contribution. We are taking a comprehensive look at tax arrangements for super through the tax white paper process.

In recent times there has been debate about the aims and objectives of superannuation. Yes, we all agree: the overriding objective should be to try to provide, as Senator Milne suggested, for a more comfortable income in retirement. There are real challenges in doing that. One of the challenges is that the system needs to be around much longer in order to have that build-up of contributions, and earnings on contributions, to get to the sort of targets which have been discussed in public debate as being equated with having a comfortable retirement.

As has been accentuated in recent times by some other developments, young people who go into the workforce do face a dilemma: if they are university students, they do face HECS debts—and the possibility that once the university fees deregulation proposals go through there may be higher HECS debts—on top of which they would be aiming to save for their retirement as well as have nine to 12 per cent over time of their income going into superannuation. So the Treasurer very rightly said we should have a look at the structure of superannuation and the circumstances under which it is possible to dip into super for some defined purposes.

What I have argued publicly is: if we do that, we need to look at systems where people are able over time to pay back what they take out. The other problem we have got is that the superannuation system is inflexible. We should have a capacity to have higher limits on what you can contribute and the terms on which you can contribute when people have maximum
earning power, when, for example, their children may be off their hands. We need more of a life-cycle approach to superannuation. Again, this is something more for the future, for other processes. Ideally, you would look at all of that in the context of what you do with the structure of pensions because there is an interaction between the income and assets testing of pensions and what you do about superannuation.

On the issue of housing affordability more broadly, there are two elements to this debate. The first element is around welfare housing, where we are looking at people who lack the means to buy their own home in the private market because they may be vulnerable for a whole variety of reasons through no fault of their own or, indeed, people who are homeless. The second element of the housing affordability debate is around younger people seeking to get into that market.

In response to this issue more broadly, I think it is sweeping matters under the carpet to say that housing supply is not an important component of the problem. It may not be the be all and end all. You may need targeted assistance, as all governments have provided to the more vulnerable in the community, but you do need to recognise, as has been recognised across the country and in many studies, that supply issues are very important. In Sydney, the Property Council found that Sydney is about 51,000 homes short of what is needed to meet current housing needs. If population growth trends continue, Sydney will face a 190,000-home deficit by 2024.

The National Housing Supply Council estimates Australia had a 228,000 housing shortage as at 30 June 2011. There has been this ongoing imbalance between demand and supply. At the moment, demand is also being pumped up by low interest rates, which are pumping up housing prices. That is true. There is no doubt that is having an impact on demand.

There is an equilibrium in the market that has been there for some time, which Senator Day earlier in his contribution was seeking to draw some attention to. Glenn Byres of the Property Council of Australia said:

A big priority needs to make sure more areas are available for urban renewal—along transport corridors, old industrial lands, town centres and other priority areas.

Make rezonings quicker, increase potential for medium-density buildings in middle-ring suburbs, strata reforms for the redevelopment of old buildings, flexible zonings and a development assessment system that is cheaper and quicker. There is a whole variety of things that can be done.

What is important in this debate is that between the Commonwealth and the states there is more of a compact around addressing these issues in a holistic manner. As I said before, issues of demand for housing for particular groups can be met through targeted assistance, which is essentially an adjunct to what we do through our welfare system. But we must not underrate the importance of the issue of supply in the housing market.

The Reserve Bank and others have made it very clear that foreign demand for housing in Australia has not been a major mover of changes in house prices. This is a furphy. What we have tried to do through the Foreign Investment Review Board and through the recent changes the Treasurer announced was essentially make sure we are enforcing the conditions on previous foreign investment approvals so that the capital from overseas, rightly, is going
into new development, into financing, into buying off-the-plan and the rest, which actually stimulates the housing sector, stimulates housing construction.

It is very important for us to get this right. There should be no more xenophobia about the Chinese or others having an impact on prices. That is not the focus of the debate. The focus of the debate is how you improve supply and how you have a better structure of incentives when it comes to demand. When people talk about negative gearing and the rest, you have to look at both demand and supply effects. You cannot do it in isolation.

Senator McLUCAS (Queensland) (16:27): I am also pleased to rise to speak to this matter of public importance about the Abbott government’s failure to tackle superannuation inequality and housing affordability. I will focus my remarks this afternoon on the issue of housing affordability and my colleague Senator Ketter will focus on the superannuation question.

The provision of affordable housing is a complex policy matter with many factors that determine affordability that must be considered in the policy response. According to the Australian Housing and Urban Research Institute, AHURI, in order to determine housing affordability stress, you need to look at local housing and labour markets as well as larger economic, environmental and social issues. AHURI has carried out some very important research in this space. I had the opportunity to hear from a number of experts last week at AHURI’s event entitled: Housing the secret to urban productivity growth.

It is important to understand the links between housing and productivity growth because housing can impact economies in very different but very real ways. High housing costs can push people out of communities who otherwise might have provided other valuable resources to that community, most importantly, their labour and their skills. Similarly, the differential between regional housing prices can inhibit labour mobility—that is, people are restricted from moving to areas of workforce need if they cannot afford to move there because of high housing costs.

AHURI’s researchers have done some internationally recognised research looking at whether the supply of affordable housing for low-income earners in job-rich cities is impacting on the businesses in these city centres and, indeed, the overall productivity of the city. It is extremely interesting work, one of the many projects that people are working on.

Understanding the characteristics of Australia’s housing affordability problem is critical to the future of our economy. If we do not attend to it we will be faced with a generation of people unable to enter the housing market. We do not want a generation of people pushed to the suburban fringe as their only option, or to fragile tenancies like boarding houses and long-term caravan parks. This will simply widen the already unsustainable inequalities. We must develop strategies to increase housing affordability and availability for people with low and middle incomes in a way that is sustainable into the future, meaning that we have to address both the supply-side and the demand-side issues.

In government, Labor had a proud record of helping to deliver affordable housing for Australians and their families. We invested a record $26 billion in a broad-ranging and innovative affordable housing agenda. It was the single largest investment in housing affordability in Australian history. We helped low-income earners by providing rent assistance to around 1.2 million individuals and families, reducing the proportion of recipients
in housing stress from 68.2 per cent to 40.8 per cent. This is still a job not done, but it is a big reduction.

Labor contributed directly to the construction of one in every 20 new homes. And then there was the $4.5 billion National Rental Affordability Scheme, to add more than 37,000 new, affordable rental homes across Australia. The Residential Development Council of Australia has lauded our NRAS as:

... an important driver in increasing housing supply across Australia.

And it warned the Abbott government that getting rid of the NRAS would leave the government out of the housing affordability and supply issue:

... a national issue that needs a national response.

But the Abbott government went ahead and scrapped the NRAS program anyway.

On top of that, they delivered a $44 million cut to homelessness services in their first budget. They axed the Housing Help for Seniors program, which was to deliver support for pensioners over the aged pension age who right-sized their homes. They scrapped the first home owner saver accounts, they abolished the Prime Minister's Council on Homelessness and disbanded the COAG Select Council on Housing and Homelessness, and the advisory group that advised that council. Then they withdrew the Commonwealth's role from the community housing sector's National Regulatory Council. It is quite a shameful record.

Early in the piece, the Abbott government announced an internal review of all housing and homelessness programs for which, in the end, no terms of reference, reporting dates or details were ever released. It was to report by the end of last year. That review never went ahead, appearing to have been scrapped in favour of a discussion on housing and homelessness as part of the Reform of Federation white paper. We do hope that this process will lead to some proper housing policy from the Abbott government because, until now, some 18 months in, we have seen nothing in terms of public policy around housing, homelessness and affordability.

I am not confident, though, that this will happen, and my lack of confidence is shared. National Shelter's Adrian Pisarski attended a consultation in Canberra recently on the Reform of Federation white paper. He came away concerned that the outcome is 'a foregone conclusion' and that there is limited focus on understanding the problem and determining how to resolve it.

Mr Pisarski, writing for Pro Bono Australia, suggested that pushing a review of housing and homelessness into the Reform of Federation white paper is more about the Abbott government abrogating their role in housing and passing it off to the states and territories. To be blunt, it is about removing any pressures on the budget bottom line.

He rightly identifies that any deliberations around housing affordability must include considerations of the Commonwealth's taxing powers. He points to the fact that:

... this must now be considered by another major review of taxation.

So, two reviews. It is my view that the referral of all decision making to the two white paper processes will mean that by the end of this government's term there will have been no decisions made about future policy to support more affordable housing in our country.
The philosophical position of Liberal governments, which is not new, to withdraw from the leadership role that a Commonwealth government can have and to avoid the debate about supply and housing affordability is just not tenable. Hiding behind section 51 of the Constitution is, in my view, a smokescreen. In his article, Mr Pisarski rightly says:

… we have now had the Commonwealth involved for 70 out of 114 years.

According to the role that the Commonwealth took in providing housing for returned soldiers after World War II.

The Abbott government is putting the bottom line above the lives and welfare of Australians, particularly those Australians who are the most vulnerable or marginalised in our society. The Abbott government has no plan to address the issue of housing affordability because they do not see it as their responsibility. Mr Abbott said today that his second budget will be frugal but responsible, because it is it a budget in repair.

This will give no heart to people who need help in keeping a roof over their heads, nor to the organisations that support them. He cut funding for them too. Just days before last Christmas, he took away funding from the Community Housing Federation of Australia, from Homelessness Australia and from National Shelter. He shut down the voices of people who otherwise do not have a voice, and I am fearful that this next budget will be as unkind as the first.

Mr Abbott and his government have attempted to fool the Australian people, but the Australian people are not foolish. This government cannot be trusted on anything when it comes to housing policy and policy for the homeless in our country.

Senator LUDLAM (Western Australia) (16:37): Senator Milne has just put some comments on the record about superannuation and that wider picture. Personally I would like to welcome Mr Hockey to this debate. I would like to thank Mr Hockey for noticing the existence of the housing affordability crisis in Australia, particularly as it pertains to young people. He is pretty late to the party, but his arrival is nonetheless very welcome. In the brief time he has left as Treasurer, we can confirm that, from our point of view, there would be widespread support for any meaningful attempt to ease the chronic housing stress suffered by millions of Australians—the Labor Party, crossbenchers, Greens, no problem.

But, first, we need to talk about this thing he said about superannuation. Appearing to believe that young people, who have been priced out of one of the most severely unaffordable housing markets in the world, should deplete their retirement savings in order to further bid up housing prices and go massively into debt for an overpriced home comes from the cigar-chomping thinking of someone who has never actually had to worry about these sorts of things for himself.

The idea was immediately condemned by people as diverse as former Prime Minister Paul Keating and Peter Costello. Mr Keating, who is never one to pull his punches, pointed out that the Liberal Party is always trying to 'pull the plug out of the bath of Australia's universal superannuation pool'. Peter Collins, formerly Joe Hockey's boss and former Treasurer of New South Wales, said it is 'time the Abbott government told the public that this is not a proposal they will be adopting'. A little bit more on the diplomatic side, Mr Costello said, 'I think there is a bit of a conflicting narrative there'. It was described by Mr Turnbull—although I guess Mr
Hockey is used to being contradicted by the member for Wentworth—as a 'thoroughly bad idea'.

It may be that Mr Hockey is not aware of this, but from the day this government was elected it has done everything within its power to dismantle Commonwealth support for housing affordability. Senator McLucas touched on some of those issues—ironically enough, so did Senator Sinodinos, although I am not sure if he was aware of it at the time. The government abolished the National Rental Affordability Scheme. They sacked the National Housing Supply Council—

Senator Edwards: Why? Why?

Senator LUDLAM: Why? Because you did not have the faintest idea how it was working. That is why. They cut $44 million from the capital budget of the nation's homelessness service providers. They refused to guarantee funding for the National Partnership Agreement on Homelessness beyond June 30 of this year. And that places funding for every shelter and refuge in this country under threat.

Senator Edwards interjecting—

Senator McLucas interjecting—

The DEPUTY PRESIDENT: Order!

Senator LUDLAM: Mr Acting Deputy President, there is a lot of noise in here, from people who should know better.

Looking around on Christmas Eve for more things to shut down, the government cut all funding for Homelessness Australia, National Shelter and the Community Housing Federation of Australia. That is kind of ironic, because these are the very people who could have helped Mr Hockey come up with something intelligent to say about housing affordability, but they cannot take his call because he closed them down.

So, if Mr Hockey actually cares about helping young people into affordable housing, rather than ransacking their retirement savings, there are many better ways of going about it.

Nothing is more important than having a place to call home. Getting over the idea that homeownership is the be-all and end-all. I think that is quite an important psychological thing for us to get through, for Australians to get through and for policymakers to get through. One-third of the nation's householders are renters. Many of them, young people, are priced permanently out of the housing market. They may well be renters for life, and that is something we have to get across.

Renters have to be seen not as second-class citizens. And that is going to be difficult for those on the other side of the chamber to accommodate, because many of them, we know, are investors. You might own six houses, but you have priced first home owners out of the market. There are people in that one-third of Australian householders who are renters and will probably be renters for their entire lives, whether they want to buy a property or not. We have to provide tenure stability and tenure security for people who are renters, because the prospect of ever buying a home is well and truly out of reach for so many people.

The most urgent thing we need to deal with is homelessness: 100,000 Australians are homeless and 10,000 are sleeping rough tonight—and that is probably an underestimation, so
don't you dare abolish the census. Nonetheless, at least 10,000 Australians will sleep out tonight, when the rest of us have all gone home.

The Australian Greens have a homelessness action plan, which I put forward to Mr Hockey and all to members of this chamber on the basis that we are willing to negotiate on any of these proposals. Senator Day knows a fair bit about this sector. The Labor Party initiated some pretty smart stuff when they were in government. We are calling for the coalition to come to the table to talk. *(Time expired)*

**Senator EDWARDS** (South Australia) (16:42): I rise to speak about the important work that the government is undertaking in this space. I acknowledge Senator Day's foundation platform on this issue in coming to this Senate last July, and I agree with him wholeheartedly that there are levers within the economy that should be released to make housing more affordable. Certainly, it does become a regional issue, as areas like Sydney and Adelaide have quite different economic fundamentals. It is a challenge for government; it is a challenge for state government; it is a challenge for this federal government. But, unlike past governments, one size does not fit all. This government is taking a very careful look at housing affordability, and we are quite active in that space.

I will speak firstly about housing affordability. The government recognises that housing affordability is a very real issue, and that is why we are having the debate. It is particularly a sensitive issue for young people and families, and one of the underlying causes of the decline of housing affordability is lack of supply. As Senator Day and I know, in South Australia most of the vast tracts of land of the next development of land, the urban sprawl as we know it, is locked up by the state government. So that is a state government issue; they have the ability to unlock that.

Supply has not kept pace with the strong growth in demand in recent years. And, whilst housing supply is for the most part a state government responsibility, the federal government has committed to produce a white paper on the reform of the federation, working with those same states and territories. Importantly, the white paper is the primary vehicle through which the government will consider housing and homelessness issues.

In July 2012, the states and territories agreed on the recommendations of the *Housing supply and affordability reform* report with the aim of increasing Australian housing supply and affordability. The government's policy in relation to foreign investment in residential real estate aims to increase Australia's housing stock by limiting foreign investment in established dwellings. Let us be clear: we limit foreign investment in established dwellings. That means that if you come here you have to build something, you have to create jobs and you have to provide for the economy. That is the stimulation we want with foreign investment. The government responded in February to the findings of the House Economics Committee's report on Australia's residential real estate foreign investment network by releasing a consultation paper on options to strengthen Australia's framework. The options include a new compliance and enforcement area in the Australian Taxation Office. We have seen that—it was across the front pages of the New South Wales dailies only last week or the week before. The options also include increased penalties, and an application fee for foreign investment applications came in on 1 March so that the taxpayer does not have to pay for the cost of administering the foreign investment process. The government will move quickly following
consultation to ensure that our foreign investment rules continue to support Australia’s national interest.

Integral to encouraging housing construction is the provision of adequate infrastructure. You cannot have housing without adequate infrastructure and planning, and this government is a planning government. Investment in infrastructure, through the Infrastructure Growth Package, is a core element of the government's Economic Action Strategy and it comprises no less than $11.6 billion of additional spending on infrastructure. To purport that this government is not interested in housing affordability is a nonsense. The government is working closely with states and territories to get rid of red tape. It is fitting that today we have the Omnibus Repeal Day (Autumn 2014) Bill 2014 going through the other house to get rid of all the red tape and unnecessary legislation and regulation. Red tape holds up the supply of housing and construction. As Senator Day knows, in South Australia, dealing with an approval process for subdivision and planning approval is an arduous and costly task, and its seeming impermeability is a complete disincentive to investment in that state. The state Labor government would do well to reform that as soon as they possibly can.

