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SITTING DAYS—2015

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—SEVENTH 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. George Henry Brandis QC
Deputy Leader of the Government in the Senate—Senator Hon. Mathias Cormann
Leader of the Opposition in the Senate—Senator Hon. Penny Wong
Deputy Leader of the Opposition in the Senate—Senator 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. George Henry Brandis QC
Deputy Leader of the Liberal Party in the Senate— Senator Hon. Mathias Cormann
Leader of The Nationals in the Senate— Senator Hon. Nigel Scullion
Deputy Leader of The Nationals in the Senate— Senator Hon. Fiona Nash
Leader of the Opposition in the Senate— Senator Hon. Penny Wong
Deputy Leader of the Opposition in the Senate— Senator Hon. Stephen Conroy
Leader of the Australian Greens— Senator Richard Di Natale
Co-deputy Leaders of the Australian Greens in the Senate— Senator Scott Ludlam and Senator Larissa Joy Waters
Chief Government Whip— Senator David Christopher Bushby
Deputy Government Whips— Senators David Julian Fawcett, and Dean Anthony Smith
The Nationals Whip— Senator Matthew James Canavan
Chief Opposition Whip— Senator Anne McEwen
Deputy Opposition Whips— Senators Catryna Louise Bilyk and Anne Elizabeth Urquhart
Australian Greens Whip— Senator Rachel Siewert

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

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<td>CLP</td>
<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.
(2) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice J Faulkner), pursuant to section 15 of the Constitution.
(3) Chosen by the Australian Capital Territory Legislative Assembly to fill a casual vacancy (vice K. Lundy), pursuant to section 15 of the Constitution.
(4) Chosen by the Parliament of Queensland to fill a casual vacancy (vice B. Mason), pursuant to section 15 of the Constitution.
(5) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice C. Milne), pursuant to section 15 of the Constitution.
(6) Chosen by the Parliament of South Australia to fill a casual vacancy (vice P Wright), 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
Acting Secretary, Department of Parliamentary Services—D Heriot
Parliamentary Budget Officer—P Bowen
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<td>Prime Minister</td>
<td>Hon Malcolm Turnbull MP</td>
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<tr>
<td>Minister for Indigenous Affairs</td>
<td>Senator Hon Nigel Scullion</td>
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<tr>
<td>Minister for Women</td>
<td>Senator Hon Arthur Sinodinos AO</td>
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<tr>
<td>Cabinet Secretary</td>
<td>Senator Hon Michaelia Cash</td>
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<tr>
<td>Minister Assisting the Prime Minister for the Public Service</td>
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<tr>
<td>Minister Assisting the Prime Minister for Digital Government</td>
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<tr>
<td>Minister Assisting the Prime Minister for Counter Terrorism</td>
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<tr>
<td>Assistant Minister to the Prime Minister</td>
<td>Hon Alan Tudge MP</td>
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<tr>
<td>Assistant Minister to the Prime Minister</td>
<td>Senator Hon James McGrath</td>
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<tr>
<td>Assistant Minister for Productivity</td>
<td>Hon Dr Peter Hendy MP</td>
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<tr>
<td>Assistant Cabinet Secretary</td>
<td>Senator Hon Scott Ryan</td>
</tr>
<tr>
<td>Minister for Infrastructure and Regional Development (Deputy Prime Minister)</td>
<td>Hon Warren Truss MP</td>
</tr>
<tr>
<td>Minister for Resources, Energy and Northern Australia</td>
<td>Hon Josh Frydenberg MP</td>
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<tr>
<td>Minister for Territories, Local Government and Major Projects</td>
<td>Hon Paul Fletcher MP</td>
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<tr>
<td>Assistant Minister to the Deputy Prime Minister</td>
<td>Hon Michael McCormack MP</td>
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<tr>
<td>Minister for Foreign Affairs</td>
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<tr>
<td>Minister for Trade and Investment</td>
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<tr>
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<tr>
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<tr>
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<tr>
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<td>Hon Michael Keenan MP</td>
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<tr>
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<td>Senator Hon Concetta Fierravanti-Wells</td>
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<tr>
<td>Minister for Small Business</td>
<td>Hon Scott Morrison MP</td>
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<td>Assistant Treasurer</td>
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<td>Minister for Finance</td>
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<tr>
<td>Special Minister of State</td>
<td>Hon Mal Brough MP</td>
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<tr>
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<td>Hon Barnaby Joyce MP</td>
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<tr>
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<tr>
<td>Minister for Industry, Innovation and Science</td>
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<tr>
<td>(Leader of the House)</td>
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<td>Hon Karen Andrews MP</td>
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<td>Assistant Minister for Innovation</td>
<td>Hon Wyatt Roy MP</td>
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<td>Minister for Immigration and Border Protection</td>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases. Assistant Ministers in italics are designated as Parliamentary Secretaries under the *Ministers of State Act 1952.*
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<th>TITLE</th>
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<tr>
<td>Leader of the Opposition</td>
<td>Hon. Bill Shorten MP</td>
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<tr>
<td>Shadow Minister Assisting the Leader for Science</td>
<td>Senator Hon. Kim Carr</td>
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<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon. Bernie Ripoll MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Small Business</td>
<td>Julie Owens MP</td>
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<tr>
<td>Shadow Cabinet Secretary</td>
<td>Senator Hon. Jacinta Collins</td>
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<td>Hon. Michael Danby MP</td>
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<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Dr. Jim Chalmers MP</td>
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<tr>
<td>Deputy Leader of the Opposition</td>
<td>Hon. Tanya Plibersek MP</td>
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Monday, 30 November 2015

The PRESIDENT (Senator the Hon. Stephen Parry) took the chair at 10:00, 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

Legal and Constitutional Affairs References Committee

Meeting

The Clerk: A proposal has been lodged by the Legal and Constitutional Affairs References Committee for a private meeting on 2 December from 10:30 am.

The PRESIDENT (10:01): Does any senator wish to have that question put?

Senator RYAN (Victoria—Assistant Cabinet Secretary) (10:01): by leave—I made a statement in the Senate on 26 November 2015 regarding notice of motion 964, moved by Senator O'Neill. The statement I made was correct based on the advice I had received at that time. I have subsequently been advised that there are in fact documents recording contacts between the Australian government and the New South Wales government concerning the old Gosford Public School site. This is the first opportunity available to me to correct the record, and I take this opportunity to do so. These documents will be released in accordance with the motion agreed by the Senate last week. The minister will write to the President of the Senate regarding timing of the release of the documents.

BILLS

Australian Crime Commission Amendment (Criminology Research) Bill 2015

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator JACINTA COLLINS (Victoria) (10:02): Labor is opposed to the Australian Crime Commission Amendment (Criminology Research) Bill 2015. In the words of one of the former ministers in this area whom I have discussed this bill with, it simply is not a good fit. The purpose of the bill is to amend the Australian Crime Commission Act 2002, or the ACC Act, and repeal the Criminology Research Act 1971, or the CR Act, in order to merge the Australian Institute of Criminology into the Australian Crime Commission.

The bill comprises two schedules. Schedule 1 makes amendments to the ACC Act. The purposes of the amendments in this schedule are to enable the merged agency to continue to carry out the Australian Institute of Criminology's research work; to share criminological research and information with any person, including the private sector; and to carry out commissioned research. Schedule 2 repeals the Criminology Research Act to abolish the AIC
as a statutory agency. The Australian Institute of Criminology, or the AIC, was established in 1973 under the CR Act. As a Commonwealth statutory authority, the AIC is regulated under the Public Governance, Performance and Accountability Act 2013. Staff of the AIC are generally engaged under the Public Service Act 1999 but may also be employed or engaged by the AIC for a particular project.

According to the AIC 2013-14 annual report, the AIC:

… has served as Australia's national research and knowledge centre on crime and justice for more than 40 years, undertaking and promulgating new research, monitoring and analysing crime trends, and providing advice to inform legislative, policy and practice change.

The independent status of the AIC has meant its output is not only robust, but trusted by government, law enforcement and justice agencies across the nation and—

I should stress from the evidence the committee received—

internationally. Much of the AIC's work falls under the Commonwealth Government’s strategic research priorities, in particular, the priority themes of 'living in a changing environment', 'promoting population health and wellbeing' and 'securing Australia's place in a changing world'.