This all means that we supply more land. It is basic economics: increased land releases will improve affordability for both renters and home buyers. With that in mind, the government has established a red and green tape reduction target of a billion dollars a year in Commonwealth compliance costs for business, individuals and community organisations. The Commonwealth is also involved in housing affordability for low-income households through national partnership agreements with the states and territories. In 2014-15, the Commonwealth will contribute a further $1.3 billion to the states and territories through the National Affordable Housing Agreement to improve housing affordability and homelessness outcomes for Australians and, despite what the previous speaker said about the NAHA, there is a further contribution of $1.3 billion in the budget. The Commonwealth also extended the National Partnership Agreement on Homelessness for one year, providing $115 million in 2014-15. Why did we do that? Because the previous government had not funded it in its forward estimates and it would have fallen off a cliff. We heard that in an inquiry, but we did not hear it in the contributions from the other side.

As I have said, the restricted supply of housing is a significant contributor to high price levels and is largely controlled by state and local governments. Through COAG, they agreed to a range of reforms in 2012 to remove impediments to supply. Sadly, I do not think their endeavour is as profound as it should be. Measures of housing affordability have improved in line with declining mortgage interest rates since November 2011. According to the CBA-HIA housing affordability index, that improvement has been 30 per cent. More recently, measures of housing affordability have started to deteriorate given strong house price growth and subdued growth in household income. Measures to aid first home buyer entry into the market have been found to increase prices at the lower end of the market without inducing significant increases in supply. So you have to be careful what macroeconomic reform you provide to the housing sector and be careful of the effect. I have always found that the more government gets involved in markets the more things go up in price and the more unobtainable they become to the people that most need them. For this reason, governments at both the state and federal levels have reduced or removed purchaser subsidies or similar policies. As part of the 2014-15 budget, the government is abolishing the first home saver accounts because that has
that had limited effectiveness. In June 2014 there were 49,400 accounts with a total combined 
balance of $616.8 million. The government also announced in the budget that it will not 
proceed with the final round of Labor's National Rental Affordability Scheme, as the scheme 
was poorly designed and has failed to deliver outcomes for low- and moderate-income 
Australians. I am sure it was well intended, and I know we will hear about it during the 
contributions remaining, but like everything else—cash for clunkers, GroceryWatch, 
Fuelwatch, pink batts—it was chaotic at the time. The aim of the white paper is to improve 
the way our federal system works by being clear about who is responsible for what.

Late last year, I was fortunate to be in Singapore on parliamentary business. They have a 
scheme which operates to leverage people's superannuation into home ownership—and 
Singapore is one of the most expensive cities in the world to live. Contesting ideas is what we 
should be doing in this place, not demonising fresh ideas put up for discussion. I urge all 
Australians, and certainly all of those people elected to this place, to take everything into 
consideration. (Time expired)

Senator KETTER (Queensland) (16:52): I am very pleased to make a contribution in this 
debate in connection with a government which is based on broken promises and twisted 
priorities. When it comes to inequality and unfairness, this is a government which takes the 
cake. We know that the Abbott government has a very poor record on the issue of equality. In 
respect of the government's budget, we are talking about the fact that this is a government that 
wished to—

Senator Edwards interjecting—

The ACTING DEPUTY PRESIDENT (Senator Sterle): Senator Edwards, the Senate 
sat here in silence and listened to your contribution. I would urge that you show the same 
courtesies to your colleagues, Senator Edwards.

Senator KETTER: On the issue of equality: we saw a government seeking to legislate for 
a paid maternity leave scheme involving full payment for those earning $150,000 per year. 
We saw a government proposing to reinstate the novated lease tax minimisation scheme for 
vehicles. These are things that were being done for the wealthy. We saw them seeking to 
protect the financial planning industry from Labor's reforms on financial advice, at the 
expense of industry clients. And then we saw the government seeking to maintain the tax 
privileges on superannuation, which overwhelmingly benefit the wealthy and which cost the 
Treasury $32 billion per annum in the previous year, rising to $45 billion over a three-year 
period.

But what was this government seeking to do for the poor people in our community? This 
government was seeking to abolish the schoolkids bonus. It was seeking to impose a tax of 15 
per cent on employer contributions to superannuation for those earning up to $37,000 per 
annum, which impacts 3.6 million low-income workers. It sought, and it went to the election 
with the proposition, to defer the increase in the superannuation guarantee for two years, and 
we know that that has now blown out. And of course we know about the application of a co-
payment for consultation with a doctor. To cap it all off, the government was proposing to 
help employers get rid of penalty rates in awards.
That is the track record of this government. It has a very, very clear agenda of seeking to
advantage those who are already well advantaged and to attack those of us who are at the
lower end of the socioeconomic scale.

When it comes to superannuation, we know that Labor is the party of superannuation. Mr
Acting Deputy President, I do not need to tell you about that. It was actually the labour
movement which campaigned in the 1970s and 1980s to establish a system of savings for
ordinary workers who had not, up to that point in time, had the privilege of having a secure
retirement savings system. As we know, our system is the envy of the world. It was the
initiative of the ACTU to pursue occupational superannuation as an industrial matter, and it
then fell to the unions to argue for the awards to be varied to provide superannuation. I think
the default status of industry superannuation funds is another element of our current system
which aids retirement incomes, and this is another area where the
government is seeking to
attack the system.

I am also proud of my very small involvement in the case in Queensland to introduce
superannuation into the retail award in my home state—a case needed to be taken to the
Queensland Industrial Relations Commission to do that—so I do feel something of a personal
attachment to this whole issue of superannuation. I have a fundamental understanding of the
importance of this issue to people on low incomes because I know that, in the retail industry,
for example, for shopfloor employees—if I can call them that—who did not have access to
superannuation, pension funds were very rare and were used by employers largely as a device
to encourage or to trap employees with their employer, because they did not receive the
benefits of their pension fund unless they stayed with their employer till retirement.

To highlight the differences here, I think it is important to highlight what the Labor
government did in 2013 to make the superannuation system fairer for Australians. The
government looked at a range of issues. They had already taken the decision to increase the
superannuation guarantee from nine per cent to 12 per cent, which was to provide a better
standard of living in retirement for 8.4 million Australians. That meant that
a person aged 30
on average full-
time earnings would retire with an extra $118,000 in superannuation savings.

The government also moved in 2013 to increase the fairness of the concessions provided
for superannuation. The low-income superannuation contribution was introduced and benefited 3.6 million Australians on low and modest incomes, including 2.1 million women.
It would benefit 30 per cent of workers. The superannuation concession reduction reduced the
tax concession that people with incomes above $300,000 per annum received on their
contributions from 30 per cent down to 15 per cent. It affected about 128,000 Australians. It
was an attempt to address the inequity of the system. There were further reforms that were
announced back then, simplifying the design and the administration of the higher
concessional contributions cap and a number of other factors. So Labor in government had a
very, very proud record of seeking to increase the equity in the system.

Unfortunately, the Abbott government has abolished the low-income superannuation
contribution. As Senator Sinodinos has indicated, that was unfortunately collateral damage
with the abolition of the MRRT. But that was something which very much impacted on low-
income workers and was felt as a very, very great loss there. This shambolic and
dysfunctional government has forced through superannuation guarantee changes that could
cost Australians billions of dollars. I think I have seen figures to suggest that some of the
modelling that was introduced on 16 March this year indicated that the abolition of the low-income earners superannuation contribution, together with some of the other modest measures at the upper end of the income spectrum, combined with freezing the rate of compulsory superannuation contributions, will leave Australians $983 billion worse off by 2055. That, of course, means that more Australians will be reliant on the age pension in retirement, a disgraceful outcome and one over which this government should hold its head in shame.

We know that this is a government which is seriously damaging Australia's superannuation. On average, women will retire with $92,000 less superannuation than men, and Joe Hockey's plan to undermine Australia's world-class superannuation scheme will negatively affect retirement savings, especially for women, and put, as I say, greater pressure on the age pension.

I want to just touch on the comments by Mr Hockey in relation to the utilisation of superannuation for housing. Not content with the cuts to superannuation in the budget, the Treasurer recently had a disastrous thought bubble: that superannuation would be able to be accessed to pay for a deposit on a first home loan. This is a double whammy of stupidity, damaging retirement incomes. First, if a person takes out $25,000 to put towards a home deposit, they would probably have $54,000 less in their superannuation account by the time they retire. Second, the policy does nothing for housing affordability. Everyone at the auction now has their superannuation in their pockets, leading to price rises, and the only beneficiary is the vendor.

If Joe Hockey wants the best policy advice on why early access to superannuation for a deposit on a first home is a bad idea, there are a range of Liberal Party luminaries that can lend him a hand. The finance minister, Mathias Cormann, has weighed in on that issue, as well as former Treasurer Peter Costello. Also, the chair of the financial system inquiry, David Murray, has said the idea is 'inconsistent' with bolstering retirement incomes and that it would need very careful thought. This is a government which cannot be trusted on important national issues such as superannuation and housing affordability.

Senator XENOPHON (South Australia) (17:02): In the three minutes I have available to cover these two vast topics, I will at least give an indication of where I stand on these issues. Firstly, the issue of superannuation being used for a first home is something that I raised following evidence given by HomeStart Finance in South Australia, a state government authority that has done terrific work. It was a Labor government initiative in South Australia. It has been a tremendous success. It has made money and got people into homes—people who otherwise would not have been able to deal with the conventional lending market. Sixty-four thousand households have been able to purchase a home. It has generated more than $380 million for the South Australian government. It shows that there is always room, where there is market failure in the commercial lending market, for a socially equitable method of lending money to people. HomeStart Finance raised it because it has a very strong social justice basis for what it does. I think that we should at least consider it in the context of some very strict safeguards.

But we also need to look at issues of negative gearing. We need to tweak negative gearing in respect of that, but we need to do this very carefully so it does not have an inflationary impact on the housing market to make housing less affordable. The fact is that house prices have increased faster than household incomes for the past 40 years. The fact is we have seen
that the deposit gap index has increased more than the house-prices-to-income index for the past 30 years. Back 1970, the Australian median house price was $13,000 and the deposit gap was zero; there was no deposit gap. In 2007, the deposit gap had increased to $224,700 on a median house price of $404,000. So we are doing something wrong when it comes to affordable housing. There must be reforms in respect of that.

My position on superannuation is well known. I support superannuation. I believed it was wrong to defer the superannuation increases, but I do believe there is plenty of scope to have greater accountability and transparency in the way super funds operate. That is why I have proposed that there ought to be an AGM type set-up every year so that those who have their life savings in a super fund can ask questions of the director of the super fund in a cost-effective way. That is very important.

In the remaining 40 seconds, I just want to make this point. We have got it wrong when it comes to housing affordability. Fewer and fewer Australians can afford to buy their first home. This needs to involve some bold visions in terms of planning and dealing with access to deposits. It involves dealing with making houses more affordable through a whole range of measures that involve local, state and federal governments. But it is important that the Commonwealth have a leadership role in this. The sooner we tackle this problem and treat it seriously, the better off we will be as a community.

Senator DAY (South Australia) (17:05): The question implicit in this motion is whether young people should be able to access their superannuation savings in order to buy their first home. The answer is yes, but not yet. Allowing access to superannuation now to buy a home will undoubtedly add to the demand drivers associated with the housing affordability crisis. These demand drivers include record low interest rates, negative gearing, capital gains tax discounts, immigration, foreign investors et cetera.

Some have argued that it has been these increased demand drivers that have caused the housing affordability crisis in Australia, when anyone with a modicum of understanding of how markets work knows that it is not increased demand that drives up prices but lack of supply. Senators Leyonhjelm and Lambie and I co-sponsored a motion about this very issue a short time ago. Economics commentator Alan Kohler, writing in the Business Spectator, said recently:

All governments must address the supply of housing, not simply put a band-aid on the ability to pay the inflated price of it.

One only needs to recall the massive increase in the demand for flat screen TVs, mobile phones, laptop computers and tablets—the greatest increase in demand for products the world has ever seen—and yet prices fell. Why? Because supply was able to meet—in fact, more than meet; it was able to exceed—demand.

When it comes to housing, various pundits target the demand drivers, yet they ignore the deliberate restriction of the supply by state and territory land management agencies. This restriction of the supply of land on which to build new houses has led to skyrocketing increases in entry-level house prices, which then pushed up prices everywhere else. But don't for a second think this was an unintended consequence. It was just the opposite. Rising house prices were an intended consequence, a very deliberate strategy by state and territory land management agencies to produce windfall profits.
And who paid for these windfall profits? First home buyers, that's who. Young South Australians like newlyweds Charlie and Libby Densley come to me all the time telling me they cannot afford to buy a house. Talk about intergenerational equity! We all own a house; why can't they?

Once these supply side factors have been addressed, then by all means allow people—young people in particular—to use whatever resources and savings they have, including superannuation, to buy a home. As we all know, the best asset in retirement is to own your home. Most retirees these days own their homes and their cost of living is a fraction of what it will be for Libby, Charlie and those of their generation who will hit retirement with either a mortgage or a rent burden.

Restrictions on housing supply have made home ownership the privilege of a few rather than the rightful expectation of the many. Not only is this economically foolish, as former modest member Bert Kelly used to say; but it is also morally wrong.

Senator LEYONHJELM (New South Wales) (17:09): I rise today to briefly speak on the issue of superannuation laws. Some libertarians think we should not be forced to send 9½ per cent of our remuneration into a particular saving vehicle to be accessed only when we are 60 years old. Other libertarians think the greater problem is forcing people to pay tax that funds age pensions for those who could have saved the money. They are willing to accept laws that force saving in order to reduce the numbers eligible for age pensions. I am one of these libertarians.

But we must remember the original bargain struck between the Keating government and the people of Australia. That bargain was that people would be forced to save in superannuation but that those savings would be taxed less harshly than other savings under our crushing income tax system. Retrospectively withdrawing that bargain would be unjust. Those who saved because of their understanding of the tax consequences should not then be deprived of the resulting asset through fundamental changes to the architecture of superannuation taxation. Reconsidering the bargain in a prospective way is different, although obviously tax increases that only apply to new saving decisions would not significantly increase revenue.

The debate needs to be well informed. Any proposal should be costed and published. We have a Parliamentary Budget Office eager to help. We do not need endless references to the value of superannuation tax concessions when nobody is proposing to get rid of those concessions in their entirety. We also should not hear endless references to the value of superannuation concessions when, if those concessions were removed, people would change what they do and the revenue gained would be much less. Many who now benefit from superannuation concessions would save less money in superannuation if the concessions were abolished.

Finally, it would be refreshing if there were some acknowledgement that reducing tax rates on saving is a good idea. Taxes on saving mean that two people who earn the same salary over their lifetimes get taxed differently. The person who spends most of their salary as soon as they earn it largely avoids taxes on saving, while the person who saves more of their salary because they want to do most of their spending later in life pays more tax. This is inequitable. As such, I believe that we should be seeking to reduce rather than increase tax rates on saving, including superannuation.
The ACTING DEPUTY PRESIDENT (Senator Lines): The time for discussion has now expired.

DOCUMENTS

Consideration

The ACTING DEPUTY PRESIDENT (Senator Lines) (17:13): We move to the consideration of documents. The documents are listed on page 5 of today’s Order of Business.

Department of Agriculture

Senator BACK (Western Australia) (17:13): I move:

That the Senate take note of the document.

I rise to speak to the report to the parliament on livestock mortalities during exports by sea for the period of July 2014 to December 2014. I want to place on record yet again, as I always do, the excellent record that has been reported here by the Department of Agriculture. I would like to read into the Hansard the statistics. For cattle, 99.9 per cent of 644,000 cattle leaving Australia between July and December arrived safely at their destinations. Less than 0.1 per cent of those cattle died at sea. Let me put that into some perspective. An equivalent number of cattle on the rangelands in the north of Australia would have a mortality rate of about five times that which occurs at sea. So 99.9 per cent of the consignment arrived. When it came to sheep during that six-month period, the statistic was 0.8 per cent of 1.1 million sheep.

The point to be made here when one considers the actual live weight of the consignment itself arriving in our destination markets overseas is that particularly sheep and young stock gain weight on the voyage. I know this from my experience as a livestock veterinarian in the 1980s. Consignments can actually gain weight. It must be one of the very few instances where not only do products which leave Australia arrive in excellent condition but the buyer gets more than 100 per cent of what they paid for.

It is equally interesting that, of those consignments of sheep, there was not one single solitary shipment in which the number of mortalities on board during the journey required a particular special appraisal. In other words, the losses were so low right across the board that one was not needed. It is interesting to reflect on the human comparator because people often say, ‘0.1 per cent of cattle die and 0.8 per cent of sheep die.’ It might be of interest to the wider community to know that human beings in Australia die at the rate of 0.6 per cent. That is actually six times higher than the mortality rate of the cattle on these ships.

I also want to reflect on the importance of Australia as an exporter of both meat products and live animal export products. We have an enviable reputation. In fact, we have the most enviable reputation in the world when it comes to the quality of the livestock that we send to our overseas markets. More importantly—and I do want people to understand this—we are the only country in the world of the 109 countries that export live animals for production purposes that invests time, people, money and resources into improving animal welfare standards in our target markets. We are the only country that has training programs in place for people in the markets in which we operate.

Time does not permit me to go through them today, but many people here in the chamber are aware of the instances I have given in which the welfare has been improved of not only Australian bred and supplied animals as a result of our intervention but also locally bred...
animals and animals that have arrived from other markets when they are put through the supply chains that Australia has led and been involved in. Those markets enjoy the improved animal welfare standards as a result of the Australian intervention.

In the few seconds I have left I want to simply remind those listening that it is not either a meat or a live export trade. Over time this has been demonstrated again and again. Most recently in Indonesia in 2011, when we lost the live export trade, the supply of meat halved. When we lost the live export trade to Saudi Arabia in the 1980s, we lost the meat trade as well. They are different but complementary markets. I conclude by again congratulating the trade on the excellence of these statistics and the department for their report.

Senator CAMERON (New South Wales) (17:18): I would also like to make a few comments on the report to the parliament on livestock mortalities. Obviously everyone would be happy about reduced mortalities for livestock being taken from Australia to another country. But I should also place on the record the fantastic work done by Senator Joe Ludwig when he put in place controls and checks and balances not just when taking cattle from Australia to export overseas but into the supply chain.

I think what is forgotten by the other side is that the social licence of the industry was almost removed by the public because the public were so horrified at the mistreatment of livestock not only on board these ships but also downstream when they arrived at abattoirs overseas. This is an issue that continues to require ongoing scrutiny. It is an issue that is so important to our very important agricultural exports.

In the past, Senator Back has taken to Senator Ludwig for what he has done, so for Senator Back to ignore the work that was done under Labor to try to maintain a social licence for live exports in this country beggars belief. Unless these cattle are treated in a fair and reasonable way then the social licence can disappear very quickly. It is not simply about getting cattle on board and getting them to the abattoirs. They have to be treated in a humane, effective way. I thank Senator Ludwig for having the courage and the foresight to do that to ensure that our export industry was maintained. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**COMMITTEES**

**Scrutiny of Bills Committee**

**Report**

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (17:22): On behalf of Senator Polley, Chair of the Senate Standing Committee for the Scrutiny of Bills, I present the third report of the committee. I also lay on the table Scrutiny of Bills Alert Digest No. 3 of 2015, dated 18 March 2015.

Ordered that the report be printed.

**Regulations and Ordinances Committee**

**Delegated Legislation Monitor**


Ordered that the document be printed.
BILLS

Defence Trade Controls Amendment Bill 2015

Report of Legislation Committee

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (17:23): On behalf of Senator Back, I present the third progress report of the Foreign Affairs, Defence and Trade Legislation Committee on the implementation of the Defence Trade Controls Act 2012, together with the Hansard record of proceedings and the documents presented to the committee.

Ordered that the report be printed.

COMMITTEES

Economics References Committee

Report

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (17:23): On behalf of Senator Dastyari, the Chair of the Economics References Committee, I present the report of the Economics Reference Committee on retail leasing, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (17:24): I move:

That the Senate take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

BILLS

Succession to the Crown Bill 2015

First Reading

Bill received from the House of Representatives.

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (17:25): 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 CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (17:25): I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated into Hansard.

Leave granted.

The speech read as follows—
SUCCESSION TO THE CROWN BILL 2015

The Succession to the Crown Bill 2015 will provide the Parliament of Australia's assent to three important reforms to modernise the law relating to royal succession. These changes are consistent with changes being made to the law in the United Kingdom. They will align the royal succession laws with modern values and ensure that the same person is the Sovereign of Australia and of the United Kingdom.

The first reform will end the system of male preference primogeniture so that in future the order of succession will be determined simply by order of birth. Female heirs will no longer be displaced by their younger brothers. The reform will apply to any person born after 28 October 2011.

The second reform is to remove the bar on succession for an heir and successor of the Sovereign who marries a Catholic. The existing restriction applies to Catholics alone and not to any other faith. The reform will apply to all existing marriages at the time the law comes into force as well as future marriages.

The third reform is to limit the requirement that the Sovereign consent to the marriage of a descendant of his late Majesty King George the Second to the first six persons in line to the Crown. Failure to obtain permission to marry will no longer prevent a person from marrying, but simply mean that the person and the person's descendants are removed from the line of succession. The reform will also validate some marriages voided by the Royal Marriages Act 1772 of Great Britain. The existing rule applies to hundreds of descendants. Many of them would not have been aware that they needed the Sovereign's permission to marry. Their marriages may be legally void as a result. This bill will correct this situation by validating those marriages, provided they meet certain criteria.

The reforms were enacted by the Parliament of the United Kingdom on 22 April 2013, and will come into force on the commencement of the UK legislation, as soon as all 16 Realms, including Australia, implement the reforms in their jurisdictions.

The Commonwealth, States and Territories, in the Council of Australian Governments, COAG, agreed to the reforms in July 2012, and agreed in April 2013 to implement them using a legislative consent-and-request approach relying on s51(xxxviii) of the Constitution.

Under this approach each of the States must pass legislation requesting that the Commonwealth enact legislation for the whole of Australia. All States' legislation needs to commence before the Parliament of the Commonwealth of Australia can enact the Commonwealth legislation. I note that all States' legislation has now commenced.

COAG further agreed that any States that wished to could also enact State legislation dealing with the rules of Royal succession alongside the request legislation.

This modernisation of the laws of succession ensures the continued relevance of the monarchy to Australia and her people and reflects the commitment that all Australians have to equality and non-discrimination.

We are proud today to be changing the laws of royal succession to reflect the values that we all hold dear.

I commend this Bill to the Senate.

Debate adjourned.

REGULATIONS AND DETERMINATIONS

Civil Aviation Safety Regulations 1998

Disallowance

Senator XENOPHON (South Australia) (17:26): I move:

I am moving to disallow these regulations today for several reasons. Primarily, the impact of these regulations is to reduce the safety of Australia's aircraft maintenance regime by transferring the authorisation to certify airworthiness of aircraft from licensed engineers to non-licensed and less-qualified people. The role of licensed aircraft engineers is vital. They have a thorough and sound knowledge of the aircraft—macro to tail and back to front, and from wing tip to wing tip. And, while the other individuals who may work on specific areas of maintenance are undoubtedly experts in their particular field, I am concerned that they do not have the same comprehensive 'big picture' knowledge as licensed aircraft mechanical engineers.

This is an important issue about airline safety in this nation. We do not want to see airline safety being diminished. The regulations propose to have non-licensed aircraft engineers to do certain types of maintenance and to have certain powers. It is my view that they should not have the authorisation to sign off on the airworthiness or maintenance undertaken on aircraft. I am concerned that the changes in these regulations may put our aircraft maintenance systems below the minimum global standard. Clearly, this has significant implications not only in terms of safety but in terms of our international reputation, and may even put us at risk of being restricted or banned from international airspace.

I am also concerned that the impact of these regulations has not been fully understood or clearly communicated by the regulator to the parliament. Further, in an expert legal opinion to the Australian Licensed Aircraft Engineers' Association, Mr Bret Walker SC, one of the nation's most senior counsel, indicated that the regulation may possibly even go so far as to make it illegal for licensed aircraft engineers to continue to carry out the work they have done for many years without new and costly administration processes being established by maintenance organisations and airlines. If Mr Walker is right, and I believe he is, that is a shocking unintended consequence.

Aviation safety issues are particularly complex, especially so when it comes to our regulatory regime. In brief, the Australian Civil Aviation Act requires CASA to regulate safety by developing and promulgating appropriate, clear and concise aviation safety standards. The Civil Aviation Safety Regulations, known as the CASRs, parts 42, 145, 66 and 147 were passed by the parliament in December 2010 and came into effect on 27 June 2011. Part 42 relates to the continued airworthiness of aircraft, including what maintenance is done, where and by whom. It specifies that maintenance must be certified and who must certify it. Part 145 relates to organisations that carry out maintenance on airline aircraft. Part 145 is accompanied by a manual of standards, a MOS, that prescribes how the organisation conducts its activities—that is, what facilities, tools, procedures, manpower and certifying staff are required, and details their qualifications. Part 66 relates to the licensing of aircraft maintenance engineers. Part 66 also has a MOS, which prescribes the standards of training and experience required for the issue of an aircraft engineering maintenance licence. The standards in part 66 are based on the International Civil Aviation Organization, ICAO, standards for licensing. Part 147 relates to training organisations and the conduct of training licensed personnel. To aid interpretation of the regulations, CASA publishes guidance material that outlines in plain language how the regulations and accompanying MOS are to be
understood and applied. The guidance material specifies in plain language the regulation's policy intention.

The amendment to the part 145 MOS, which we are debating today, has the effect of significantly reducing safety oversight of Australian aircraft maintenance. That is not just my view and that of licensed aircraft engineers but also, effectively, the very powerful opinion of Bret Walker SC, who has looked at the issue of its legality. The effect of the amendment has been to introduce two fundamental changes. Firstly, they have transferred the internationally recognised authority of a part 66 aircraft maintenance engineering licence holder to certify for the airworthiness of maintenance tasks to non-licensed personnel, who do not meet minimum international requirements. Surely we in this place should all be concerned about that. Secondly, it invalidates the existing guidance material for part 145 that requires an airworthiness determination and certification to be conducted only by a part 66 licence holder following specialist maintenance tasks.

The standards put forward by ICAO specifically require that personnel who are providing airworthiness certifications and signing maintenance releases meet minimum training and experience requirements. These standards are the global minimum—I emphasise that they are the global minimum—requirements for aircraft maintenance safety. The government's policy for the Australian aviation regulatory reform program is to align with these international standards wherever possible. Where this alignment is not able to be achieved a state difference must be notified to ICAO. It is my view that the changes outlined in these regulations do not align with ICAO and do not meet the minimum safety standards set out by it. Again, I refer to the very considered opinion of Bret Walker SC.

Further, if we look at the regulatory framework set out by the European Aviation Safety Agency, or EASA, which Australia is also aiming to align with, we see the same disconnect. The EASA regulations—what the Europeans do—allow for the use of specialised maintenance staff in maintenance organisations, provided they are qualified to specific standards. Apart from non-destructive testing, Europe does not identify in regulation what fields are considered as specialist maintenance. Specialist maintenance is a term used to describe maintenance tasks and processes, such as non-destructive testing and welding, that require training and skills that fall outside of the normal training undertaken by a licensed aircraft engineer, thereby rendering them to be designated as special. Importantly, the EASA regulations do not permit specialist maintainers to certify the airworthiness of maintenance tasks. Except in exceptional circumstances, they require all maintenance airworthiness certification to be carried out by persons qualified to the European licensing regulations. By doing this, Europe complies with ICAO annex 1 standards and practices.

The Australian regulations also allow for the use of specialist maintenance staff, but there are two distinct differences between Australia and Europe. Australia prescribes certain maintenance, in broad categories and terms, as being specialist maintenance and requires that people undertaking these tasks are qualified and authorised by the maintenance organisation. More importantly, Australia requires the specialist maintainer to certify the airworthiness of their work. But CASA have made this requirement without including the required training standards necessary to meet ICAO standards.

Further, by transferring airworthiness certification from licensed personnel to non-licensed personnel, these amendments have in essence removed the ability for the government to
manage effectively the risks of aircraft maintenance. Effective risk management is absolutely fundamental in an industry where managing risk to the highest possible standard is absolutely critical. If a licensed aircraft engineer fails to exercise their privileges safely, the government may take administrative action by suspending or removing their licence in order to prevent that person carrying out further work or certification. That is a very significant penalty. However, the government cannot do that for a non-licensed person. That non-licensed person has the ability to move from organisation to organisation without sanction. This must create a further reduction in safety. It is also important to note that the guidance material that accompanies these regulations seems to be at odds with the regulations themselves. The guidance material clearly states that specialist maintenance is maintenance which is unable to be carried out by a licensed engineer. It states that maintenance that is normally performed by a licensed engineer is not to be classed as specialist. It further states:

Following Specialist Maintenance tasks, where an airworthiness determination is to be made regarding an aircraft, such an airworthiness determination and related Maintenance Certification should be made by the holder of an appropriate Part 66 Maintenance Certification Licence who is a Certification Authorisation holder—

that is, a licensed aircraft engineer. The guidance material gives a very clear reason for this requirement:

Specialist Maintenance personnel are trained and qualified in the specialist field and may not have a holistic understanding of the interrelationship of an aircraft's systems, or airworthiness implications, such that a Maintenance Certification Licence holder should have. For this reason, the Maintenance Certification for Specialist Maintenance work will only be for the scope of the specialist maintenance and is not intended to cover work normally performed and certified for by a Part 66 Maintenance Certification Licence holder …

If I may, the emphasis needs to be on the words 'holistic understanding of the interrelationship of an aircraft's systems, or airworthiness implications'. You will not get that holistic understanding with unlicensed people, in my view.

The amendments to the Part 145 MOS, however, in a direct contradiction to this existing guidance material, reclassifies a large number of tasks that are normally and easily performed by licensed engineers as 'specialist' and thereby removes the requirement stated clearly in the existing guidance material. This amendment has had the direct effect thereby of invalidating the Part 145 Guidance material and transferring airworthiness certification from licensed personnel to non-licensed people who do not meet international standards. It is so important that these regulations be disallowed, for that reason alone—and there are many others. The net effect of this direct contradiction is that the regulations that apply to aircraft maintenance are in no way 'clear and concise', as they ought to be. In fact, to interpret any of the regulation relating to specialist maintenance, at least five separate documents are required to be accessed and read.

The Explanatory Memorandum for the Part 145 Manual of Standards Amendment Instrument 2014 (No. 1) makes a number of important claims that are critical for the assessment of the amendment instrument by the parliament. Firstly, the amendment states that:

The MOS amendment corrects, revises and clarifies certain aspects of the MOS. The MOS amendment does not significantly alter any existing policy of the MOS.
I will repeat that:
The MOS amendment corrects, revises and clarifies certain aspects of the MOS. The MOS amendment does not significantly alter any existing policy of the MOS.

These are key words. Further, it states:

There are a large number of amendments but their intent is essentially to clarify the existing operation of the MOS without departing in any significant way from the original purpose and intent of the MOS as in force before the amendments.

A reasonable person, when reading those statements, would be entitled to come to the logical conclusion that the existing policy and intent of the MOS had been preserved.

Sadly, this is very far from the case. The current published guidance material that instructs the reader on the policy intent and purpose of the MOS and regulation clearly describes a regime of specialist maintenance that is not consistent with these amendments. In short, I believe the explanatory statement is wholly inaccurate and misleading. It is simply unsatisfactory.

The Civil Aviation Safety Authority has provided information to the industry that the guidance material in relation to specialist maintenance was accurate at the time the amendment was made. This guidance material has been in place for four years and the provisions for how the specialist maintenance scheme was to be applied have not been altered in any significant way, despite the guidance material having undergone four reviews and amendments in this time. This guidance material was published prior to the regulations and MOS coming into force in 2011, and provided a holistic understanding of the intentions of the regulations that were approved by parliament.