A Criminology Research Advisory Council, established under the CR Act in 2011, advises the Director of the AIC on strategic research priorities, communications and the Criminology Research Grants Program. The advisory council consists of nine members, who represent the Australian government and all states and territories. This composition ensures that the areas targeted for research funding reflect both national and state and territory priorities. The Criminology Research Grants Program, managed by the AIC, is funded by the Commonwealth and state and territory governments. The Director of the AIC approves a series of research grants each year, taking into account the recommendations of the Criminology Research Advisory Council. The program funds research that has relevance to jurisdictional policy in the areas of law, police, judiciary, corrections, mental health, social welfare, education and related fields.

The Australian Crime Commission commenced operation on 1 January 2003. It has its origins in the April 2002 Council of Australian Governments leaders summit, which agreed that a new national framework was needed to meet the challenges of multijurisdictional crime. It replaced and combined the strategic and operational intelligence and specialist investigative capabilities of the National Crime Authority, the Australian Bureau of Criminal Intelligence and the Office of Strategic Crime Assessments.

According to its latest annual report, the aim of the ACC is:

Reduced serious and organised crime threats of most harm to Australians and the national interest.

To achieve this aim, the ACC has a range of special coercive powers such as the capacity to compel attendance at examinations, the production of documents and the answering of questions, similar to a royal commission. The ACC also has an intelligence-gathering capacity and a range of investigative powers common to law enforcement agencies, such as the power to tap phones, use surveillance devices and participate in controlled operations. Like the AIC, the ACC is regulated under the Public Governance, Performance and Accountability Act, and staff of the ACC are engaged under the Public Service Act.
With that background, the 2014 Commission of Audit, announced by the Abbott government and released in February 2014, made a number of recommendations, including that:

A consolidated crime intelligence capability would also better support law enforcement operations …

The Commission of Audit did not suggest the possibility of the AIC merging with the ACC but proposed that consideration be given to moving the AIC to a university. This, perhaps, would have been a better framework to maintain the independence.

Prior to the 2015 budget, there was media speculation that the two bodies—the AIC and the ACC—would merge, and at the time Labor's shadow minister for justice, Mr Feeney, wrote to the minister requesting a briefing. However, the minister noted that the government was yet to make a decision regarding the proposed merger and so would not be offering a briefing at that time. Following the 2015 budget, the Minister for Justice announced the appointment of the ACC's CEO, Chris Dawson, as the newly appointed interim director of the AIC. At that time, Minister Keenan indicated that the government was considering whether the AIC should be placed within the ACC, but at that date no final decision had been made. The minister said:

In the interim, the ACC and AIC will continue to exist and operate as separate entities, while working together on expanding existing relationships.

Finally, on 25 September this year, the minister announced that the AIC would be placed within the ACC to boost research capability at the nation's criminal intelligence agency. The AIC is to be incorporated into the ACC as an independent research branch known as the Crime and Justice Research Centre, the CJRC. The minister stressed that the merger is not about cutting costs or personnel of either agency; it is about creating a unified workforce incorporating staff of both agencies.

The minister has stated that this merger brings together Australia's national criminal intelligence and research capabilities under one banner, and that having a unified resource of this type will enrich our national understanding of criminal activity, including serious and organised crime and terrorism, allowing police, justice agencies and policy-makers at all levels of government to adopt a more effective, efficient, evidence based response to crime.

Under the proposed merger, the AIC will carry its research functions over to the ACC, including its ability to undertake commissioned research. The AIC's corporate functions will be merged with those of the ACC. The position of AIC director will be abolished.

The Senate Legal and Constitutional Affairs Committee recently undertook an inquiry into this bill and the committee received correspondence from various stakeholders raising concerns about the proposed merger. As a result, Labor believes that the Australian Institute of CriminoLOGY's functions—which are to promote justice and to reduce crime by conducting criminological research, and communicating the results of that research to the Commonwealth, the States and the community—are best undertaken by an independent agency that can guarantee the independence of the work undertaken.

Further, the independence of the AIC has ensured that the programs for awarding grants and engaging specialists has been, and has been seen to be, independent and robust. As discussed in Labor's additional comments to the Legal and Constitutional Affairs Committee report, we believe that any positives that have been secured through the merger of the AIC
and the Australian Crime Commission—such as access to classified data—can be secured through legislation and/or interagency agreements, and does not require a full merger.

The continued integrity and independence of criminological research in Australia is vital for both the quality of research but also the public trust in crime statistics. It is not in the public or the national interest for such statistics to ever be perceived to be anything less than completely accurate and compiled by independent and skilled professionals.

Labor senators continue to have concerns about these aspects of the bill. The appointment of the ACC CEO Chris Dawson as the interim director of the AIC in July 2015 raised concerns about there being an impending takeover of the AIC. Mr Dawson, appearing before the committee twice—first in his capacity as interim director of the AIC and then as director of the ACC—raised some concerns about the impact of the government's merger on the independence of his office.

We recommend that the Government further consider the concerns raised by stakeholders during the public hearing, and in the submissions received by the committee regarding maintaining the integrity and independence of the research currently undertaken by the AIC, including maintaining funding and access to datasets, and maintaining public access to data, research and library resources of the JV Barry Library operated by the AIC. If it were to proceed with a merger, amendments to the minister's second speech and explanatory memorandum to the bill would help to address these concerns by committing to writing the verbal assurance given by the government regarding these matters.

Further, Labor believes that the government should consider establishing a statutory advisory body similar to the existing AIC council to advise the ACC board on setting the criminological research agenda and priorities and allocation of grants. It is clear that this bill is not about improving government service delivery. It is about defunding services and that will result in reduced capabilities. As recently as last week, Prime Minister Turnbull's appointment as Secretary to the Department of Prime Minister and Cabinet, Martin Parkinson, warned against degrading the abilities and organisational memory of our Public Service through outsourcing and redundancies. The government would do well to heed this advice.

We do not think the merger of these two agencies—or a takeover, as has been suggested by some—is a good fit. Therefore, Labor will oppose the Australian Crime Commission Amendment (Criminology Research) Bill 2015 in its current form.

Senator McKIM (Tasmania) (10:14): The Australian Crime Commission Amendment (Criminology Research) Bill 2015 seeks to repeal the Criminology Research Act 1971 and amend the Australian Crime Commission Act 2002. This bill abolishes the Australian Institute of Criminology as a statutory agency and merges its functions into the Australian Crime Commission to form a research branch, within the Australian Crime Commission, to be called the Australian Crime and Justice Research Centre.

The Australian Institute of Criminology has a long and proud history of undertaking and publishing world-class criminological research. John Vincent Barry, a lawyer, Supreme Court judge and pioneer of criminology in Australia, advocated for many years for the establishment of a national institute of criminology in Australia. His efforts came to fruition in 1970, when it was announced that such an institute was to be formed. The JV Barry Library, which is the
most comprehensive library based collection in the field of criminology and criminal justice in Australia, was named after John Vincent Barry in recognition of his early work in this area.

The exact reasoning for this merger is still unclear. The Commission of Audit proposed that consideration be given to locating the AIC in a university. How we have ended up here, with a bill to merge the AIC with the ACC, is something only the government can adequately explain. I note that in the second reading speech in the other place, Minister O’Dwyer stated:

The Government sees great opportunity in combining the resources of the AIC and the ACC to provide Australian law enforcement agencies with central access to a consolidated and comprehensive criminal research and intelligence resource.

Having a unified resource of this type would significantly enhance support for law enforcement and bolster Australia’s response to serious and organised crime.

The Greens have concerns that this is, in fact, much more of a takeover than a merger and will result in functions of the AIC being lost or subsumed. The first function of the AIC in the Criminology Research Act 1971 is ‘to promote justice and reduce crime.’ Nowhere in this legislation does it say that one of the functions of the Australian Crime and Justice Research Centre will be to promote justice and reduce crime. In fact, when that is compared to the first function of the ACC in the Australian Crime Commission Act 2002, which is:

... to collect, correlate, analyse and disseminate criminal information and intelligence and to maintain a national database of that information and intelligence—

it is clear that we are dealing with organisations that have very different aims and very different functions. It seems bizarre to be merging two agencies which have very different aims and very different functions, particularly as the minister has stated that this merger is not about reducing costs.

Promoting justice and reducing crime is really important in Australia. A 2011 AIC report found the cost of crime in Australia is approximately $47.6 billion. This bill provides no guarantee that when the AIC becomes part of the ACC the depth and breadth of research currently undertaken by the AIC will continue. That was a common theme in many of the submissions to the Legal and Constitutional Affairs Legislation Committee. We heard on that committee from Professor Rick Sarre, president of the Australian and New Zealand Society of Criminologists, who stated in his evidence to the committee:

There is no doubt at all that the membership of our organisation would be with the maintenance of the status quo. I am very happy to say that.

The committee also heard from the acting director of Griffith Criminology Institute, Professor Janet Ransley, who stated in evidence to the committee:

I think once you put this research function in a law enforcement agency there is a capacity for it to be perceived as co-opted by law enforcement. It will lose that aura of independence. That would be a great shame for Australia.

The committee also heard concerns around the intent of combining the research function of the AIC with the law enforcement function of the ACC, whilst maintaining the current board structure of the ACC. Those concerns essentially were that the merger or the takeover, whilst maintaining the current board structure of the ACC, would diminish the research program currently undertaken by the Australian Institute of Criminology. Again I will quote from Professor Janet Ransley, who stated in evidence to the committee:
The ACC board, as it is currently constituted—by my understanding—comprises largely law enforcement-related personnel from the states and territories and federal agencies. I think that is an inappropriate body to be setting research directions as we would understand criminological research. I think it does show a lack of understanding about the distinction between law enforcement-related intelligence gathering—which is a legitimate and important function—and criminological research, which is about understanding the underlying factors that contribute to and worsen or reduce crime. I think that is not a great solution, to have the board—as currently constituted—directing research. I think it would result in a diminution of the research function, and it would be a disaster, actually.

The Crime Prevention Council submitted to the committee that the AIC has been highly respected and valued as a source of sound research and advice. The council further submitted that the diminution of its research, publications, overseas assistance and conference-organising functions would have an adverse effect on Australia's criminal justice influence and role in the region. Civil Liberties Australia, in their submission to the committee, said that they believe 'domestic crime issues may be neglected given the national priorities of the ACC'. Professor Rick Sarre, the president of the Australian and New Zealand Society of Criminology, stated in his evidence to the committee on that issue:

If you are looking at crime prevention and bringing safety and security to our communities, anti-terrorism is one arm, and the sort of intelligence gathering that the ACC has done so well for so many years is another arm. But, if you are talking about community development and you are talking about education, health, housing, welfare—all those sorts of things—and the things that the sociologists and psychologists are telling us are the grave risks to our community development, an intelligence-gathering body is not likely to engage in that sort of behaviour.

It is fair to say that when these matters were put to representatives of the ACC at the committee hearings they indicated to the committee that they were aware of the concerns that had been raised. But it is worth noting that, in general terms, none of the concerns that were raised with the committee have been addressed in this legislation. It will be interesting to hear whether the minister is prepared to make any further statements on these matters during the debate here in the Senate today.

The Greens certainly believe that the domestic crime issues that were referred to by Civil Liberties Australia and Professor Sarre are very important for Australia. They include things like parole supervision and reoffending, preventing youth offending and reoffending, how we deal with people in the justice system with mental illness, and drink-driving prevention—just to name a few. These are many of the issues that no doubt all senators would hear about regularly in the so-called law and order debate in this country. These are bread-and-butter law and order issues. Ultimately, if we as a parliament want to reduce crime in Australia—and, of course, if you reduce crime there are fewer victims of crime and Australia will become a safer place—then we need to better understand why people commit crimes and, importantly, understand what strategies and responses we can put in place to reduce the level of crime in this country and to make Australians safer. That is a core function of the AIC, and that is one of the functions that will be placed at risk should this legislation pass through the parliament.

We have concerns relating to the future research direction of the ACC. Currently the AIC has an advisory board, the Criminology Research Advisory Council, which is made up of members from the states, territories and Commonwealth. This board advises the Director of the AIC on strategic research priorities. Should this legislation pass, the Criminology Research Advisory Council will no longer be a statutory body. Evidence was given that there
is consideration being given to reconstituting that council in some form and having an advisory body exist within the ACC. However, it is worth pointing out that, if that is not detailed in legislation, it would be simply the stroke of an administrative pen to dissolve any new body. As we have heard, Professor Sarre and Professor Ransley both gave evidence to the committee outlining concerns in this area.

Fundamentally, the Greens believe that, should this bill pass, there is a significant risk that broad-ranging criminological research that focuses on understanding the causes of crime, recommending crime prevention strategies and informing policymakers will take second place to the law enforcement needs of the ACC—and I will place very firmly on the record that the Greens understand the law enforcement argument here around the ACC, and nothing we are saying should be taken to be critical of that law enforcement function. We have heard that one of the justifications for this legislation is around things like access to datasets and the JV Barry Library. Those concerns have been articulated, and the Greens have no reason to believe that those concerns are unfounded, but we would make the point very strongly today that concerns like that can be addressed through administrative actions, such as potentially an MOU between the ACC and the AIC, and that effectively, if those are the concerns that are driving this legislation, we are taking a sledgehammer to a walnut here by proposing what has been sold to us as a merger but what the Greens fear is more of a takeover of the AIC by the ACC. So we will be opposing this legislation.

Senator BACK (Western Australia) (10:28): I rise to support the Australian Crime Commission Amendment (Criminology Research) Bill 2015 and add my words to those of previous speakers. We would all share the principle in this parliament and throughout the wider community that every effort must be made to contain, diminish and, of course, reduce the impact on victims of crimes, to bring those responsible for crime to account, and to reduce the massive impact that crime has in our community. Figures of $36 billion a year were mentioned. I think Senator McKim a moment ago mentioned the figure of $47.6 billion. So I lend my voice to any move that is likely to lead to better understanding of crime and study of crime in this country and, of course, all of those efforts to prevent it in the first place or to identify those responsible, bring them to account and reduce the impact on victims and on the community. As the minister in the other place said in her concluding remarks:

This bill implements an important consolidation of Australia's criminal research and intelligence capabilities. With the merger of the AIC into the ACC, the ACC will be better able to fulfil its role as Australia's national criminal intelligence agency, supporting and informing the efforts of law enforcement agencies around Australia.

Similarly, the new Australian Crime and Justice Research Centre in the ACC will continue to prepare and disseminate world-leading criminological research which informs our understanding of the trends and developments in crime and justice.

We have heard differing views on whether or not there is likely to be a diminution in the role of criminological research in this country. I would urge and hope that there will not. What I would think will be is a part of the thought process behind this move of merging the AIC into the ACC: that we end up with far more effect in terms of the work of the ACC without in any way reducing the effectiveness of criminological research. It will bring together two of the nation's leading authorities on crime and justice under the one banner.
The overall objective, of course, is to create a unified workforce that will incorporate the staff of both agencies to the mutual benefit of not only the Australian community but of the staff themselves—and I will come back to the impact on staff in a few minutes. The prediction and the advice to government is that this type of unification of the resources will significantly enhance support for law enforcement in this country, bolster our response to serious and organised crime and help us to better understand the causes and the research mechanisms by which we can prevent major crime in this country. And, of course, we would expect to see enhanced evidence supporting a proactive and targeted response to crime by all of Australia's law enforcement agencies.

The staff are critically important to the move being undertaken. Their wellbeing has been a prime consideration throughout the development of the proposal. And there will be significant benefits to the staff of both agencies: the simple fact of being able to work more collaboratively in a closer environment and the capacity to be able to move within the organisation—as one in the research space sees the desire to further their own career progression, for example, in the actual work of the ACC. And, again, the ability of people whose main focus has been the responsibilities of the Crime Commission and who may actually develop an interest in the research space being able to move seamlessly, either permanently or on a project-by-project basis, into the research space must surely be of enormous benefit to the staff.

Equally, it has been important to provide the staff with a degree of certainty, as there have been questions about the possible co-location and merging of the two. That, of course, will happen should this legislation be passed. The question has been asked—and quite fairly—whether the independence of AIC research will be compromised in any way as a result of this merger. The understanding that has very clearly been given to me is, 'No, there will be no diminution on the impact of research.' The AIC would carry its research functions over to the ACC, forming the Australian Crime and Justice Research Centre, headed by a senior criminologist and research specialist. I have no doubt that those with a keen interest in this space will be watching carefully to see how that process of selection is undertaken, to make sure that we do indeed have the services of an internationally-acclaimed criminologist and research specialist.

The ACC and the AIC agreed on this structure following consultation with the AIC's stakeholders. It is important to understand that. State and territory justice agencies, external criminology researchers and they themselves have emphasised—as indeed has been quoted by others this morning—the need for the AIC group, or the now Australian Crime and Justice Research Centre, to remain an independent research unit within the ACC. I have heard nothing and seen nothing that indicates a desire of government in any way to reduce either that independence or its excellence. In fact, I hope and expect we will see an enhancement of the research activities as a result of closer cooperation.