CASA now says that the guidance material needs to be ‘fixed’—other people talk about people fixing things, but I will not talk about the education minister—to suit the amendments because the regulations no longer mean what the Guidance material says they mean. Therefore these amendments have been put before the parliament for approval either based on error—as one of Australia’s most eminent legal counsel Bret Walker SC has opined—or CASA has inadvertently issued misleading material or material that is substantially inaccurate. Mr Walker’s opinion supports the above view and also contends that further to the above concerns, there are additional problems around the ongoing legality of licensed aircraft maintenance engineers now certifying for maintenance they have been performing safely and legally for years, as well as their ability to actually release an aircraft back to service if a non-licensed person has provided an airworthiness declaration for a maintenance task.

In my view, there are simply too many concerns around these regulations to allow them to stand. The amendments do not deliver clear and concise regulation. The amendments do not support the existing MOS policy, and fundamentally alter both Australia’s long-established safety philosophy and processes. The guidance material does not seem to accurately reflect the regulations. The regulations do not improve alignment with EASA and ICAO standards—the stated object of Australia’s aviation sector—and in fact move us further away. The regulations do not strengthen safety outcomes and instead remove a critical layer of licensed oversight. The regulations increase costs for the industry through increased administrative requirements. The regulations do not reduce complexity in the regulatory environment, and in fact seem to make it more complex. In short, these amendments do not meet CASA’s functions under the Civil Aviation Act and are not an appropriate use of CASA’s delegated
legislation powers. They are bureaucratic, complex and ineffective. They reduce safety and increase cost. The amendments do not support our aviation industry and should be disallowed.

However, I do want to acknowledge Mr Mark Skidmore, the relatively new Director of Aviation Safety at CASA, who has spent significant time with me and industry representatives to try to come to a satisfactory conclusion. I must say that I am incredibly impressed by Mr Skidmore, as is the entire industry. He has been a terrific appointment by this government; he is someone who has been welcomed in a bipartisan and a cross-party fashion. I look forward to working with him, and I understand that this is a legacy issue that Mr Skidmore has taken on. I understand that because he must rely on advice from senior members within his organisation, given that this is something he has inherited.

Unfortunately, a compromise has not been reached. As such, the best and most appropriate way to resolve these issues and to ensure Australia's high level of safety and maintenance is maintained is to disallow these regulations. In the case of disallowance, we will simply go back to what was in place, and something that worked, previously. There may be scope for compromise and there may be scope to improve the previous regulations, but these regulations are not the solution. If they are disallowed, CASA can then address these concerns in redrafting and ensure the best outcomes can be achieved. I trust our licensed engineers and I think it is important that we listen to them. Steve Purvinas does have a national reputation as a moderate union leader; he is highly respected; he works constructively with airlines; and he is someone who takes safety incredibly seriously. A fundamental error has been made here.

I urge my colleagues on all sides of this chamber, for the sake of airline safety, to heed the advice of the licensed aircraft engineers—those who keep our aircraft in the safest possible condition—and also to listen to the very considered opinion of Bret Walker SC and to disallow these regulations.

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (17:45): The government does not support this disallowance motion. The motion would wind back the clock on regulatory principles which have been in place since 2011. If successful, the disallowance motion would prevent important safety measures being incorporated into the Part 145 Manual of Standards, or MOS, and impose additional regulatory burdens on the Australia’s approved maintenance organisations without any demonstrated improvements in aviation safety. It cannot be supported without setting back the process of modernising Australia’s aviation safety maintenance regulations, introduced by the previous government and supported by this government. The Civil Aviation Safety Authority, or CASA, has after extensive consultation with both industry and the unions developed this MOS amendment to implement important safety and oversight measures on approved maintenance organisations, whilst at the same time adding four extra tasks to the list allowed to be performed by specialist maintenance personnel. The concept of specialist maintenance has been in place in the Australian Civil Aviation Safety Regulations since 2011. It is acknowledged that the union representing licensed aircraft maintenance engineers, the Australian Licensed Australian Engineers' Association, is opposed to the use of specialist maintainers. I am advised that the Australian Licensed Australian Engineers' Association does not want the list of specialist maintenance activities expanded to include on-wing engine maintenance or inferior furnishing roles such as carpet laying. I also advised that the Australian Licensed Australian Engineers' Association...
argues that the continued monopoly provision by licensed aircraft maintenance engineers for maintenance service certifications for all aircraft maintenance is the only safe situation, and that outcome should continue.

However, the position CASA has taken is consistent with International Civil Aviation Organization standards and recommended practices. CASA's position is also consistent with that which is being applied by overseas aircraft maintenance organisations in other major aviation jurisdictions, such as Europe, the United States, Canada and New Zealand. That position is that an approved maintenance organisation is responsible for providing the safe outcome on the maintenance of an aircraft. This concept is included in the Part 145 Manual of Standards amendments which are the subject of Senator Xenophon's disallowance motion. While the government appreciates that Senator Xenophon's motion was put forward with good intentions, and we certainly acknowledge Senator Xenophon's longstanding interest in aviation policy matters, the government will not be supporting the disallowance motion and urges other senators to also not support the disallowance motion.

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (17:48):

Labor will support this disallowance. Labor's position is that air safety is a paramount consideration in regulation and management of their operations and including maintenance. We appreciate the hard work undertaken by CASA in overseeing safety in civil aviation. Australia retains one of the safest air safety regimes in the world. Generally Labor believes that CASA regulations should be allowed by the parliament.

The issues surrounding this regulation are highly complex and technical. This includes concerns about matching with international standards set by International Civil Aviation Organization, legislation, regulations and guidance. As we understand the issue, this regulation adds to the list of specialist maintenance tasks in a way that potentially conflicts with ICAO standards, and potentially removes a level of checking on maintenance that forms part of a safety regime. We are concerned that the system of checks and the chain of qualification is at least confused by the regulatory change. Where there is a legitimate question raised about safety concerns, Labor favours a precautionary approach. Labor believes that a clearly understood system of checks and crosschecks is an important element of good safety practice, and that this regime should be clearly delineated and understood by all involved in the system. It is clear to us that if the system is indeed clear to CASA, it is not well appreciated or understood by those at the coalface. There are concerns about the legal effect of this change, as expressed in a legal opinion from Bret Walker SC.

We note that this regulation has been in place since October 2014. Since that time a new CEO has been appointed to CASA: the opposition has had the opportunity to meet Mr Skidmore, the Director of Aviation Safety, and we acknowledge his new approach centred on five key principles, including on safety, clear communication, reducing complexity, measuring regulatory impact, and consistency. At this point, the opposition believes that there are sufficient questions around the regulation of safety arising from this regulation to urge the parties to reconvene and clearly articulate a safety framework around these changes. The parliament needs to be assured that safety standards remain—and at least some are arguing that this is not the case. The opposition has taken considerable time and a number of meetings to listen closely to CASA's rationale and to the views of the workers at the coalface in the industry. Through that process, it is clear that the benefits to industry from these changes are
on the low side, although uncosted at this point. Further, the consequences of disallowing are not characterised as major by CASA. For these reasons, Labor favours a precautionary approach on this occasion.

The ACTING DEPUTY PRESIDENT (Senator Lines): Senator Xenophon, do you wish to have a right of reply?

Senator XENOPHON (South Australia) (17:51): Very briefly; thank you Madam Acting Deputy President. I am grateful both to the government and to the opposition for their responses. With respect to the government, if you look closely at Bret Walker SC’s opinion, there are real issues in respect of this. This is a minefield, in terms of how this will be interpreted. I have outlined this highly complex technical issue in terms of the problems with these regulations. I am very grateful to the opposition for their support in respect of this. I think Senator Conroy has hit the nail on the head: there needs to be a precautionary approach in relation to this. Let us not in any way compromise airline safety. There are legitimate questions that need to be asked about this issue. I want licensed aircraft engineers to maintain the aircraft that I and everyone in this place, and indeed millions of Australians, fly on each year. So let us get this right. I do not blame Mr Skidmore, who I think is an outstanding appointment. But disallowing these regulations will mean we go back to the previous system, which has served us well for a number of years. There could be scope for improvement. But these changes are very, very problematic.

I do want to pay particular tribute to the shadow minister for transport, the Hon. Anthony Albanese, who has supported this by taking that sensible precautionary approach. I do not know if there are the numbers for this to be disallowed, but I hope it will be, for the sake of aviation safety in this country.

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

The Senate divided. [17:57]

(The President—Senator Parry)

Ayes ....................34
Noes ....................30
Majority................4

AYES

Bilyk, CL (teller)  Bilton, J.W.
Cameron, DN  Collins, JMA
Conroy, SM  Dustyari, S
Di Natale, R  Gallacher, AM
Hanson-Young, SC  Ketter, CR
Lambie, J  Lazarus, GP
Lines, S  Ludlam, S
Ludwig, JW  Madigan, JJ
Marshall, GM  McEwen, A
McLucas, J  Moore, CM
O’Neill, DM  Peris, N
Polley, H  Rhiannon, L
Rice, J  Siewert, R
Singh, LM  Sterle, G
Urquhart, AE  Wang, Z
Senator Cormann did not vote, to compensate for the vacancy caused by the resignation of Senator Faulkner.

Question agreed to.

BILLS
Biosecurity Bill 2014
Biosecurity (Consequential Amendments and Transitional Provisions) Bill 2014
Quarantine Charges (Imposition—General) Amendment Bill 2014
Quarantine Charges (Imposition—Customs) Amendment Bill 2014
Quarantine Charges (Imposition—Excise) Amendment Bill 2014

Second Reading

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

to which the following amendment was moved:
At the end of the motion, add "but the Senate calls on the Government to enshrine the independence of the Inspector General in legislation by re-introducing the Inspector-General of Biosecurity Bill 2012".

**Senator RUSTON** (South Australia—Deputy Government Whip in the Senate) (18:00): I would like to say how tremendously important the Biosecurity Bill 2014 is. It is absolutely essential that it be passed to protect Australia's agriculture industries. Before I conclude I would like to put on the record that Australia's relative freedom from many pests and diseases is an extraordinarily invaluable asset to Australian agriculture, and it must be protected at all costs. Regardless of the fact that we have been left in a financially extraordinarily difficult position by the largess of the previous government and their lack of financial control, it is absolutely essential that we continue to fund biosecurity and to protect our Australian industries.

The intelligence gathering about new and emerging biosecurity threats is absolutely critical. As I mentioned in the earlier part of my contribution to this debate this morning, it is very clear that the increasing amount of movement and activity around the world, and the fact that we have become a global marketplace, puts continuing and increasing pressures on Australia's biosecurity systems. We must ensure that we are at the forefront of intelligence gathering to ensure that any new and emerging biosecurity threats are dealt with before they become an issue. This absolutely emphasises the need for pre-border activities designed to do exactly that. It is too late once the threat gets here.

However, one of the things that must be commended is the flying squad, which was provided $20 million at the election to have a fast and effective response to biosecurity emergency. Obviously the first thing we want to do by this legislation is ensure that we do not have the incursions at all and that we deal with them pre-border. But, if in the unfortunate circumstance we do have a post-border incursion, we need to be very, very quick to respond to it, as you would know yourself, Mr Acting Deputy President. The quick response to any incursion, not only rescues our industries, but will save millions and possibly billions of dollars for Australian taxpayers and obviously protects Australian industries. In the case of some of the industries in Australia, they face a lot of threats from our borders. We have a very long border and we have a very small population. The potential for incursions is alive and well every single hour of the day.

One of the things I would like to put on the record, which has been a very positive initiative of this government, has been the establishment and re-ignition of the National Fruit Fly Strategy, which is so terribly important in my home state and in the Riverland where I live. We all know that we have fruit fly in Australia, but there are hundreds of different types of fruit fly that exist in other parts of the world. It is absolutely essential that we prevent those fruit fly from coming to Australia so that we can maintain our reputation as being a pest- and disease-free country and continue to be able to access the export markets around the world in the way that we do. We are renowned for the fact that we do not have many pests and diseases, and people aspire to eat Australian food and to wear Australian fibre, and they want to continue to buy products from Australia.

In speaking on this bill today I want to emphasise how terribly important it is that we get our biosecurity settings absolutely right. Australia's future is going to be based, I think, very solidly on our agricultural industries, therefore it is absolutely essential that we protect them.
Senator BULLOCK (Western Australia) (18:04): Before I start, given that Senator Ruston was just referring to the fruit fly problem, it would be remiss of me as a Western Australian not to express my great disappointment in the effective banning of fenthion in Western Australia, which is a known and effective method of combating Mediterranean fruit fly. Orchardists in Western Australia deeply regret no longer being able to use it, given that it never caused any known human side-effect, and it has been removed from their arsenal in combating the fruit fly which is peculiar to Western Australia.

I was asked earlier today to share a few thoughts on the Biosecurity Bill, and I only had a few. I have now had a look at this bill and I may have some concerns that others may have not picked up. It may be that at least a couple of the things I say in this debate will not have been referenced before, and that gives us an opportunity to look at some of the provisions in some detail.

The first issue I want to raise relates to the declaration of a biosecurity emergency. To put that in context I want to start by referring to the scope of the application of the bill to invasive pests. At section 25 it says:

(1) This Act (other than Part 1 of Chapter 8 (biosecurity emergencies)) applies in relation to a pest only if:

(a) the pest is capable of:
   (i) infesting humans, animals or plants; or
   (ii) acting as a vector for a disease; or
   (iii) causing disease in any other way; or

(b) the pest is an invasive pest.

To know what an invasive pest is you have to go to the definitions. An invasive pest:

… means a pest that:

(a) is an alien species (within the meaning of the Biodiversity Convention); but

(b) is not capable of:
   (i) infesting humans, animals or plants; or
   (ii) acting as a vector for a disease; or
   (iii) causing disease in any other way.

So it would seem that the bill sets out to cover the field in dealing with pests, and to look at pests that are and are not capable of infesting humans, acting as a vector for disease, or causing disease in any other way.

When we go to the relevant section dealing with a declaration of a biosecurity emergency, which is section 443, we find:

(1) The Governor-General may declare that a biosecurity emergency exists if the Agriculture Minister is satisfied that:

(a) a disease or pest is posing a severe and immediate threat, or is causing harm, to any of the following on a nationally significant scale:
   (i) animal or plant health;
   (ii) the environment;
   (iii) economic activities related to animals, plants or the environment; and
(b) the declaration is necessary to prevent or control the establishment or spread of the disease or pest in Australian territory or a part of Australian territory.

All of that is subject to note 2, which states:

This Part does not apply in relation to invasive pests …

All of those invasive pests are excluded for the purposes of declaring a biosecurity emergency. I think this is a serious deficiency in the bill. There are many alien invasive pests that are not capable of infesting humans, animals or plants and acting as a vector for disease or causing disease in another way which could well and truly constitute an emergency. The example that comes immediately to mind is our new visitor to Western Australia, the cane toad, which the good people of Queensland brought to our shores, and it has been making its way westward, seeking a better place to live, ever since. It seems to me that some future invasion of a pest like that of the cane toad should rightly be regarded as an emergency, yet this bill specifically excludes invasive pests from being defined as a biosecurity emergency. This seems to me to be a rather serious shortcoming in this bill.

The next thing that attracted my attention as I flicked through the bill were the provisions dealing with entry requirements to the country. When dealing with entry and exit requirements, section 44 provides:

(1) This section applies for the purpose of preventing a listed human disease from entering, or establishing itself or spreading in, Australian territory or a part of Australian territory.

(2) The Health Minister may determine one or more requirements for individuals who are entering Australian territory at a landing place or port in accordance—

in accordance with provisions within the act. It goes on in a few subsections later to say:

... Without limiting subsection (2), the determination may specify one or more of the following requirements: (a) a requirement for an individual to provide either:

... … … …

(b) a requirement for an individual to complete a questionnaire on his or her health, which may include confirmation of whether the individual is undergoing or has undergone specified treatment within a specified previous period;

(c) a requirement for an individual to provide a declaration in relation to a specified listed human disease;

(d) a requirement for an individual to provide a declaration or evidence of where the individual has been before entering Australian territory;

It goes on with all the requirements that the health minister may determine. That is all good and well. I think it is appropriate that the health minister should determine requirements along those lines. Let us turn to section 46, which deals with civil penalties for failing to comply with certain entry or exit requirements. These are the requirements that the minister has determined under section 44, and if you fail to comply with them you are subject to penalties.

It states:

An individual to whom a requirement determined under section 44 4 (entry requirements) applies must comply with the requirement.