The Crime and Justice Research Centre's priorities will continue to be influenced by an advisory body similar to the current Criminology Research Advisory Council. The question of whether or not there will be a diminution as a result of that body no longer being a statutory body has been asked. I, for one in this place, would want to make sure that at all times there will be that level of independence and excellence. Should there ever be a case where that body's independence or its excellence is in any way diminished, I for one and others in this...
place would want to know about it, we would want an explanation from government and we would want a correction to that, so important is the issue.

There will be a broadening to include police representatives to reflect the important role the ACC plays in Australian law enforcement. There may be some who would say, 'Is that going to adversely impact the independence, excellence or direction of research?' Again, I certainly hope that it would not and that in fact it would only enhance, focus and act as a conduit for those police and other representatives to take back to their organisations a better understanding of the direction of research being undertaken and, indeed, the outcomes of research.

There is always a question in these cases: is this in some way an attempt to actually reduce funding? With the scourge of the increase in crime in this country and the impact of crime on the Australian community, both in physical terms of victims and in terms of the budget, one would hope there would not be a reduction of research funding. One would hope that in this merger we would actually see a greater focus on the need for supporting research. There will be an ethics committee to oversee the activities of the Australian Crime and Justice Research Centre, as indeed an ethics committee currently oversees the role of the AIC.

Where are the benefits for both? I expect that there will be and I expect that the minister, if need be, would expand on them. AIC staff should have better and further access to classified information available now to the ACC agency members. If that informs their research activities, if it gives them guidance in the directions in which research ought to be undertaken or if, indeed, there is the plea that they require further funding, the fact that they should have access to classified information should be of benefit. It will enable them to develop better informed and targeted research to be of greater value to law enforcement and justice agencies. Again, you would think that nobody in the Australian community—nobody of law-abiding nature, anyhow—would argue with that objective. A merger will provide ACC with a specialist research capability that will support the development of evidence-based responses to serious and organised criminal threats. It should be able to do so more seamlessly and more quickly and be able to respond in a very much more effective and efficient way.

A merger, should the legislation be passed, will provide significant opportunities to the staff of what are now the two agencies by providing diversity in the type of work they can undertake and the professional opportunities available to them. I made mention of that earlier in my contribution. I can very firmly see the benefits to staff in a merged organisation where they can move to those areas in which they develop interest and in which they may want and be able to go on with higher qualifications and then from the ACC side, should they then have undertaken that research, to look at the value and the benefit of that person in their career coming back into the law enforcement side so that they can give greater effect to that work.

I want to conclude my comments by talking about one area in which I know the ACC is active, and in which I understand AIC undertakes significant research. It is what some are referring to as the pandemic—not the epidemic—of crystal methamphetamine in this country. In 2014, as a result of surveys it was estimated that 2.5 per cent of all Australians over the age of 14—that is, half a million people—had used methamphetamine at least once during that year.

I will put that into perspective by comparing it to other countries. The 2.5 per cent of Australians 14 years and older who had tried methamphetamine at least once in a year equates
to 0.5 percent in the United States, Britain and Canada—countries to which we are often compared. That means that five times the number of people in our country in 2014 had used crystal methamphetamine—an illegal drug. Therefore we have in Australia—anecdotally we know this—a very severe issue. It is an area in which the ACC is active. Hopefully the AIC, reformed, would also have the resources to undertake the necessary research.

I will drill a little further into this issue. In Victoria, the Coroner's office reported in 2010 that one in every 25 drug related deaths was due to crystal meth or ice. Two years later—in 2012—the Victorian Coroner's office reported that the number was one in 10. Last September, the Medical Journal of Australia published a study of the Turning Point Alcohol and Drug Centre that showed a 318 per cent increase in hospitalisations from 2010-11 to 2011-12—in one year—in Melbourne as a result of issues associated with overdose and use of crystal methamphetamine. That figure of 318 per cent surely points to a greater need for a greater emphasis and better coordinated activity in our crime research, crime prevention and crime treatment, in order to reverse this evil trend.

A study undertaken by the Institute of Criminology of detainees in police stations around the nation found that 61 per cent of those held in the Kings Cross Police Station in Sydney tested positive to methamphetamine, 40 per cent held in Brisbane City Police Station tested positive to methamphetamine, and 43 cent of those in the watch house in my home city of Perth tested positive.

I will conclude with the words of the Acting Chief Executive Officer of the Australian Crime Commission, Paul Jevtovic. In a forward to a report, The Illicit Drug Data Report 2012-13, which was released about 15 months ago, he wrote…

…with its relative accessibility, affordability and destructive side-effects, crystal methamphetamine is emerging as a pandemic akin to the issue of ‘crack’ cocaine in the United States.

In this place we share the view of the wider honourable community of this country that the use of illicit drugs and the crime that stems from that—the need to fund such an addiction by stealing or through some other means—must be addressed and attacked.

The bill that we see today has the objective of bringing together the national criminal intelligence analysis and research capabilities of the AIC, the Australian Institute of Criminology, and the ACC. I realise the reservations that have been expressed by the previous speaker and from eminent and highly regarded specialists in this field, criminologist Professor Rick Sarre, from the University of South Australia, amongst them. The point I want to make is that those caution should be listened to. They should be addressed. From a risk point of view, we must ensure that none of the capacity of the AIC is lost in the merger with the ACC.

When we are facing the issues that we are, in this country, the closer the levels of collaboration between those parties who have a responsibility to the community, through this place, must surely be examined to see where the greatest of benefit lies. If there are risks of the independence of the research arm and if there are risks associated with the direction that research takes or, indeed, the quality of international collaboration, then those issues must be addressed. In the meantime, my own experience and background tells me that the more closely agencies of this type work together the better the outcome should be for the Australian community. I urge that this legislation be passed by this place.
Senator XENOPHON (South Australia) (10:46): I want to reflect on Senator Back's very thoughtful contribution relating to the Australian Crime Commission Amendment (Criminology Research) Bill 2015. I agree with him that the impact of illicit drugs and substance abuse is a very significant issue for this nation. Interestingly, today, the youth survey commissioned by Mission Australia indicated that amongst young people one of their most significant concerns was alcohol abuse and illicit drug abuse. In particular, there was a real concern about crystal meth—constituents who have been impacted by it and have come to see me—we are not doing enough as a nation.

I find it unconscionable that there are decent families around this country who are having to take out loans, mortgage their homes and cash in their super, in order to get a loved one into a rehabilitation program that may cost $20,000 or $30,000 either here or overseas. There are a number of reputable services around the country and also, apparently, services in Chiang Mai, in Thailand. There is something wrong in a nation as wealthy as Australia when families who are on average wages, who are battling with their bills already—because they do not want to see their loved one, whether it is a son or daughter, a father or mother, a husband or wife, have their life destroyed by crystal meth—are desperately trying to get them help and there is no real help from state institutions or government funded help, or it is minimal and piecemeal. It is a big issue, but it is not the issue that we are dealing with today.

I do endorse Senator Back's comments about the concern and impact of substance abuse of illicit drugs on crime in this country, but the issue here is whether the Australian Institute of Criminology and the Australian Crime Commission should merge. I think if Sir Humphrey Appleby were in this room he would say, 'This proposed merger is a courageous move, but I am not quite sure whether it makes sense.' Merging a criminal investigation organisation, with strong powers to compel testimony and gather intelligence from real world criminal networks, such as the ACC, with the Australian Institute of Criminology, a research body that carries out self-directed as well as commissioned research, raises some serious questions. The government says it is revenue neutral which, in the current climate of growing budget deficits, raises the question of why it is being done.

The Australian Institute of Criminology fulfils a very valuable role in Australia: providing objective analysis and research on criminal trends and statistics across Australia and transnationally. I first came to rely on the Australian Institute of Criminology as a state member of the South Australian state parliament, in the legislative council. I relied on its research back in 1997 with their landmark work, Who's holding the aces—a report into the frightening link between compulsive gambling and crime. The expert authors looked at the types of offences committed, the socioeconomic groups involved in gambling and sought to understand the reasons behind compulsive gamblers' behaviour and the wider effect on the family structure.

Of course, as a Western Australian senator, Mr Acting Deputy President Sterle, you do not have the scourge of poker machines in your pubs and clubs. They are confined to the casino—to Jamie Packer's casino at Burswood. Obviously, they are driven by the nature of the product, if you like—the design of these machines, that actually is dangerous. They actually hurt people because they are designed to addict and to cause enormous harm.
So since that time I have been impressed by the work of the Australian Institute of Criminology. Now the government wants to merge it with the Australian Crime Commission. This is a heavy-hitting organised crime investigation body with powers akin to a standing royal commission—and that is appropriate. It absolutely appropriate that we have a body such as the ACC to deal with organised crime and with criminal elements where you need to have significant, broad and continuing powers to deal with the scourge of organised crime.

The merger involves removing the role of the director of the Australian Institute of Criminology and I am deeply concerned that it will also remove the effectiveness of the merged body to carry out independent and effective research. Senator Back, in his very thoughtful contribution, talked about the need for greater cooperation. I agree with him. But this is not cooperation: this is a takeover. This is co-option—this is basically taking over the Australian Institute of Criminology. The concern I have is that this will mitigate and reduce the effectiveness of the Australian Institute of Criminology in this country. We do need to have a body such as the AIC which is truly independent. I do not have a problem with it being directed to undertake Crime Commission research, and it could be directed to from time to time by the minister or by the ACC, for instance. But just to have it merged so that we no longer have a director of the Australian Institute of Criminology concerns me.

The director is usually an academic with a strong research record, and the AIC is also assisted by an advisory council. Under the merger the CEO of the ACC and its board will assume these roles, although there is no requirement for any of these people to be criminologists. There is a big difference between research into criminal behaviour and looking at societal trends, and also to give an objective, balanced view as to what we can do to reduce the impact of crime—to reduce crime and to look at the causes of crime. I am all for being tough on crime, but we need to be tough on the causes of crime. And in order to understand those we need a robust and truly independent body such as the Australian Institute of Criminology. I am worried that by being subsumed with this proposed merger—which, by the way, is revenue neutral—we will lose that opportunity.

How can the government guarantee that the priorities and mission of what is now the AIC—the Australian Institute of Criminology—will not be subordinated to the objectives of the Australian Crime Commission? I suggest that there is no guarantee. My understanding—and I am sure that the minister will shake or nod her head accordingly—is that this is being driven by the Minister for Justice, the Hon. Mr Keenan. It is his bill. I suggest respectfully to Minister Keenan, with whom I have had a very constructive and good working relationship, that this is not the right way to go about it. I suggest that this has not been thought through. I suggest that by going down this path we will reduce our ability to look at the causes of crime. The ACC's role is to deal with criminal organisations. I think that the AIC's role is to look at the causes of crime also and to look at it in a broader context than the ACC would.

Of course we all want the most effective criminal investigation bodies possible. The ACC—the Australian Crime Commission—does important work, and should be funded and structured to continue this work. But I am concerned that its priorities will supersede the separate and distinct role of the Australian Crime Commission.

I am very happy to talk to Minister Keenan as to how there can be a greater synergy between the two bodies. But I think that, whatever concerns the government has, it is really throwing out the baby with the bathwater. I think that this particular bill will be retrograde; it
will be counterproductve in the fight against crime. You need to have an independent, robustly independent research body such as the Australian Institute of Criminology. I believe that this move, revenue neutral as it is, will actually set us backwards in the fight against crime and that is why I have real reservations in supporting this. I cannot support the second reading of this bill but I am open to having further discussions with the government in terms of further coordinations between the two bodies. But let us not get rid of a body that has served us well. Let us keep its robust independence in order that we can combat crime most effectively in our nation.

**Senator FIERRAVANTI-WELLS** (New South Wales—Assistant Minister for Multicultural Affairs) (10:55): The Australian Crime Commission Amendment (Criminology Research) Bill 2015 brings two of the nation's leading authorities on crime and justice, the Australian Institute of Criminology and the Australian Crime Commission, together under one banner. Australia's law enforcement and justice agencies are increasingly dependent on accurate research, information and intelligence to ensure that our officers on the ground, at our borders and in our intelligence agencies can do their job. Accurate research, information and intelligence are also essential to do deliver evidence based crime prevention strategies and effective justice policies that benefit the Australian community. A combined agency with strengthened research capability will be able to provide a better evidence base for our agencies to identify the patterns and associations that can detect, disrupt and undermine those who seek to keep to do our communities harm.

I would like now to turn to some of the specific points that were raised in the debate and address some of these points. Firstly, why does the government want to merge the AIC with the ACC? We believe that this will bring two of our leading authorities under the one banner. Whilst the proposed merger is expected to produce small savings over the forward estimates, can I assure the Senate that is not about cutting the costs or personnel of either agency; it is about creating a unified workforce incorporating the staff of both agencies.

We believe that there are benefits for both agencies and significant opportunities. By merging the two bodies, AIC staff would have greater access to classified information. This would enable them to develop better informed and targeted research that will be of greater value to law enforcement and justice agencies across Australia. It will also provide the ACC with a specialist research capability that will support the development of evidence based responses to serious and organised criminal threats. It will also provide significant opportunities to the staff of both agencies by providing a diversity in the type of work they can perform and also provide professional opportunities available to them.

We believe that the merger will assist in producing independent research that can inform policymaking by combining the expertise capability and data information holdings of the AIC and the ACC. This will significantly enhance support for law enforcement in counterrorism efforts and bolster Australia's response to serious and organised crime. The Australian Crime and Justice Research Centre will work closely with ACC, particularly on issues such as a common interest such as illicit drugs and crime prevention. Of course this will increase the value and relevance of the research, providing an enhanced evidence base to support a proactive and targeted response to crime and policy development by all law enforcement and justice agencies.
We believe there will be minimal risk only to both agencies. We believe it will be business-as-usual and there may be some minimal disruption but only during the transition process. Both have established a joint dedicated change management team to help manage this risk. Of course the government consulted in relation to the preparation of this bill with the two bodies in question and with the Attorney-General's Department, but we also consulted with states and territories through the Criminology Research Advisory Council and the ACC board throughout this process.

I will particularly address some comments that were made by Senator Collins and Senator McKim about consultation with external criminology researchers on the bill. We worked closely, as I have indicated, with the Attorney-General's Department and the two bodies to develop this bill for parliament's consideration. The AIC has a close working relationship with its stakeholders, including external criminology researchers, and it provided feedback from these stakeholders throughout the development of the merger process. The proposal also takes into account public statements made by criminology researchers and concerns this group proactively raised with the government. For example, the AIC provided feedback from the criminology research community that, should a merger proceed, the AIC should continue to carry out world-leading criminology research and remain an independent research unit within the ACC. Taking this feedback into account, the bill provides for the AIC to carry all of its research functions over to the ACC. Furthermore, the AIC's researchers will form a new research branch at the ACC—the Australian Crime and Justice Research Centre—which will be headed by a senior criminologist and research specialist.

Earlier I mentioned the minimal impact on staff. I can assure the Senate that staff wellbeing has been a primary consideration throughout the development of this process and, as I have indicated, it will open up opportunities for staff. We particularly wanted to make this point, and I note that in correspondence from Minister Keenan to the shadow minister, the Hon. David Feeney, it was specifically noted that the merger will not result in significant job losses and that this bill is not about cutting the staff or functions of either agency. It is about leveraging their strengths to ensure that we are using existing capability as effectively as possible to achieve the best outcomes for the Australian community.

I will now go particularly to the issue of the independence of research, which has been raised by both Senator Collins and Senator Xenophon. Will the proposed merger impact the independence of the AIC's research? The answer, simply, is no. As I have indicated there will be the new branch of the ACC, the Australian Crime and Justice Research Centre, where an ethics committee will oversee this centre's activities, as one currently does for the AIC. The department, the ACC and the AIC agreed on its organisational structure following specific feedback from AIC stakeholders that the AIC needed to maintain the capability to produce independent research. Whilst the centre's research priorities may become aligned more closely with law enforcement's high-level priorities, such as illicit drugs or transnational crime, this operating model would ensure that the centre will not be subject to undue influence by law enforcement industries. The centre's priorities will also continue to be influenced by an advisory body similar to the current Criminology Research Advisory Council.

I want to focus now on comments raised by all speakers in relation to this, particularly about the AIC's research, and state that the centre would continue to carry out the AIC's three main work streams, which are: statistical monitoring programs, fee-for-service research and
thematic research on crime and justice priorities. In relation to its thematic research on crime and justice priorities, the research centre will work closely with the rest of the ACC, particularly on issues of common interest. Research staff will also have access to ACC-sensitive law enforcement information, enabling the centre to carry out confidential research on specific issues for the ACC and law enforcement and justice agencies. The research centre will also have access to the same data sets that are currently available to the AIC, and the researchers will also be able to access all of the AIC's data sets. I will state that the ACC Act contains strict provisions governing dissemination of ACC information, not only to other government agencies but also to the private sector. Of course this is appropriate, given the sensitive information and intelligence that the ACC currently handles. Whilst this is appropriate for the ACC's existing operations, following a merger it will be important that the ACC can make AIC research available to other criminology researchers and to the broader Australian community, as it currently does.