There is no discretion there. It is a requirement and it must be complied with. Subsection (2) and (3) go on in the same vain that the requirements must be complied with.

And then there is this section, which attracted my attention. It states:

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To avoid doubt, an individual may contravene subsection (1) or (3) of this section even if the individual is not able to comply with the requirement.

This section concerns me a great deal. It is one thing to say that requirements must be complied with—they are requirements, so one would presume that they must be complied with—but I can envisage a range of circumstances in which a person might not be able to comply. The person might be desperately ill. The person might be disabled. The person might be from a non-English speaking background with regard to the completion of a form that the minister might require. I am concerned about subsection (4). It says that even if you are not able to comply—and the bill presumes that the person concerned just cannot; they are not putting it on, they cannot comply—they will be deemed to have contravened the section and be subject to a civil penalty of 30 penalty units. I am not sure how much 30 penalties is when you translate it into dollars, but I am sure it is not an insignificant amount.

The ACTING DEPUTY PRESIDENT (Senator Back): $5,000.

Senator BULLOCK: I am very grateful to you, Mr Acting Deputy President, for whispering to me that it was $5,000. It is not peanuts, indeed. So this is a serious penalty, and even the legitimate inability of a person to be able to comply with that requirement will not prevent them from feeling the force of this law. I am concerned about that provision. I think it should be reviewed and removed and that the mandatory nature of the 'must require' in the bill be sufficient. If a person cannot comply then it is something they could use in defending themselves against the charge that they have failed to comply with the provision with which they must comply.

Another issue which attracted my attention in the bill was the change in the definition of the 'quarantine zone' It has long been the case that Australia's exclusive economic zone, extending 200 nautical miles from the coast, has been the benchmark for establishing requirements for quarantine. That is no longer the case. The bill says in section 12:

A reference in a provision of this Act to Australian territory is a reference to:

(a) Australia, Christmas Island, Cocos (Keeling) Islands and any external Territory to which that provision extends; and
(b) the airspace over an area covered by paragraph (a); and
(c) the coastal sea of Australia, of Christmas Island, of Cocos (Keeling) Islands and of any other external Territory to which that provision extends.

Note 2 to that provision refers to 'The definition of coastal sea of Australia or an external Territory in subsection 15B(4) of the Acts Interpretation Act 1901.' As I understand it, that definition extends the coastal sea only 12 nautical miles from our coast.

Like you, Acting Deputy President Back, I come from Western Australia. Off our shores are riches beyond comprehension, which we are endeavouring to exploit. The biosecurity regimes employed on those rigs and operations off our coast are renowned for being of an exceptionally high standard. The vessels servicing those offshore installations can today leave the mainland, supply the offshore installation and return, and remain comfortably within the 200-nautical mile border of our exclusive economic zone. But that will be the case no more under the terms of this bill. Those vessels will be leaving Australia and then returning and having to meet all of the compliance requirements as if they had come from foreign shores. This is something that has concerned the Australian Shipowners Association. They have said:
This change will result in an enormous compliance and operational burden for thousands of vessel movements compared to the handful of international facilities that previously required quarantine clearance each year.

They are concerned, as they say, that this will result in an enormous operational burden for thousands of vessels. The Australian Petroleum Production & Exploration Association share those concerns. They say that they estimate that the change in this definition will add compliance costs of $10 million a year. Our LNG industry, which is soon to be leading the world, is facing an extra $10 million a year in costs. For a government that is committed to cutting red tape, this is just a ridiculous additional expense. At the stroke of a pen, by changing the definition of our maritime boundary in this way, it is imposing that sort of a cost on our industry for no good reason, when the facilities that the industry visit offshore are of renowned biosecurity standards. Again, that provision needs to be revisited.

I understand it is suggested that it will all be sorted out in the regulations. That is another issue that we are very concerned about, because we have not seen the regulations. When the Labor Party had carriage of these sorts of measures, it brought forward at the same time, in draft form, some regulations that people could see to see whether concerns such as this—a $10 million impost on the shipping industry—were going to be adequately addressed. The Australian Shipowners Association say this:

"We'll sort it out in the Regulations" is not a satisfactory basis for industry to be assured that the requirements will not pose an excessive burden.

They are absolutely right, and they are echoing the concerns that the Labor Party has raised that the regulations are nowhere to be seen. This legislation operates at quite a high level, with the nuts and bolts hidden in unseen regulations that we really do need to examine before we can cast a judgement as to whether or not this bill is deserving of being passed. That is a third issue that I have drawn from the provisions of this bill.

There are other issues that have arisen in more recent times. For example, I am sure everyone is concerned about the 27 Australians who have been infected with hepatitis A as a result of the importation of berries into this country from China. I am sure that the average Australian thinks that somewhere along the line these contaminated berries slipped through a sound testing regime, that somehow there was some failure with the tests that would normally be applied to detect hepatitis being brought into this country on berries or anything else, and that these berries just slipped through the net. I think that was generally the feeling of senators at estimates—that somehow this had been an anomalous breach of a testing arrangement, which the department should explain. I was not convinced that that was the case, so I asked whether they had the capacity to test for hepatitis. The answer was a shocking no; there was no testing for hepatitis A or any other pathogens, merely for some chemical residues in imported foodstuffs. That is something that I am sure the people of Australia would be very concerned to know.

The bill defines an appropriate level of protection, which I am sure will come to be called an ALOP, for the high level of sanitary protection aimed at reducing biosecurity risks to a very low level but not zero. I am very concerned that we as a country have not learnt from the other outbreaks of hepatitis A, in this country and around the world, and have so far taken no action. In 2009, a multistate outbreak of hepatitis A affected 280 people in Australia. As far as I have been able to ascertain to date, there were no steps taken to prevent a repeat of this
outbreak associated with any of the foods known to be a real risk of carrying hepatitis A. There is a list. Pomegranate seeds, tomatoes and, surprisingly, berries are commonly known to carry hepatitis A. But it is not just in Australia. Just a couple of years ago, there was an outbreak of hepatitis A, associated with frozen berries, in several European countries. It affected some 1,318 people between January 2013 and April 2014. I have not been able to find out any steps that have been taken to protect Australia from a similar outbreak. Authorities in Ireland and Italy recommended that consumers boil their berries. If similar advice had been issued here, perhaps we would not have suffered the outbreak that we did. There have been a range of measures taken by other countries to reduce the chances of hepatitis A contamination.

Now we have in Australia the Biosecurity Bill that is before the Senate. Will the Biosecurity Bill improve things? I have got no idea, because this bill does not deal with matters at that level. The answer to these questions will be in regulations, which we have not seen. Until we have got a good view of what the whole package of this legislation offers us, we should be very cautious in dealing with its terms. We have consistently said we need to see the regulations. Issues like the hepatitis A outbreak are certainly sufficient to attract our attention in the biosecurity area, and yet there can be no confidence, based on this bill alone—without the material that we have not seen—that we will have those issues resolved.

I was going to talk briefly also about the importation of prawns and the level of antibiotics that is found in prawns from Vietnam. (Time expired)

Senator RHIANNON (New South Wales) (18:24): I rise to speak on the Biosecurity Bill 2014 and four separate but related bills. My colleague senator Rachel Siewert has set out in a detailed way why this bill does need to be supported but it needs to be strengthened to gain that support. The majority committee report has a number of very useful recommendations regarding the bill, and the Greens amendments detail why we need to protect our environment, our industry and our economy. Biosecurity issues go to the very fabric of society. They are just so important.

In these introductory remarks, I would like to give particular emphasis to the issues of the health of our communities and the health of our agriculture. In many ways, these are the two key factors when one starts talking about biosecurity. I acknowledge that there is obviously a huge impact—and I will deal with this later—in relation to trade from this country and therefore our wider economy.

Biosecurity risks are very real, and the current framework we have and the legislation we have before us highlight the need for a comprehensive overhaul and far-reaching improvement. Unfortunately, the coalition and Labor are often conflicted when we get into the details of what needs to be dealt with here. Having said that, I do not doubt the commitment that many on all sides of politics have to addressing biosecurity. So many members have spoken about it with understanding, recognising the need to take this issue very seriously. Members have spoken with passion about the need for a comprehensive, responsible response. However—and it is a big qualifier—the profits of agricultural businesses, many of them giant multinationals, and the trade deals that are pushed and backed by conservative governments, are obstacles. When they butt up to our consideration of biosecurity, too often biosecurity measures are weakened. That needs to be put on the table and recognised, because it reminds us why this bill needs to be tightened.
I want to return to some of the work of my colleague Senator Siewert. We have important recommendations, from the committee that looked at this bill, about how we can strengthen the bill, and we have the extensive work that Senator Siewert has undertaken over many years. The comprehensive amendments that we will be putting forward cover a range of issues, and I want to consider some of these, because I think they should be front and centre while we are in the second reading debate.

There is the all-important need for the creation of a separate biosecurity agency. The director of that agency should be separate from the Department of Agriculture secretary. This is one of the things that you see as a theme through the suggestions that the Greens are making. We need the expertise and we need the independence, and that needs to be in legislation. Enshrining the independence of the inspector-general is very important. It needs to be done in legislation by reintroducing the Inspector-General of Biosecurity Bill 2012.

Then we have the need for draft regulations, but they should be provided to the committee and industry stakeholders for review. I will come back to this issue about the regulations, because there is a real weakness with this legislation—a failure on behalf of the government to ensure that the regulations are front and centre before we sign off on this legislation.

We know consultative arrangements are needed. That should be a priority. A prime example here is the need for the Eminent Scientists Group to be established in the legislation itself. If it is not there, we do not have confidence in how this is going to play out. We need to establish a body that can act on environmental health in the same manner as Plant Health Australia and Animal Health Australia. That is clearly needed. What we need is not only for that to be established, obviously, but for it to be thoroughly resourced. We need to use this body to establish partnerships between communities, governments and environmental businesses—those people who are working in this area. That is a key role; it needs to happen. It is needed in order to deliver on high-priority policy and planning issues within biosecurity. This really goes to the heart of dealing with biosecurity—how we are going to be organised. This is where we feel there is a failure with what we have before us at the moment.

We are also suggesting there is a need for a category of biosecurity zone for high-value conservation areas. This should be the basis for implementing biosecurity measures, plans and monitoring. We need to state clearly those regional variations, both on land and in the marine environment, and that they need to be considered in biosecurity import risk analysis.

I mentioned before resources and, to give that more emphasis, there needs to be sufficient funding allocated by the government to ensure that the arrangements that are proposed under the bill can be properly implemented. I also want to mention the precautionary principle. My colleague, Senator Larissa Waters, will go into this in more detail. This is a prime area where we need the precautionary principle in place. That is the very foundation of how decisions and actions should be taken forward. The precautionary principle is something that should be so integral to life and to the work of government in the 21st century. It is still not given enough emphasis at all, and that is why I was so pleased to see that my colleagues have been raising it in a very comprehensive way.

To elaborate further on the need for the biosecurity agency that I have mentioned, and the need for it to be separate from the Department of Agriculture's secretary, that is something I have given some coverage to. Then there is the issue of the inspector-general. We see that this should be a statutory position. It is very important for this position to be independent. The
decision to not create a statutory inspector-general position we see as one of the most significant differences between the 2012 and the 2014 versions of the bill. It goes back to the point I made in my opening remarks about the conflict the major parties have when they come to deal with this issue, because biosecurity butts up against the trade deals they are doing and how they work with big agribusinesses. Again, this position is urgently needed. The dropping of the Inspector-General of Biosecurity, proposed in the Biosecurity Bill 2012, remains one of our big disappointments. The minister, when the minister comes in at the end of the second reading debate, really should address this issue—he should put on the record why that has happened.

I also want to take up and make reference to some of the important work undertaken by the Invasive Species Council. I found their submission and I have been aware of their work over many years; it has been very useful here. The Invasive Species Council submission to the inquiry outlined why it is not suitable for the minister to have the level of control currently set out. The Invasive Species Council submission made a very useful contribution here and I will share some of it with you:

The Minister for Agriculture has a clear conflict of interest as both Minister administering biosecurity legislation and person responsible for reviewing biosecurity performance. The areas subject to review are likely to be influenced by political considerations, and matters that could embarrass the government of the day are likely to be avoided. The risk of this would be substantially reduced and the public would have greater trust in the reviews if they were initiated and conducted by an independent statutory officer.

How can you argue against that? If you are sincere about biosecurity and you really want to ensure that the bill before us is top rate—that it will really work to deliver on biosecurity measures that will protect not just our current arrangements but will be a solid process for decades and generations to come—that needs to be taken on board. That is why the Greens have taken this up very strongly.

I want to move on to the issue of regulations. I know some earlier speakers also spoke about their concern that the regulations are still not known in detail. That becomes a problem because it means that the legislation leaves a significant amount of detail about the practical effects of the reform to what can best be called subordinate legislation. This is something that, again, I would urge senators to consider very carefully. If you are sincere about biosecurity, the detail needs to be there. Again, I would return to the example of the Eminent Scientists Group. We need to get that detail in there because we need to have that independence locked in. It needs to go hand-in-hand with greater transparency because, at the moment, there really is a lack of clarity about the role of external expertise. I find that very concerning. The Eminent Scientists Group is urgently needed. It needs to be locked into the legislation and it needs to be independent. I would really argue that should be obvious.

Another area that is relevant when we are considering biosecurity is what are often called ag-gag laws. These are laws that we often see—

Senator McKenzie: Ah!

Senator RHIANNON: I acknowledge the gasp—that is probably the way I would refer to it—from Senator McKenzie. Maybe it is a favourite issue of hers.

Often at a state level, when you have state legislation on biosecurity, it is cover for introducing laws that are about restricting the role of investigators and whistleblowers who
are working to end animal cruelty. It is an issue that also needs to be injected into this debate. First off, I want to put on the record the important role that undercover agents, whistleblowers and investigators play in exposing the abuse of animals. There is already a huge amount of criminal law at a federal and a state level across this country that can allow it to be handled if people believe or are concerned that the law is being broken. But the purpose of ag-gag laws is not about addressing biosecurity; it is about stopping and limiting the opportunities people have to expose animal cruelty issues. I have seen this issue misused on many occasions. People who are taking often personal risks to expose the cruelty to animals are described as a biosecurity risk. That is the total misuse of the term. It really does no credit to those who use it. I notice Senator Back, in many of his speeches about his legislation currently before this parliament and in interviews about it, attempts to make this association, which really does not wash.

The other issue I want to turn to is about international trade agreements. This is something that is very relevant and really does highlight the massive failure of the Liberal-National government when it comes to dealing with biosecurity. How we manage our trade, what deals are made and how the trade is conducted are enormously relevant to biosecurity, particularly for a country like Australia where we know we have an advantage. We are an island—yes, we have a huge border—but being an island does give one some protection.

But trade is the link between Australia, which has been relatively free from so many of these diseases that can wreak such havoc on the health of our agriculture and of our communities, and countries that unfortunately suffer from some terrible diseases amongst their livestock, amongst their agricultural produce. Clearly, how trade is going to operate needs to be open, needs to be transparent and needs to be on the record. But what did this government do? It came up with some arrangements that are the most secret that you could ever imagine. We just cannot get any details about how it is going to operate. That is so deeply offensive. I think it is actually quite insulting to the people who are putting so much time into trying to get this legislation right, to the people who wrote the submissions and to the people who give advice on how we should conduct our biosecurity.

The Trans-Pacific Partnership is the trade agreement right at the top of the list at the moment that should be out there for the public to scrutinise, to understand. There should be a thorough debate in this place firstly about what it means for the Australian economy, for Australia's environmental and industrial relations standards because we know they are in the target when these agreements operate. But there is also the issue of biosecurity. What does it mean in terms of how trade is conducted? When you hear from the Nationals, you are not going to hear them say, 'Let's learn how our trade arrangements are going to play out in the coming years, the coming decade'.

**Senator McKenzie:** More jobs in regional Australia.

**Senator RHIANNON:** I just heard Senator McKenzie say 'more jobs in regional Australia'. The Greens are working hard for more jobs in regional Australia but we want reliable jobs, jobs that are based on industries that are sustainable and on agriculture that is sustainable. If we have biosecurity risks or biosecurity break-outs in our agriculture, that is what is going to devastate jobs in those areas, and this is where Senator McKenzie really trips over her own argument.