In recognition of this, the bill inserts a new information disclosure provision into the ACC Act to enable the ACC to share and publish criminological research and information in the same way as the AIC currently does. This will ensure that criminological research will not become subject to the strict information disclosure regimes that apply to other types of ACC information. The JV Barry Library would also be maintained, and the merger agency will continue to provide public access to its holdings on an appointment basis, as the AIC currently does. As part of the proposed merger the AIC has also begun digitising parts of the JV Barry Library to improve public access, and this process will continue after the merger. In addition to publishing research, the merged agency will respond to specific data requests from researchers in the same way as the AIC currently does, and each request will be assessed on a case-by-case basis.

In response to a comment from Senator Xenophon, the merged agency will respond to specific data requests from researchers, as I indicated, in the same way as the AIC currently does. Each request will be assessed on a case-by-case basis, with the level of detail provided subject to ethical and privacy considerations. In the unlikely event of a disagreement between researchers and the merged agency, researchers will be able to escalate the matter to the CEO, as is currently the case for the AIC. If the dispute cannot be dealt with in this way, researchers have an appeal mechanism. Furthermore, the ACC is subject to the Commonwealth Ombudsman's jurisdiction, so the Ombudsman can investigate complaints as well. As is currently the case, researchers can also seek access to unpublished reports through the freedom of information process.

Senator McKim in particular asked about the library. I think that issue has been addressed. Senator Collins asked a question about the government's decision not to move the AIC to a university, as was suggested by the National Commission of Audit. Merging the AIC with the ACC presents a unique opportunity that would not be available if the AIC was moved to a university. By merging the two bodies, AIC staff will obtain greater access to classified information. I have addressed some of those issues previously.

I now turn specifically to the schedules to the bill and address particular comments raised by both Senator Collins and Senator Xenophon in relation to the continuation of the Criminology Research Advisory Council. The government consulted closely with the Criminology Research Advisory Council in developing the proposal to merge the AIC with
the ACC. The advisory council advised that it may wish to maintain a role in the merged agency but that this role does not need to be enshrined in legislation. Following a merger, the ACC board will assume responsibility for providing strategic direction to the ACC about its new research functions and for determining the ACC's criminological research priorities. However, in doing so, the ACC CEO proposes that the board take advice from the non-legislated research advisory committee. That research advisory committee is intended to perform a similar role to the current Criminology Research Advisory Council, with expanded membership to include the enforcement agencies. This will ensure that justice agencies continue to play a central role in determining the Australian Crime and Justice Research Centre's priorities.

In relation to the non-legislated research advisory committee, on 20 November 2015, the Criminology Research Advisory Council agreed that the new non-legislated research advisory committee would consist of the advisory council's existing members plus two law enforcement representatives and a representative from the Australia and New Zealand Society of Criminology. These changes are intended to broaden the range of stakeholders that will provide advice on crime and justice research priorities.

The ACC CEO proposes that the non-legislated research advisory committee will meet twice a year, with one meeting focused on research priorities and another on criminology research grants. That research advisory committee will still play a role in advising the CEO on criminology research grants through a grants subgroup. The subgroup will consist of research advisory committee members who provide a financial contribution to the grants fund. These arrangements will create a strong and independent committee structure to provide advice to the ACC board on the Australian Crime and Justice Research Centre's research priorities.

I think that addresses the key points raised in relation to this bill. In conclusion, I reiterate that the proposed merger is not about cutting the staff functions or cost of either the AIC or the ACC. It is about leveraging strengths of both agencies to achieve the best research and intelligence outcomes for the Australian community. With the merger of the AIC into the ACC, the ACC will be better able to fulfil its role as Australia's national criminal intelligence agency, supporting and informing the efforts of law enforcement agencies around Australia. Similarly, the new Australian Crime and Justice Research Centre in the ACC will continue to prepare and disseminate world-leading criminological research, which informs our understanding of the trends and developments in crime and justice. In this way, the bill delivers on the government's commitment to tackle crime and keep our community safe.

Debate adjourned.

BUSINESS

Rearrangement

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (11:13): I move:

That government business order of the day No. 2, Health Insurance Amendment (Safety Net) Bill 2015, be postponed to the next day of sitting.

Question agreed to.
Rearrangement

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (11:13): I move:

That government business order of the day No. 3, Veterans’ Affairs Legislation Amendment (2015 Budget Measures) Bill 2015, be postponed to a later hour.

Question agreed to.

COMMITTEES

Education and Employment Legislation Committee

Report

Senator SMITH (Western Australia—Deputy Government Whip in the Senate) (11:14):

At the request of the Chair of the Education and Employment Legislation Committee, Senator McKenzie, I present the report of the committee on the provisions of the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and a related bill, together with documents presented to the committee, and move:

That the report be printed.

Senator KIM CARR (Victoria) (11:14): I would like to speak to that motion. I want to speak to the motion that the report be printed. That is the proposition before the chair, is it not?

The ACTING DEPUTY PRESIDENT (Senator Sterle): It is, Senator Carr.

Senator KIM CARR: Thank you very much. It may be somewhat unorthodox to speak to such a motion, but not quite as unorthodox as for the government to bring in a report in this manner—a report which then goes to a bill on which the government wishes to bring off a debate immediately. It may well be unorthodox as well given this importance of this issue. This is a bill that goes to our third largest export industry, and it is important, therefore, when we consider the report of a Senate education committee on this industry that senators actually get time to read the report, because it is more than likely that senators will not be aware that this report is being tabled and that people are seeking to have it printed so that the government can then bring on this bill.

This is a bill which, as I say, has quite considerable and far-reaching implications. The Senate committee has looked at this bill, having had the matter referred to it a little over a month ago, on 15 October. The report is based on the work of some 27 submitters, for a bill which has a start-up date for the private sector of the middle of next year. Yet the government wants to bring this bill in immediately after consideration of this report—a report most senators will not even know has been tabled.

I am particularly concerned that senators have the opportunity to look at the Labor Party’s additional comments in regard to this report, because it goes to quite significant issues about the government’s attempts to deregulate aspects of this industry. Given the government’s experience in deregulation in higher education, this is a matter I would have thought would be of some interest to senators and would not be allowed to slip through without consideration of the issues involved.

This is a bill that seeks to reduce the level of regulation, particularly for private colleges operating in the international area. International education, as I have indicated, is of such vital
concern. If there had been no problems here, one could reasonably expect that, upon discussion with the opposition, these matters could be dealt with in the manner which the government may well be proposing. But that has not happened, because there have been some 54 colleges that have gone belly up in one form or another since 2007.

There will be those that say, 'Well, that's all ancient history.' Of course, we know that that is not ancient history, because since the new organisational principles came into play just a couple of years ago a range of colleges have gone belly up in one form or another. I repeat that there was the case just in September of this year of the Gold Coast Language School, which on 29 September this year, because of business failure, was obliged to close. On 6 August of this year, I understand the St Stephen Institute of Education was deregistered. Symbiosis, on 6 August 2015, was deregistered. They are particularly significant colleges because they are at the centre of fraud charges by the Australian Federal Police because of their involvement with Australia Post.

These are not incidental questions. They go to the very heart of the integrity of our international education system. I could go back to 13 July of this year, when the Melbourne Senior Secondary College lost its registration because of gross abuses of the international education student body that it had enrolled at the school without providing the proper services that were available to them. On 12 April 2013, Ivy Business College was obliged to close for enrolling students and not providing qualified teachers to actually teach them. On 10 December 2013, the Sydney Technical Institute had its renewals rejected. On 22 November 2012, Milton College fell over because of business failure. On 10 December 2013, Ashmark Institute also lost its registration.

So these are quite serious matters which go to the very heart of our education system, because they affect our international reputation. But it is not just there. I might also draw your attention, Mr Acting Deputy President, to Careers Australia recently being the subject of considerable notoriety. They had some 590 students. They have been involved in the VET FEE-HELP scandals. Phoenix College, which was deregistered recently, had 40 international students. Unique International College, which was recently deregistered, had 400 students. There was the case of action pending in regard to Cornerstone Investment, which was a college that had a capacity to enrol over 900 students. There is the Australian Institute of Professional Education, which has a capacity to enrol nearly 4,000 students and is subject to action at the moment.

Cornerstone and Empower were trading in different names but were essentially the same entity. They received some $46 million in VET FEE-HELP assistance but only managed to graduate five students. I have complained in the past about the $100,000 degrees, but I have argued that in the VET FEE-HELP area we have seen examples of million-dollar diplomas. We now have a situation where we are looking at diplomas costing the better part of $10 million, where a college has $46 million of receipts from the Commonwealth but graduates only five students. That is at least a situation where you have to say their productivity is very high when it comes to rorting.