*Senator McKenzie interjecting—*
Senator RHIANNON: I think it is interesting that she comes in with these in interjections. I will listen with interest when the Nationals come in on this debate to see if they have the courage to bring the issue of trade into this consideration of biosecurity. Because if they do not know how our trade is operating, biosecurity is weakened enormously and at least they should acknowledge it. It would be one area where the Nationals should have the courage to break ranks with their partners in government and their partners in crime and have some courage to stand up on this issue. Biosecurity is absolutely central to how the Nationals say they operate but when it comes to the hard issues, they are missing in action. Australian agriculture does depend on high standards.

Senator Nash: Mr Acting Deputy President, I rise on a point of order. I just have to point out to the chamber that the senator is misleading the Senate. Far from being missing in action, the Nationals are actually leading the way.

The ACTING DEPUTY PRESIDENT (Senator Back): I think that is a point of debate, Senator Nash. Resume, Senator Rhiannon.

Senator RHIANNON: Thank you, Acting Deputy President Back, for your ruling. I was recognising that Australian agriculture depends on the highest standards of biosecurity and that is why the Greens put so much effort into this issue at all stages when it has come before this parliament and in our discussions and consultations with groups in the community.

Pests and diseases can potentially wreak such havoc not just on our agriculture, not just on our health but on the whole economy. That is what is central to this debate. But the problem we have with this legislation now is, yes, it is a step forward, yes there are areas where we can agree but the safeguards are inadequate. We need to address the tough issues. We need to get the transparency right. We need to get the independence right. This legislation has a long way to go if it is going to address the challenges that we will face in this century.

Senator McKENZIE (Victoria) (18:43): I would like to pay a particular thanks to your own role, Mr Acting Deputy President Back, in all matters pursuant to biosecurity over the time that I have been in the Senate. I have seen your involvement in the Rural and Regional Affairs and Transport References Committee and Rural and Regional Affairs and Transport Legislation Committee where we have discussed this numerous times. Your leadership in this area given your background has been significant. I would also like to pay similar respects to Senator Siewert, who, with her agricultural science background, has similarly made a contribution over a long period of time. And obviously Senator Nash as Deputy Leader of the Nationals in the Senate has been a strong proponent of stronger borders when it comes to all things nematode. Sorry—those in the room who know what we are talking about found that joke quite interesting!

It gives me great pleasure to stand today to address the Biosecurity Bill 2014 and related bills. This is a bill that has been a long time in the drafting. I think that in 2012 we had Senator Ludwig begin the process with the Quarantine Act 1908—a fledgling young nation decided to have its own quarantine act—to turn that into a modern-day biosecurity bill that actually addresses all the challenges that an island nation such as ours and an agricultural-producing nation such as ours face. We are a destination for many tourists and travellers, whether by boat or by plane, who can bring significant risk to one of the key economic underpinnings of our nation, and that is our agricultural industry. I like to think that there is a bipartisan approach to ensuring that our borders are safe from disease risks from overseas.
Let me please turn to the bill in front of us. As I said, it is actually built on a long period of work by the Rural and Regional Affairs Committee under the former government. I remember that one of the first inquiries I arrived at when I arrived in this place was around fire blight and the apple industry, which is so important to my home state—in the Goulburn Valley and Shepparton area. We grow a lot of the apples. There were issues around the former risk assessment model that was being used to assess the risk of the trash of apples coming in from New Zealand. It was a severe concern for local growers right throughout the Goulburn Valley.

I remember attending a very large gathering of angry growers and also angry processors and community members in Shepparton, where the local member, Dr Stone, was very loud and passionate in her defence of the local industry. Indeed, I and the then member for Indi, Sophie Mirabella—who was then the shadow industry minister—spoke to the crowd about the risks posed by the importation of apples from New Zealand and that we needed to be forever vigilant in our quarantine and biosecurity measures and in our risk assessment.

The risks are significant. As an island nation we have seen what happens with the Hendra virus, for instance—a disease that attacked our equine industry. That affected millions and millions of dollars and jobs, not to mention the human and animal impact that virus had right throughout the north-east seaboard. So it is a significant issue.

Right now in the modern era it is not a couple of wooden boats that make their way over here from the motherland with some convicts and some brave settlers, but rather 16 million international passengers arriving here every single year, wearing clothes and having walked in dirt, bringing all manner of potential risks with them. That is something that a modern day biosecurity system actually needs to address. One hundred and eighty-six million mail packages arrive. You can find Glocks mailed from overseas. Any manner of plant or animal material can be mailed and we need a system that can actually assess appropriately the risks contained in those 186 million packages.

In terms of shipping, we have 1.7 million cargo movements and 26 million container consignments. This is a lot of stuff. We are a trading nation. There are a lot of people, a lot of packages and a lot of potential for risk to damage our very clean, green image internationally. Our disease-free status underpins so many of our trade negotiations, which Senator Rhiannon made reference to. It has just been so fantastic, I think Mr Acting Deputy President Back, that the current government has built on that strong trade relationship and the capacity for free trade agreements—and bilateral agreements in the absence of multilateral agreements—to actually develop and grow our regional economies and contribute to the national economy.

The free trade agreements with South Korea, with Japan and with China will absolutely deliver; the opportunities are just so exciting. But we must be very careful that the risks they pose are adequately dealt with; that we do have a system that can ensure confidence for consumers here and, obviously, buyers overseas, that the products they are purchasing—whether locally in supermarkets or overseas as part of an export consignment—are actually disease-free and continue our great reputation internationally.

This is providing the primary legislative means and modern regulatory framework for biosecurity in Australia. It was first introduced in 2012 and referred to the Rural and Regional Affairs Committee, which is a fabulous bipartisan committee which does some really great work. Obviously, that inquiry was put on ice while parliament was prorogued for the last
election. So many areas of concern that were raised by that committee, chaired by Senator Heffernan, are identified within this new legislation.

A number of significant reviews have been held of the biosecurity system. Most recently, the review of Australia's quarantine and biosecurity—the Beale review—has outlined opportunities to improve the system, and we have taken the opportunity to do that. I think we have heard numerous senators over today and yesterday outline the many benefits that the new legislation will provide.

The import risk analysis review was crucial, and it really did arise from the fact that the matrix used in the previous risk assessment was not appropriate and we needed to review its applicability. We took on board stakeholder concerns around many of the issues that were raised through the fire blight issue with the apples and also zebra chip in our potato industry. There is a great potato industry down in Victoria, down at Koo Wee Rup and across in Ballarat. We grow some of the best potatoes in the land—sorry, South Australia and Tasmania, but I do believe that Vic potatoes are the best!

There were some significant issues with the zebra chip virus, so we need to ensure that the risk assessment is actually adequate. There were significant issues with the old one. So some stakeholders expressed the importance of considering regional differences in biosecurity legislation, and that is another thing that our legislation takes into consideration.

So there has been a wide consultation process. Since 2009, I think, we have been talking about how we can make that 1908 Quarantine Act more functional. We have consulted with over 400 stakeholders to ensure that. It is not just the government; it is primary producers; it is all state and territory governments; it is importers and exporters; it is the wider Australian community. We have had Senate inquiries; we have independent inquiries. The department has been on the ground consulting. So I think the Senate can rest assured that the minister has brought to this place a bill that reflects the concerns, and indeed the solutions, that the community broadly sees that we need in a 21st century biosecurity bill. Over 440 organisations have been included in terms of actually being able to facilitate and develop this bill.

In terms of a deregulatory impact, I know our government is absolutely committed to reducing red and green tape and reducing the regulatory burden on farmers, on communities, on small businesses, on exporters and on importers. Part of that means that our economy is more productive, and that is exactly what this nation needs. I look forward to the Labor Party, and indeed the Greens, supporting us in our efforts to streamline those processes around environmental tape and red tape—processes that have put a stranglehold on the capacity of our small businesses, in particular, to employ more Australians and to get on with doing what we do best, which is growing fabulous, clean, green produce to send overseas. The legislation will have a deregulatory impact of approximately $6.9 million per annum. It is anticipated that the bill will commence 12 months after royal assent, and we are hoping that that can occur by early to mid-2016.

What is the purpose of the Biosecurity Bill? I have touched on a couple of key issues for me as a Victorian senator, and that has been the zebra chip virus, fire blight with our apples. There has also been the issue of the entire Queensland citrus industry being wiped out. This is big stuff. There is the risk of foot-and-mouth disease entering this country and wiping out significant producer holdings and key underpinnings of our rural sector in one fell swoop.
The bill includes managing 'the risk of listed human diseases entering Australian territory or a part of Australian territory, or emerging, establishing themselves or spreading in Australian territory or a part of Australian territory'. Also it deals with the management of risk of causing harm to human, animal or plant health, the environment or the economy; because this government cares about the environment. We want to ensure that our human animal or plant biosecurity framework actually protects our environment. I think our environmental credentials are unparalleled.

It also looks at the management of the risk of ballast waters. When we think about the shipping industry, there are fewer and fewer Australian flagged ships entering our ports. Ballast water can come from far away, and contains many, many risks to our local environment, and it is just being pumped out into our ports. We need to be sure that we have a legislative framework that ensures we can have confidence that that ballast water will not infect and degrade our marine and land environments.

The bill also seeks to remove current complex regulatory requirements and administrative practices in an effort to streamline processes. It is designed to provide greater flexibility for the Commonwealth to manage our biosecurity risks—as I have said—in a much more modern and flexible way. It is designed to have compliance tools which are much more reflective of how best practice exists in today's modern environment.

I did want to touch on a couple of issues, such as how the Biosecurity Bill addresses environmental biosecurity. In this bill we specifically ensure that the environment is protected from biosecurity risks; the same weight is given to that as is given to the harm posed to human, animal and plant health and the economy. So we are actually taking a triple-bottom-line approach to biosecurity risk. How does this risk affect the environment, the economy and our citizenry? And that is actually viewing our nation as a whole and all its components. And I think clause 9 deals with how we are going to do that.

Biosecurity risk is a core concept of the legislation and part of the threshold test for the use of the powers throughout the bill. The bill provides powers to assess these risks where there is an unacceptable level of biosecurity risk and allows measures to be imposed to manage that risk. It is designed to work in conjunction with other Commonwealth state and territory marine protection and conservation legislation, regulations and policies.

The definition of environment in the Biosecurity Bill is consistent with the definition provided under the EPBC Act. And the Commonwealth powers as reflected in the bill have been extended to allow for the management of invasive pests consistent with articles 7 and 8 of the international convention of biological diversity.

I just want to briefly touch on an issue that Senator Rhiannon mentioned, and that is how the Biosecurity Bill gives effect to Australia's international rights and obligations. We talk about FTAs and the importance of having biosecurity measures in our national interest. That is what we are all here to do, to ensure that Australia's best interests are protected by the federal government. We should all be putting our shoulders to the wheel in that effort. I am very proud of our government's efforts in this regard.

The bill allows for the management of biosecurity risk in a manner that is consistent with our international obligations. This includes our obligations under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures, the International Convention for the
Control and Management of Ships' Ballast Water and Sediments, the International Health Regulations 2005 and the Convention on Biological Diversity. When we talk about how this interacts with other nations, those other nations that are signatories to those international agreements will find great sympathy with the legislation before the Senate today. We look forward to the support of the opposition, both in the form of the Labor government and the Greens, as this bill will ensure that as an international community we can start to manage some of the global biosecurity risks and ensure that those nations that are disease free continue to maintain that status.

I want to briefly touch on what the process will be for biosecurity import risk analysis. That is contained in chapter 3 of the bill and it is intended to replace the import risk analysis process currently prescribed in the quarantine regulations. As I said, I think that was a result of very direct feedback from producers, exporters, industry bodies and, indeed, Senate reference committees—of the time—that there was an issue with the matrix. I do not want to get all Neo on everybody, but there was a significant issue with how we were assessing risk under the former process—hats off for actually dealing with this issue. I think our producer bodies will take great confidence from the fact that our government has done the hard thinking, because it is not easy. We had to go international to get expertise in this area and to get some evidence to ensure that we came up with a system that works for us, for our producers and for the type of nation that we want to be in the international environment. We are an island nation. The systems and processes that other countries have in place are not for us. I think it was entirely appropriate that we completely reviewed the IRA—so thank you. We now have the BIRA. It assesses the level of biosecurity risk posed to Australia if a specific good is imported and it considers what conditions, if any, might be needed to meet Australia's appropriate level of protection.

The bill sets out the broad principles and states the powers and obligations relevant to managing our biosecurity risk. It is largely administrative in nature and for this reason the details are to be included in regulations and supporting guidelines rather than in the bill. Earlier, I heard Labor Party senators decrying the fact that the regulations were not in the bill. There is a reason for that: they are heavy to carry around and regulations need to be flexible enough to allow for significant changes without having to come back and re-prosecute the whole bill. I think it is absolutely imperative that ministers and departments have the discretion that the regulatory environment allows them. It is completely appropriate that that level of detail is not contained in the bill. The details that are intended to be included in the regulations and supporting guidelines include the use of independent scientific expert advice. I love that. Every single time we must be using independent scientific expert advice even if we do not like it. Even if you do not like what they choose to put in front of you, you can absolutely have the public debate, but do not hide behind the veil—

*Senator Waters interjecting—*

**Senator McKENZIE:** Senator Waters, you are here and I know we can have a coal seam gas argument any time—

**The ACTING DEPUTY PRESIDENT (Senator Bernardi):** Senator McKenzie, please address your comments to the chair.
Senator McKENZIE: My apologies. I was pushed right back to the by-election where we had a significant win over the Greens on the weekend on the coal seam gas issue. But I digress. I ask the Senate to support the bill. (Time expired)

Senator WATERS (Queensland) (19:03): That could have gotten interesting, but I will stick to the matter at hand. I rise to speak on the Biosecurity Bill 2014 and related legislation that we have before us tonight. We all know that Australian agriculture, in particular, is dependent upon high-quality biosecurity arrangements. After climate change, which is of course the greatest threat to that sector and many other facets of our very existence on this planet, the introduction of pests and diseases is the biggest threat that this sector faces.

Modernising and consolidating the arrangements that have been in place and developed over the past 100 years is a positive step, but the Australian Greens are deeply concerned that this bill does not sufficiently safeguard, in particular, our natural environment as well as not safeguarding appropriately industry and community from biosecurity risks. Nor do we think that it provides the right framework for ensuring that scientific risk based assessments are not simply undermined by other considerations such as international trade agreements.

As a replacement for the century-old Quarantine Act of 1908, this Biosecurity Bill of 2014 is an opportunity to bolster Australia’s capacity to protect the environment from invasive species. We know that more than 70 per cent of the 1,700 species that are listed as nationally threatened and more than 80 per cent of our listed ecological communities are imperilled by introduced animals, plants or diseases. Sadly, Australia’s most recent State of the environment report gave the worst possible rating for invasive species impacts on biodiversity. It found it is very high or deteriorating, and it found that management outcomes and outputs are ‘ineffective’.

This deteriorating trend is due both to new invaders such as myrtle rust—which I want to focus on particularly tonight—and Asian honey bees, and there is also the spread of already established species. The Greens support the one biosecurity approach that was recommended by the 2008 Beale review that envisioned a seamless cross-sectoral cross-jurisdictional approach to biosecurity. But protecting the natural environment differs in many ways from protecting industry assets. It requires an ecological approach to biosecurity. Environmental biosecurity cannot simply be a bolt-on to existing industry practices. Biodiversity values at stake far outnumber industry assets. The scale and the complexity of the threats are far greater, knowledge is unfortunately much more sparse, the predictability of the impacts is lower and the management options are more constrained.

The Biosecurity Bill 2014 has some powers and tools to provide for more robust environmental biosecurity, but it is limited by inadequate institutional arrangements as well as deficient decision-making and review processes. I will go through those in greater detail. Some of the positives are the inclusion of the biodiversity convention in the objects of the act, and that provides, of course, the direct legal basis for measures to:

Prevent the introduction of, control or eradicate those alien species which threaten ecosystems, habitats or species …

That is article 8(h) of the Convention on Biological Diversity. Clearly, also, a national system for regulating the discharge of ballast water and sediment is a big advance, and we welcome that. There are other positives such as powers and tools like control orders and biosecurity zones, which could be applied positively and for environmental benefit.
However, and contrary to recommendations made by the Beale review in 2008, the proposed Biosecurity Act maintains functions within the Department of Agriculture rather than establishing an independent statutory authority. Instead of the recommended expert biosecurity commission and independent director, most decisions are to be made by the Director of Biosecurity, who is actually also the Secretary of the Department of Agriculture—although we are not too sure who that actual person might be, given the events of this week. The person who will fill that role has potentially conflicting roles in trade and industry promotion as well.

There are also some serious concerns about the lack of transparency about decisions that will be made under this act, including for the import of new species or new taxa. We are concerned that the decisions will be opaque, given that there is no requirement for community consultation; there is no publication of assessments; and there are, alarmingly, no third-party appeal rights or merits review. Only import applicants would have the legal right for review. Transparency—I would have thought it was pretty clear—is important to maximise community value-adding such as expert information and policy suggestions, for example, as well as to limit the potential for inappropriate political or commercial influences, which, again, I would have thought should have been a consideration that this place would turn its mind to.

Moreover, whether biosecurity import risk analyses, control orders or biosecurity zones will be applied for environmental priorities is the decision, again, of the Department of Agriculture secretary. There are no systems in the bill to ensure that they are applied in any sort of systematic way, and of course those sorts of measures have budgetary implications for the department, so one can infer that they would be more likely to be used for issues of highest priority for the Department of Agriculture—particularly when they are in times of budgetary constraint, as they continue to be under the current government—rather than issues of high priority for environmental biosecurity.

Another key concern—and I am going to elaborate on this shortly—is that there is no legislated involvement of the Minister for the Environment or the Department of the Environment in environmental decision making.

In terms of involving the community in decisions, the bill fails to give effect to the notion of a biosecurity partnership with the community and therefore to ensure productive involvement in policy setting and decision making. The Greens are concerned that this is likely to perpetuate the existing disparities in investment and response capabilities for environmental biosecurity as opposed to agricultural biosecurity. It is perfectly clear to us, as it is to many of the folk working in this area, that there is a real need for a body equivalent to the industry bodies—currently Plant Health Australia and Animal Health Australia. We need an equivalent body to focus on priorities for environmental biosecurity. Again, I will have some more to say about that in the course of my contribution tonight.

In short, unfortunately the architecture of this bill falls short of the highly regarded Beale review, and it fails to fully capitalise on the broad support that that review had generated in this area. From the perspective of the Greens, the key recommendation that has not been implemented from that review in this legislation is the creation of a separate biosecurity agency. My colleague Senator Rachel Siewert outlined our position in detail and, I believe,
moved a relevant amendment in her contribution, so I will not go over that other than to reiterate our key concern in that regard.

I want to focus on the fact that we still see in this legislation the continuation of the environment being subservient to agriculture when it comes to biodiversity. Under the current arrangements in the Quarantine Act 1908—yes, it is very old—there is a requirement for the director of quarantine to consult with the environment minister over decisions that may involve a significant risk of environmental harm. This requirement, which is in that old legislation, is, alarmingly, not being carried over into this new legislative regime, the 2014 bill. One consequence of that is, of course, that the Director of Biosecurity is not therefore obliged to include officers from the Department of the Environment. The other consequence has been emphasised by Mr Andrew Cox, who is from the Invasive Species Council and is certainly an expert in these matters. He said:

… from a practical point of view, without a statutory basis, when those subjects are competing for priorities, they—the environment department—cannot justify spending any time or any resources on that issue.

To overcome these problems, the Greens have recommended that the Secretary of the Department of the Environment or, alternatively, the Minister for the Environment, as appropriate, have designated roles in decision making and in policy direction on important environmental biosecurity issues. We will be moving amendments in that regard when it comes to the committee stage of this legislation.

But of course it would not be enough just to include environmental biosecurity in the legislation; there would have to be a corresponding commitment from the government to resource that and to provide the resources to deliver on the environmental components if they were to be included in the legislation. Mr Andrew Cox says:

One important institutional change that needs to accompany this is setting up a body like Plant Health Australia and Animal Health Australia, which we have called 'Environmental Health Australia'. Those two other industry-based bodies do great work, and without the foresight, preparation and risk work that needs to be done on behalf of the environment, you have not got a good biosecurity system for the environment. We are missing out. The government is not investing in that, but they are investing in that for the industry.

Of course, the consequence of not having such a body—an institution that focuses on environmental biosecurity specifically—is that, because environmental threats are largely in the public interest, there is generally no-one willing to stump up the money and deal with them, except of course for government. But, when government takes it on, the current system does not properly involve the community, which also shares that public interest. A perfect example of this was with myrtle rust. Again, I am looking forward to elaborating on how, unfortunately, the management of that incursion was poor, particularly on this point: there was no consultation with the conservation community or with any part of the community beyond the government when we responded to myrtle rust. Of course, when an ordinary industry based risk happens, industry is actively involved in the response through those bodies, Plant Health Australia and Animal Health Australia. It would have been far preferable if this bill acknowledged the important role of the community and actually codified it and, again, made sure that the environment was not simply forgotten.
I foreshadow that we will be moving a second reading amendment. I believe Senator Siewert has moved one, so I foreshadow the second reading amendment, which has been amended and circulated in the chamber. It is on sheet 7679, and it reads 'but the Senate calls on the government to establish and resource Environmental Health Australia in the same manner as Plant Health Australia and Animal Health Australia in order to establish a partnership between community, governments and environmental organisations to focus on high-priority policy and planning issues in environmental biosecurity'.

I want to touch briefly on some issues, and Senator McKenzie took up some of these issues. Firstly, there are a number of definitions in the bill that we believe could be strengthened and clarified. Again, we will be moving amendments in the committee stage to achieve that. The definition of 'environment' in the bill is lifted from the EPBC Act, the Environment Protection and Biodiversity Conservation Act, but it is quite broad and such that the definition itself could be taken to include invasive species—which, of course, is going to present difficulties. Likewise, it does not distinguish between biota that are indigenous and those that are non-indigenous, and it also neglects ecological processes. So we will be moving amendments in the committee stage so that 'environment' is defined so as to include Australian biodiversity, which is of course the variety of life indigenous to Australia and her external territories, encompassing ecosystem, species and genetic diversity. Secondly, I refer to ecological processes, the interactions and connections between living and non-living systems, including movements of energy, nutrients and species. Lastly, I refer to natural and physical resources.

We also believe that the definition of 'biosecurity risk' is not sufficiently broad and needs to include reference to regional variations. So likewise, in the committee stage to this bill, we will be moving that the definition of 'biosecurity risk' at least include consideration of changes through time to require that risks be assessed over an ecologically relevant time frame and also, importantly, take account of climate change; to include the likelihood of new genotypes of a disease or pest combining with others to exacerbate the potential for the disease or pest to cause harm, or to cause greater harm than the existing genotypes; and to recognise regional differences and different levels of biodiversity, ranging from the ecosystem to the genetic level.

In the short time that is left available to me tonight, I want to touch on the fact that this bill, amazingly, does not include reference to the precautionary principle. That is a fairly common occurrence in our law books, and certainly it permeates our environmental legislation. There needs to be a legislative requirement to apply the precautionary principle in decision making taken under this proposed biosecurity act. Clearly, when there is insufficient evidence to determine the biosecurity risk or if the available evidence is inconclusive, the precautionary principle should apply. The stakes are simply too high. Interestingly, Queensland has done quite well in this regard. Our Biosecurity Act 2014 uses the precautionary principle as a trigger for action. It says:

... including in risk-based decision-making under this Act the principle that lack of full scientific certainty should not be used as a reason to postpone taking action to prevent a biosecurity event or to postpone a response to a biosecurity risk ...

Debate interrupted.
ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Bernardi) (19:19): Order! I propose the question:

That the Senate do now adjourn.

School Chaplains

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (19:20): I would like to draw to the attention of the Senate some developments in the area of the National School Chaplaincy Programme. This has had its ups and downs over the years, particularly in recent times. People would be aware of the latest of the High Court rulings in Australia, in June last year, where the decision was that payments that were made under the previous government’s National School Chaplaincy and Student Welfare Program were invalid. The government, however, followed through with a commitment that it has had since 2006—under the Howard government, when this program was established—to reshape that program and to work cooperatively with the states so that the program would be funded via the state governments and the state governments would work with providers to then actually see that program rolled out into the schools. I have certainly followed this fairly closely in South Australia—where the Schools Ministry Group provide this service—because it is a service that has been incredibly well received by schools and their communities.

This year, the funding was released during February, and South Australia has received $7.49 million to run the chaplaincy program. As of the closure of the old program, there were some 369 schools in South Australia that were receiving funding, and this year there are 459 schools with funding for a chaplain. That increase, I think, is significant for a couple of reasons. If we look just at government schools—this is not private schools that might have a faith base; it is just government schools—there are more schools this year who have applied for funding than there were last year. Three hundred and thirty-eight government schools have applied this year, which is an increase of 26 over the last year. So it is clear that those people who are directly connected to this program—the parents, the school governing councils, the principals of the schools—see the value in this and understand the benefits it brings to the school community and to the children, which is why they have gone through that application process with the South Australian government to request the funding for a chaplain.

The South Australian government, to their credit, has seen the value to the program. The one downside for the program has been that, with these increased applications—the state government has accepted all the applications, so those who want a chaplain get one—there have been fewer days available for any given school in terms of the support that a chaplain can provide. One of the significant things in South Australia is that, because of the strong support for the program, the school communities and faith based communities have said, ‘We need to close that gap.’ A program was run by SMG called Fund the Gap. It has seen local communities donate more than $1 million to the SMG program so that an additional 272 pastoral care workers—which is what the chaplains are called in South Australia—are able to work in schools. That means they are closing the gap in terms of the days that have been lost by some schools, getting the additional funding to provide this service to schools, which is really significant.
The chaplaincy program has been very positive in South Australia. Even other states that I have visited where I have spoken to people—for example, in Victoria after the bushfires in 2009, in doing some work there with volunteers from South Australia—we interacted with principals of schools, and they indicated the strong support chaplains provided to the family there. That is reflected more formally in the study that was done by Edith Cowan University as well as the University of New England. This is a little dated—it is 2009—but the methodology and the approach to understanding the value that chaplains make still stands. I raise this particularly because some people question why the federal government should be funding chaplaincy programs. If you look at concepts of wellbeing—and this is not just a faith based concept; this is a concept of wellbeing that psychology promotes. Positive psychology and other areas understand that there is an element of connection for people with their concept of spirituality and that faith based programs or people who come out of a faith can have value in that.

There are very strict guidelines around what they can and cannot do. They cannot push their own faith on people. They cannot proselytise. But they do come with a holistic world view that has proven very supportive and successful for children, for the school communities, for teachers and for families. I think it is worth noting that that world view is equally as valid as the world view of someone who has no faith. That is the world view they have; that is how they see the world. People with a faith bring a different world view; but, as long as they work within the requirements of the program about not proselytising and pushing their faith, what we have seen in the results is that it has been very constructive and helpful for those communities.

This study of the effectiveness was, as I said, undertaken by Edith Cowan University and the University of New England. It looked at the number of activities that the chaplains did. It looked at the professional development, admin work, miscellaneous activities and also particularly at the fact that 79 per cent of the chaplains during that time had actually made off-site visits to parents and caregivers, bringing the broader community around the support the child needs. Some 73 per cent had led events in schools and special ceremonies. But the study particularly looked at what the chaplains did on a day-to-day basis, and most frequently they were involved in areas such as behaviour management and social relationship issues, anger, peer relationships, loneliness and bullying, family relationship issues, self-development, sense of purpose, self-esteem and mental health, and the involvement of students in the community in dealing with issues such as social inclusion and racism.

Most of the principals who made written submissions to the inquiry wrote about how they were impressed by the fact that pastoral care was provided in a non-judgemental way. They talked about the modelling and teaching of moral values and creating and nurturing ties with the community. The principals recognised that as an important path for their schools. Eighty-four per cent of principals indicated that feedback from parents about chaplaincy had been strongly positive or mostly positive. Ten per cent have said they received no feedback, and only 0.3 per cent of principals said they had received any negative feedback about chaplains. Parents said in interviews that they appreciated the pastoral care and good moral influence that chaplains had on their children.

I want to update the Senate on the fact that this program is alive and well. It has in the past been supported on a bipartisan basis by the two major parties in this place for the simple
reason that it adds value. Whilst there have been critics about the funding model—hence the High Court challenges—I recognise there have also been critics about the fact that there should be qualified counsellors or people working from a secular world view in these roles in schools. But the fact that communities in South Australia have banded together to raise $1 million since the start of this year in order to fund the gap so that these chaplains can work in schools and that we see that government schools, not religious schools, have not only backed up from last year to say they want to continue but have had an additional 26 schools request that support indicates the program is adding value. So I commend it to the Senate and encourage senators from the crossbenches and both major parties to continue to support this important element of pastoral care for young people into the future.

South Australia

Senator GALLACHER (South Australia) (19:29): I rise to make a contribution in the adjournment debate tonight in respect of a number of very important issues to the great state of South Australia. A lot of the rhetoric that has gone on since the awful budget was handed down in May of last year and decisions made immediately prior to that, I believe, need to be placed firmly on the record.

In respect to manufacturing, and in particular car manufacturing, according to the Australian Workplace Innovation and Social Research Centre's recently published report, written by Bianca Barbaro and John Spoehr and the National Institute of Economic and Industry Research, Australia is set to lose 200,000 jobs in the next four years after the closure of motor vehicle manufacturing. South Australia is set to lose 24,000 jobs at a cost to the South Australian economy of $3.7 billion. The job impact in local government areas is identified in this report—4,385 jobs will be lost in the City of Playford, in the main suburbs of Playford and Elizabeth and surrounding areas; 2,772 jobs will be lost in the Adelaide City Council area; 2,447 jobs will be lost in the Salisbury council area; 2,352 jobs will be lost in the Port Adelaide-Enfield council area. These are suburbs, as you well know, Mr Acting Deputy President, that already suffer from the highest rates of youth unemployment possibly in the whole of Australia. Certainly pockets of the areas have amongst the highest rates of youth unemployment.

If we move slightly away from what is happening to what potentially could happen if we do not get some sense into the debate on submarines, according to the Australian Industry and Defence Network submission to the inquiry into the future of Australia's naval shipbuilding industry, 6,000 people directly and nearly 15,000 people indirectly are employed in that area. According to the South Australian state government there are 3,000 jobs in South Australia in shipbuilding and submarines. If the submarines are built in Australia the economic flow-on will benefit the economy by $21 billion. In South Australia the gross domestic product will be better off by approximately $13 billion. If submarines are built locally, Australia will be better
off by 3,000 jobs per year for 40 years, and South Australia will be a great participant by being better off by 2,416 jobs over the next 40 years.

So, what do we have here? A decision has been made that is crippling employment opportunities in a vast number of suburbs in Adelaide. We have a potential for that situation to be exacerbated and doubled. If that were not enough, under the National Partnership Agreement on Certain Concessions for Pensioner Concession Card and Seniors Card Holders approximately 160,000 pensioners in South Australia will cop it. They will lose their concession of $190, or $100 for self-funded retirees. These things, which are compounding on the small state of South Australia, are catastrophic. Let's hope that they are catastrophic for these people—the Hon. Christopher Pyne, the Hon. Jamie Briggs, Andrew Southcott, Rowan Ramsey, Tony Pasin, Matt Williams, Senator Cory Bernardi, Senator Birmingham, Senator Sean Edwards, Senator David Fawcett and Senator Ruston—because I have not heard them advocating for their state.

For me, South Australia is first, second, third, fourth and fifth. I do not care who I have to advocate for or argue against. Whether it is in my own party, in the opposition or in the government ranks, I will be putting South Australia first, I will be putting South Australian jobs first, South Australian economic opportunities first, and South Australian small businesses first. Let's hope that those members of this place who are not advocating internally, externally and as publicly as they can for a better deal for South Australia face some sort of penalty. We know that, from the by-election in Fisher and the by-election in Devonport, there is a mood of continuing anger about the consequences that are applying to South Australia.

To add insult to injury, the supplementary road funding, which only applied in South Australia, has been cut. South Australia's local government manages 11 per cent of the nation's roadwork and has around 7.2 per cent of the nation's population. In 2006 the Commonwealth Grants Commission recommended that South Australia receive 8.9 per cent of road funding, and it has been cut. In order to maintain a fair level of funding, the federal government introduced the supplementary road funding scheme, which brought it up to around 7.9 per cent. That was John Howard's government. In South Australia we are now facing a cut of around $18 million for the 2014-15 financial year. We are at risk of losing $78 million by 2018. What this actually means is that either rates will go up or roads will not be repaired.