I put to you, Mr Acting Deputy President, that these are the types of issues that should be studied carefully. If we are being asked to consider further deregulation in the international student area, we should consider carefully the implications of that. This is not a new problem. We know that these are matters that have dogged the development of the ESOS Act, the
subject of the bills inquiry. The history of the current act is one of ongoing iterative reform—that is, piecemeal reform. It is a bit like tax avoidance, where the taxation department has to constantly move to close down loopholes that emerge from very clever people who are in the business of constantly refining the way in which they rip off the tax system. In international education, there is a similar type of problem, but here the consequences not only are ripping off the taxpayer—the rest of us—but involve reputational damage to the whole country.

This is our third largest export industry. This is an industry that has profoundly far-reaching economic consequences. I will go around the country. In Victoria, this is an industry worth $5.6 billion; in New South Wales, $6.7 billion; in Queensland, $2.7 billion; in South Australia, $1.1 billion; and in Western Australia, $1.3 billion. This is an industry of profound significance, but, as we have seen on so many occasions, it has required a series of exposes, usually concerning unethical behaviour, to force the regulators to tighten up legislation, to change their administrative practices and to acknowledge that there are dishonest people in this world.

We have seen a series of changes. I have been involved with this question now since the beginning of the ESOS Act, which was back in the early stages of the 1990s. We have had repeated exercises to clean up abuses. Of course, the most savage were in 2006 and 2007, under the Howard government, where—and this followed an independent review in 2004 and 2005, from my recollection—amendments needed to be made. Then we had the extraordinary developments that occurred just prior to Labor coming to office. There needed to be further amendments made in 2009. The 2009 amendments required the re-registration of all institutions in the country, so serious were the claims. And then, of course, further changes were made following the Baird review, where there were some 19 recommendations. A further three tranches of legislative amendments were made in 2010 and 2011. They went to the issue of regulation of the providers and to a so-called risk management approach to registration—and we have seen how well that has served us! They went to the Tuition Protection Service, which was paid for by levies on the various colleges. There was a requirement to place student fees in a separate account to limit the amount of prepaid fees that could be collected, in order to make sure that refunds were actually available if a college went belly up. There was also a requirement to strengthen the record-keeping obligations of providers. All were necessary changes at the time.

This government has now proposed further changes to wind back some of those arrangements, and that is essentially the proposition in this report. There is an opportunity here for us to study the details. We will be moving amendments because, while many of the changes the government is proposing are nothing particularly out of the ordinary, the fact remains that ASQA—and I have made the claim on occasions that they are a body that have not been able to track a bleeding elephant through snow, on good evidence—themselves in 2012 said that they thought about five per cent of colleges that they viewed had serious issues of noncompliance. I understand that in recent statements they have made a claim that the number has grown to 10 per cent. When people tell me that they have actually taken action against colleges, I say it is the tip of the iceberg. That is why it is so important for us to consider these matters in the proper context of the way in which this industry actually operates.
The Federal Police have laid charges relating to fraud in the vocational education sector against three individuals just in this year. An extremely high level of proof is required for a fraud allegation. For the police to charge proprietors with that crime suggests that it is incredibly serious. In the case of the Australia Post affair, it is quite clear that the charges were warranted. Yet we are being asked to consider a bill which winds back the government regulation when it comes to the protection of students and the way in which their fees are paid.

For those reasons, I want to draw attention to this report. I trust that senators have the time to read it and to appreciate just how critical these questions are in terms of their being treated appropriately and with the necessary time.

I understand that the government will bring on this bill for debate pretty much after I sit down. There are a number of speakers who will be heard today but there needs to be time to consider the amendments, and I will be making an appeal to the crossbenchers to actually look at the detail here. Do not be swayed by people who will run up to you, particularly private colleges, and say, 'Listen, we don't want anyone looking over our shoulder. We've got to cut red tape. We've got to reduce the level of compliance.' I say there is plenty of evidence to suggest why we need red tape, why we need proper quality assurance and why we need to protect this industry from the unscrupulous. They abound and, unfortunately, are to be found in so many cases across the country.

Internationally, people look to the Commonwealth of Australia to assure them that the quality of the education provided by our international education providers is sound. They also look to us to ensure the proper probity arrangements are in place. People across the world who send their students, their young people, to this country do not expect us to turn away and say, 'We're going to streamline the regulations. We're going to have a risk management approach to these questions, and if things go wrong they are isolated incidents.' We have had too many 'isolated incidents' for us to take this matter lightly, and a number of the submitters to this committee report make the point that there needs to be careful consideration—this is too important just to take a cavalier attitude. While reasonable changes can be supported—I think the government has argued that there are better ways of dealing with the national code and there may well be ways we can address some of these regulatory questions in a more effective way—in the case of students' protections I am not persuaded that the government has taken the necessary measures, and I am particularly concerned about the student protection service and the designated accounts.

The explanatory memorandum of the bill explains that the provision is to remove the designated account requirements. As part of these arrangements, introduced only in 2012, it says:

… non-exempt (private) providers are required to maintain an account in which all tuition fees paid by students prior to the course commencing must be kept until the student starts the course. Removing this requirement will be of significant deregulatory benefit to non-exempt providers, creating a more level playing field between public and private providers and encouraging competition and innovation in the sector.

I know what sort of competition they will create. I know what sort of innovation; it may well be a race to the bottom. The purpose of the designated account is to provide a source of funds for students should colleges go wrong.
I simply make this point: in 2009 the problems were so great that if this fund had not existed there would not be the money available to refund students at that time. There were other assurance schemes in place prior to 2012, and it is important that there be sufficient reserves available so that students are not left in the lurch. That is why, for instance, the TAFE directors opposed the removal of the designated funds. The TAFE directors said:

In the current environment where there is so much public concern surrounding the actions of some less reputable private education providers, TDA feels it imperative that the requirement for retaining pre-paid student fees in a ‘designated account’ remains.

That is a proposition that I believe this Senate should take very seriously.

Of course we know that with limits on the collection of prepaid fees retained that the removal of the requirement to hold fees in the designated account reduces the risks of default and provides opportunities for us to be able to put real meaning behind quality assurance and student protection when it comes to colleges that are not able to meet their obligations to the students they have enrolled.

So I would urge the Senate to give very, very careful consideration to this bill. And that is why the government trying to slip in this little stunt should be clearly identified for what it is.

Question agreed to.

BILLS

Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015

Education Services for Overseas Students (Registration Charges Amendment (Streamlining Regulation) Bill 2015

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator KIM CARR (Victoria) (11:35): I would like to say a few words on the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and the Education Services for Overseas Students (Registration Charges Amendment (Streamlining Regulation) Bill 2015, quite independently from what I have just said! Hopefully by now senators might actually be reaching for the detail of this report. And if senators are not reaching for it, maybe their staff might be so they can actually look at the detail of it.

Labor does not oppose the goal of streamlining all of the different aspects. We have to acknowledge that circumstances change. As I have indicated, a bit like tax avoidance, one has to recognise that there are different circumstances that need to be met. But we strongly urge the government to revise this package, because its presence in this form is likely to aggravate the problems the bill has sought to resolve. In particular, Labor has great doubts about the effect of removing the requirement that private providers must hold tuition fees paid before the commencement of a course in a designated account. I will be moving amendments to strip that provision from the legislation.

We also have concern about the consequences of lifting the prohibition on the provider receiving more than 50 per cent of the tuition fees before a course begins. While we do not oppose the measure outright, we have doubts about how it will actually operate. It will be a
challenge to the regulators to ensure that provisions are not abused. These bills take us down a path that has become, regrettably, all too familiar under this government. Under the guise of cutting red tape and removing supposed burdensome regulation the proposed legislative change opens the door to further abuses. This is what happened in the ill-considered attempt to change the Tertiary Education Quality Standards Authority.

In that case, fortunately, the undermining of TEQSA was prevented because the government accepted criticisms of the bill that Labor had made, and amended it accordingly. The government in this case has no interest whatsoever in looking at the perhaps unintended consequences of their folly.

I hope the government will, however, demonstrate a willingness to consider the bills before the chamber. The question arises: why does the government keep trying to dismantle robust regulatory frameworks for the provision of educational services? The answer can only be that the government's ideological preference for private provision blinds it to the abuses that manifestly occur when there is inadequate regulation to maintain standards and protect students.