In the recent Senate estimates the Secretary of the Department of Infrastructure and Regional Development, Mr Mrdak, stated that in some situations governments have found it more efficient and economical to allow the paving to go back to gravel rather than maintain a seal. It would be extremely disappointing if local governments were forced to make considerations like that. Therein lies my question. We have members of the executive from South Australia who are in this coalition government. The Hon. Jamie Briggs has not been able to protect the funding for his own state that was brought in by the Howard government; it has not been protected. There are councils like Elliston, which may have 1,300-odd ratepayers but thousands of kilometres of roads to maintain. How are they going to do it without this supplementary funding? We will have increased risk of road accidents, increased risk of injuries and increased risk of deaths, without properly maintained roads. It is an absolute disgrace. South Australia enjoys having an assistant minister in the Hon. Jamie Briggs, but he has proved incapable of defending his own patch. If we cap their argument off, we will lose
car manufacturing and we will lose lots of jobs. We will compound unemployment, the underprivileged and high youth employment. There is no opportunity in the northern suburbs. If the same happens with the submarines, we will double the effect.

Where are the South Australians in this federal government advocating for a fair and honest deal for South Australia? Are they simply advocating for their own promotion within their government? Are they simply more interested, as the Hon. Peter Costello said, in their own promotion than in the promotion of the people who sent them here? It is a serious question and it needs to be answered by the South Australian members of the Liberal Party. It really is a question of whether they have the backbone to stand up for their state, as they should do. This is a states house at the end of the day. I will always advocate to anybody that South Australia gets a pre-eminent position in all of this.

**Child Abuse**

**Senator WRIGHT** (South Australia) (19:39): Tonight I rise to speak on a topic which has all too often been avoided, denied or hidden from public view. It is child abuse—a difficult and emotional subject that continues to affect so many Australians. But I think we owe it to those who have survived child abuse to speak up about how deeply it affects a person across their lifetime and what we can do, in this place, as people of influence, to minimise and address the abuse of children.

I speak tonight carefully and with the greatest respect, knowing that for many people this is a highly personal subject which can elicit very painful responses for those who might be listening or reading this transcript. If that is you, I would urge you to seek help. There are a number of services that can assist. And, most importantly, if your feelings are overwhelming and threaten your immediate safety there is always someone at the other end of the phone if you call Lifeline on 131114. Just as an aside: how grateful we should all be for a service like Lifeline, which is always there and often staffed with volunteers who care about other people enough to dedicate their time to helping them. It behoves all of us to value Lifeline and to use our utmost endeavours to ensure they receive the funding they need to provide the service which so many of us rely on.

As the Australian Greens’ spokesperson for mental health, I will acknowledge that I have not always been as well informed about the effects that child abuse can have on adults throughout their lives. Of course I had some inkling, but it is because of meeting some inspiring and expert people, largely in community organisations through my work in the Senate, that I have really come to understand just how devastating and enduring the impacts of child abuse can be on people's mental health and wellbeing, their relationships with loved ones, other people and even—perhaps most devastating—their own children.

I want to start tonight by talking about one of those inspiring and expert people who has contributed significantly to my understanding in this area, and that is Dr Cathy Kezelman, who leads the organisation called Adults Surviving Child Abuse, ASCA. Cathy first visited me in my Parliament House office in 2011. When she left I realised I had had one of those experiences where I now knew some things that I could never 'unknow'. One of those was the frequent link between adult mental ill-health and childhood trauma, and the fact that treating the mental ill-health would often only ever be a matter of treating symptoms that would probably reoccur in one form or another if the underlying trauma were not acknowledged and addressed.
ASCA was founded in 1995 to provide a public voice for adult survivors of child abuse. It helps adults who have experienced trauma in childhood to recover. It also includes people who have experienced child abuse in all its forms—neglect, domestic violence in childhood and other adverse childhood events. Dr Kezelman has her own story of recovery from child abuse, which is movingly and compellingly told in her book titled *Innocence Revisited: a Tale in Parts*. This year she was awarded the Member of the Order of Australia 'for significant service to community health as a supporter and advocate for survivors of child abuse'. ASCA has recently commissioned a report titled *The cost of unresolved childhood trauma and abuse in adults in Australia*. It is difficult to determine the prevalence of child abuse because of the secrecy, silence and social stigma which often prevents people from reporting it or talking about it. But we do know that a very significant number of Australians are affected. As detailed in ASCA's report, when considering child abuse of a sexual, physical and emotional nature, there are an estimated 3.7 million adult survivors in Australia. For childhood trauma more broadly, the number is an estimated five million adults. Many struggle day to day with their self-esteem, relationships and mental and physical health.

There are other organisations also doing great work in this area. Craig Hughes-Cashmore of the Survivors and Mates Support Network, SAMSN, is another inspiring and generous person who has helped increase my understanding and empathy. SAMSN works to increase public awareness of the effects that childhood sexual abuse can have on men in their adult lives. And they are providing support for many men who may otherwise be immensely isolated and distressed.

There is evidence that early childhood, especially in infancy through to five years of age, is a critical period in brain development, and adverse experiences that occur at this time can have lasting impacts into adulthood. There is also a vast amount of research on the risk factors for mental illness. In the US, a number of studies have looked at the association between adverse childhood experiences and adult mental health outcomes. These studies found that 35 to 40 per cent of the burden of depression, 56 to 64 per cent of the burden of drug problems and between 67 and 80 per cent of the burden of suicide attempts could be attributed to exposure to one or more traumatic events in childhood, such as abuse, neglect, parental mental illness, substance abuse, incarceration, divorce, or family violence.

The ASCA report, which includes costings by Pegasus Economics, suggests that the annual budgetary cost of unresolved childhood trauma could be as high as $24 billion. Based on conservative assumptions, ASCA has suggested that addressing child sexual, emotional and physical abuse could lead to savings of $6.8 billion annually for combined federal, state and territory government budgets. If all forms of childhood trauma were included, then potential minimum annual budget savings from successfully addressing childhood trauma in adults would be closer to $9.1 billion.

ASCA's report is based on a series of calculations that relate to the known negative life outcomes associated with childhood trauma, including health consequences and also social and psychological impairments such as: education impairment, underachievement in the workforce, difficulties in finding and maintaining healthy relationships, and interaction with the criminal justice system. The dollar and human cost of childhood trauma is tragically high. An Australian study into child sexual abuse victims found that 32 per cent had attempted suicide and 43 per cent had considered it. Hundreds of thousands of survivors live a life that
feels alone and isolated, in their experience, and have become used to hiding their suffering from others. Others are prevented from experiencing the joy or confidence that makes for a fulfilling life.

One of my inspiring community-based teachers shared a story with me that I have never forgotten. It was about a young man who began to feel extremely anxious when his wife became pregnant. He developed a deep sense of fear and foreboding that because he had been abused in his youth he, too, might become abusive of his child. What should have been a wonderful and joyful time in a man's life was stolen from him, because of his previous experiences. Many similar stories have emerged through the Royal Commission into Institutional Responses to Child Sexual Abuse. They have been harrowing and heartbreaking.

Many of the stories feature children being punished, disbelieved, ignored and accused of lying when they tried to get help. As of 1 March 2015, the commission has handled 22,022 phone calls; received 9,525 letters and emails; held over 3,000 private sessions; and made 510 referrals to authorities, including the police.

On average, it takes survivors 22 years to disclose the abuse they have experienced. Generally, it takes men longer than women. But recovery is possible. As Dr Kezelman and her colleagues outline in their report:

With active early and comprehensive intervention—appropriate support, specialist treatment and trauma-informed practice interventions—

and Australia is a leader in that—

adult survivors of childhood trauma and abuse can lead healthy, positive and productive lives. Their children, too, will benefit, because the resolution of trauma in parents intercepts its transmission to the next generation.

I join with ASCA in calling on the government to invest heavily in services to support Australian adults affected by childhood trauma. While it makes economic sense, it also makes sense on a human level. And this is the most important thing to me: that people receive the support and care they need to recover and live long, healthy lives.

I thank all those working to assist adult survivors of childhood trauma in their recovery journey. I am hopeful that the work of the royal commission will lead to a significant improvement in the prevention and treatment of child abuse.

Housing Affordability

Senator BACK (Western Australia) (19:48): I rise this evening to continue the dialogue about home ownership and the possibility of accessing superannuation funds. As I listened to the discussion this afternoon around the table, it occurred to me how disappointing it is that, with the depth of interest that exists in all areas of this chamber, we cannot have a dialogue based on policy and not cheap politics.

I ask the question: what is the ultimate objective of superannuation? Of course, it is to provide sufficient resources for a comfortable retirement. At the moment, the only way of doing that is via the accumulated funds that are in savings, and then as we see, with interest and with compounding, we end up achieving that goal, more or less. A second option may be the possibility of accessing some of those superannuation funds to provide the deposit for a person's first home. The third option may be—and I intend speaking tomorrow evening on this in the adjournment debate—to provide access to higher education for some people aged
mid-20s to mid-30s, who missed out on the opportunity of a university education early and are now in the workplace and realising the value of a higher education. The wisdom is that a degree gives you about a million dollars more over your career than you would have without one, so imagine how much better off you would be in retirement to have that million dollars as an alternative or an addition to superannuation.

Returning now to the prospect of the use of some superannuation funds to assist with a housing deposit, I ask: whose money is it? It belongs to the person into whose super fund these moneys are being paid. Why is it that they have no decision or no choice? All of us would be aware that in many instances the only difference between rent and mortgage payments, which are about the same on a monthly basis, is the fact that the person renting does not have the deposit to get into the home ownership market. So, if it is possible to use those funds for that purpose, why not? The third question that I ask is: why does it have to be apart from the superannuation system? Why could the super fund not be able to provide that deposit and hold the mortgage over time with absolutely no loss? Where is the loss? Instead of the super fund using accumulated funds to invest in infrastructure projects in Portugal, Poland or somewhere, they would be spending those funds to invest in young Australians getting into their own homes. Whether that is an Australian super fund or whether it is a self-managed super fund, why do young Australians have to exit the superannuation market?

An added point would be taking pressure off the rental market as people move from rental into home ownership. I think that it was Senator Ludlam who said this afternoon that about a third of adult Australians are renting. It is an interesting statistic. Fifteen years ago, 45 per cent of Australians owned their own home outright; that has now deteriorated down to about 33 per cent.

But where are the benefits? We all know them. We all know the value of a family being in their own home. Senator Wright spoke this evening about issues such as discord in the family and uncertainty amongst children. We all know the best place for children is to be in their own home, in which, each night, they will come back to their own bedroom. What sort of relief of the uncertainty and family discord that exists today will we be able to achieve if we are able to move towards that circumstance?

In 2012 I funded myself on a visit to Singapore to talk to the Housing Development Board there. Let me give you some stats from Singapore. Ninety per cent—I will repeat that: 90 per cent—of adult Singaporeans own or are purchasing their own dwelling, 85 per cent in the HDB system and 15 per cent in private housing. And they have used their Central Provident Fund for this purpose. The funds can be used to purchase or to pay stamp duty or whatever. Ninety per cent of adult Singaporeans are in their own home—and, as we all know, possession turns a sow's ear into a silk purse. Over time, in the event that that dwelling is sold, the funds will revert into the super fund or, if older people in Singapore find that the retirement component of their super fund is not adequate, they have the opportunity then to downsize and put the balance back into their superannuation fund.

**Senator Conroy:** Are you are economically illiterate?

**Senator BACK:** Ninety per cent, Senator Conroy, of Singaporeans are in their own dwelling. I ask the question: where is the loss to the superannuation industry if the super fund funds that purchase?
Senator Conroy: Do you know what compound interest is?

Senator BACK: Senator Conroy asks me about compounding. Thank you, Senator Conroy. I have been in real estate homeownership for 40 years, and I will debate with you any time you like that the compounding—

Senator Conroy: Compound interest! Clearly you know nothing about superannuation.

The ACTING DEPUTY PRESIDENT (Senator Bernardi): Order! Senator Back, address your comments through the chair, and, Senator Conroy, please do not disrupt the adjournment debate.

Senator BACK: The value of my real estate investments over 40 years, by virtue of compounding and by virtue of capital gain, vastly outweighs the minimal benefit that there has been to me in superannuation.

Senator Conroy: We're talking about first home owners!

Senator BACK: I am keen to discuss this with Senator Conroy when the opportunity presents. But we know the circumstance. Once somebody is in their own dwelling, we know they have the opportunity to upgrade over time. Capital gain benefit goes to the homeowner, to the person buying. In my own case, my wife and I in 1974 purchased a very humble little timber cottage with a tin roof, in the town of Northam. As time progressed, as it gained in capital value, we were able to sell it and upgrade. So surely the opportunity must exist—and I am very keen to engage with Senator Conroy at a later time. I am very, very keen to have that discussion, because I think there are enormous benefits. There are enormous benefits to the community. There are enormous benefits to individuals. There are enormous benefits to families. And at no time is there a loss to the Australian net value of superannuation, because the additional value over time of that real estate asset actually stays within the retirement funds.

What then can be achieved? First of all, if there are concerns about overheating a market, it could be that the opportunity is limited to new builds, to stimulate housing construction. It could certainly be that, if there is a concern about overheating markets, in certain markets it could be limited to a percentage of the median house price.

I return to the concept of rural and regional. Senator Conroy probably never goes into regional and rural Australia, but I can say to you that there are towns that are dying. There are towns where the cost of a house to a young family is very, very attractive. The opportunity for them to move into that circumstance, to gain homeownership, is absolutely incredible.

So we have many circumstances, in my view, in which this sort of issue can well be discussed. Is it of value to the Australian community for us to have a higher proportion of homeownership?

Senator Conroy interjecting—

Senator BACK: Does Senator Conroy believe that it is not a benefit?

I will conclude, if I may, with the story of my own family. My father's mother died when he was a young kid, in the goldfields. At the same time, his father took the family down to Fremantle, where my grandfather got a job on the wharf. An equivalent family, the Migro family—their husband and father died in a mine accident in Boulder. Nanna Migro, as I remember her, was a very, very small woman, widowed in about 1919, 1920. She had no
husband, no social security and five children—six when my father was added into it. What happened was that a bank backed her. It actually loaned her those funds, and my father’s earliest memories are of living in the safety and the security of the Migro household. She was able to provide a roof over their heads. That little house in John Street in North Fremantle still exists. Time went on. My father, working on the wharf during the Depression and studying bookkeeping, got a job as a banker. Regrettably for me, he died at the age of 60 years, in the bank. What was interesting was, when he died, the number of letters my mother received from people who said to her: ‘Your husband supported us into homeownership. He supported us for a roof over our heads, and that was what kept our family together.’ I grew up in a household which absolutely valued homeownership, and I for one want to see Australia’s funds assisting to achieve that.

Senate adjourned at 19:59

DOCUMENTS

Tabling

The following document was tabled by the Clerk pursuant to statute:

[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.]

Legislative Instruments Act 2003—Spent and Redundant Instruments Repeal Regulation 2015 (No. 1)—Select Legislative Instrument 2015 No. 21 [F2015L00297].

Tabling

The following government documents were tabled:


Migration Act 1958—Section 486O—Assessment of detention arrangements—Personal identifiers
1001160, 1001349, 1001464, 1001473, 1001477, 1001520, 1001535, 1001555, 1001556, 1001563, 1001564, 1001565, 1001568, 1001611, 1001631, 1001633, 1001635, 1001644, 1001701, 1001703, 1001706, 1001716, 1001723, 1001724, 1001727, 1001733, 1001734, 1001749, 1001760, 1001767, 1001768, 1001785, 1001791, 1001792, 1001793, 1001796, 1001798, 1001799, 1001833, 1001845, 1001855, 1001856, 1001862, 1001863, 1001864, 1001869, 1001879, 1001894, 1001895, 1001896, 1001906, 1001912, 1001915, 1001916, 1001920, 1001921, 1001926, 1001929, 1001931, 1001933, 1001935, 1001992, 1002031, 1002040, 1002073, 1002091, 1002093, 1002094, 1002095 and 1002101—

Commonwealth Ombudsman’s reports, dated 18 March 2015.

Government response to Ombudsman’s reports, dated 5 March 2015.