Last year's TEQSA bill risked repeating that lamentable history of the Howard government, when a flood of shonky providers threatened to undermine the reputation of the entire international education industry. Some senators will remember the saga of Greenwich University, which was a scam degree factory operating out of Norfolk Island and which the Howard government allowed to run rampant for four years. It is not the only example of dodgy practices—merely the most bizarre.

Between 2008 and 2011, 54 providers of educational services for overseas students collapsed, affecting 13,000 students and triggering a major crisis in the industry. The effect on reputable providers, who do strive to maintain standards and treat students fairly, of course meant that they were often overwhelmed by the avarice and corrupt practices of the shonks and the sharks. When that practice came to light, it tainted the entire industry, the good with the bad. It is a familiar story and one which is being played through in the VET sector around the country today. That is why when Labor came to government we established the higher education and VET regulators, TEQSA and ASQA, and instituted the Tuition Protection Service and other protections for international students. We cleaned up the international education industry in this country and saved Australia's reputation as an education provider.

That is a reputation that must be protected. I remind senators that the provision of international education services brings some $18 billion a year into the Australian economy. I have indicated that it is the third largest export industry after iron and coal. It is probably the largest in Victoria. Any harm to Australia's reputation as an education provider will stem the flow of students into this country and will of course cause enormous damage to our export capacity.

I should also point out that it is important that we actually learn the lessons of history here. Senators will be aware that this is the experience of the Howard government. International students continuing to be exploited by education providers and by employers is an ongoing problem which we need to address. The Australian taxpayer and the students are defrauded. Sometimes even public agencies have been implicated in that exploitation. Only three months ago a joint operation in Melbourne by the AFP, the Australian Border Force and ASQA resulted in three men being charged with serious migration and workplace exploitation
offences. I have indicated that that was the operation on the St Stephen Institute of Technology, owned by Baljit Singh and Rakesh Kumar; and the Symbiosis Institute of Technical Education, owned by Mukesh Sharma.

Foreign students were lured to Australia with promises of receiving working visas or permanent residency after completing their courses at these colleges. Once they arrived, however, no education service was actually provided. Instead they were subcontracted to work for Australia Post, sorting and delivering packages for below-award wages. Mr Singh was a labour-hire contractor for Australia Post, which has since severed its relationship with him. But it is appalling that such an arrangement could ever have begun. Although the colleges are alleged to have provided no training, they charged international students fees of up to $10,000 as part of this scam. The St Stephen Institute was one of the higher education providers granted access to streamlined visa processing under the 2014 budget measures and their subsequent deregulation measures. They were provided special entry provisions to allow people to work as subcontractors for Australia Post and to be ripped off, and students were paying $10,000 for the privilege.

Streamlining visa processing is, of course, another one of those deregulation measures for individual students. It reduces the paperwork—there is no doubt about that—but it also increases the responsibilities for education providers. This is why Labor when we were in government did not approve streamlined visa processing from non-university providers. We were concerned that to do so would risk a revival of the shonky practices of the Howard era. Our concerns have been vindicated by the St Stephen Institute.

Senators will also be familiar with the media reports of the scandalous behaviour of underpayment of foreign students employed by the 7-Eleven chain of convenience stores. Employees at 7-Eleven stores were paid $12 an hour to work in one of the most dangerous retail jobs in the country. Convenience stores experience an average of three robberies a week.

Adele Ferguson, who covered the 7-Eleven stories for Fairfax and the ABC, also exposed underpayment of the delivery drivers for the Pizza Hut fast food chain. Drivers hired by Pizza Hut franchises were paid $6 a delivery, with two deliveries per round trip. Drivers had to provide the car and pay full maintenance, fuel and insurance. They were hired as contractors, although this was clearly a scam. They were, in effect, employees of the franchise. Madam Acting Deputy President Lines, your committee has highlighted this particularly scandalous behaviour. But they were not even paid according to the enterprise agreement. This kind of arrangement is a classic trap for international students.

In the case of the 7-Eleven workers they are typically reluctant to complain because they are afraid of being penalised for infringing their visa obligations. The government has recently passed up an opportunity to provide greater protection for foreign students. It rejected Labor's amendments to the Migration Amendment (Charging for a Migration Outcome) Bill 2015 which were passed by the Senate last week. Those amendments would have extended the bill's provisions to include people on student visas and working holiday visas as well as 457 visas. They would have included protection for whistleblowers who exposed the conditions of businesses like 7-Eleven and Pizza Hut. The amendments would have also prevented vulnerable people such as international students being hired as sham contractors, because they would not have been able to obtain an Australian Business Number. Of course,
they could only be hired as staff under regular conditions of employment where their conditions under their student visas could have been checked. But the government rejected these safeguards being included in the migration bill.

So it is more urgent now that we redraft this current bill that is before us. It does not take a great deal of imagination to see how the removal of the need for providers to hold fees in a designated account is an absolute gift to the disreputable private providers. You might as well tell them to take the money and run. The operators of St Stephen Institute of Technology would have loved to have been able to operate under the regime that these bills would introduce. The government, apparently, does not lack the imagination there, does it? It does not take any lack of imagination to see that happening. This sector, however, understands the implications only too well.

In its submission to the Senate inquiry—and I quoted this this morning in consideration of the printing of the report—TAFE Directors Australia stated:

In the current environment where there is so much public concern surrounding the actions of some less reputable private providers, TDA feels it imperative that the requirement for retaining pre-paid fees in a designated account remains.

Government Education and Training International, an agency of the Tasmanian government, commented, in its submission:

The designated account ensures private providers are able to guarantee consumer rights of students in times of provider failure … the designated account should remain to provide this protection in the more vulnerable private sector.

The Tuition Protection Service, while acknowledging the view of those who want to remove the designated account obligation, argued that that remains, 'an area of potential risk for the TPS', which 'would prefer the retention of this integrity measure'.

The TPS submission noted that the worst outcome would be the abolition of the designated account obligation together with removal of the existing limits on prepaid fees which, of course, is exactly what this bill proposes to do. So the body set up to provide the protection is telling us, 'Don't do it.' And the worst outcome would be exactly as this government is proposing: that it be done.

By itself, the amendment to prepaid fee limits has the arguable merit of giving students greater choice and flexibility. That will be the government's case. But abolishing the designated account requirement is dangerous and, in combination with the removal of the prepaid fees, is in fact pernicious. Defenders of the abolition of the requirement have argued that it is not needed now because we have an Overseas Student Tuition Fund and that should fulfil the role of the previous account. That is exactly what the fund was not designed to do. It was envisaged as a last resort—not as a right; as a last resort. If it had operated this way, then—as I have said in the previous discussion—in the events of 2008 to 2011 the fund's resources would not be able to cope. I suppose then that we would have recourse to the government again? So private providers would be bailed out by the government—is that the argument? And the real assurance scheme is going to have to be the Commonwealth budget? These are people who are making money out of students. You should ensure that there are proper consumer protections in place. As I said, this fund, the Overseas Student Tuition Fund, was envisaged as a last resort instrument.
Some may object that the majority of providers are not shonks and sharks—I have heard this argument once or twice before—and they do not exploit students the way I have suggested. Of course that is true, but the problem in this industry is not the majority it is the minority. The problem in this industry is the rotten apple in the barrel which always ruins the whole barrel. The regulation framework has not been set in place because of what the compliant majority do. It exists because of what the rorting minority do—the ones that actually damage this country's reputation and do such harm to students that they rip off. What the shonky minority does is that it destroys this industry. That is why this is so important.

We acknowledge there are some aspects which could always been improved—I do not know a scheme that could not—and eliminating any duplication between the work of TEQSA and ASQA and other agencies through an aligning of reporting of registration requirements is more than reasonable, but the abolition of essential regulatory requirements, such as the designated account, will not result in streamlining; it will be opening the door for the crooks. The system will not flow more smoothly, because the rorts will come thick and fast. The government's ideological obsessions for deregulation and for privatisation are clouding its vision in all sectors of education. It refuses to see that admitting private providers to contestable funding under the proposed deregulation of higher education will mean the degradation of Australia's world-standard public university system. It has had early warnings in that regard. We have seen what has happened in Victoria with the TAFE system after the introduction of contestable funding in the VET sector. But still the government will not see this. And we see the crisis that has now developed with VET FEE-HELP. But the only interest that the government have is in tinkering at the edges of these problems so they can say, 'We've dealt with that,' and move on.

I will have a lot more to say when the relevant sections of the bill come before the chamber in the committee stage, but, with respect to the bill before us now, the wilful blindness of this government needs to be called to account. Despite the continuing media reports about rorts and exploitation of international students, the government is intent on making life easier for the rorters themselves. For the sake of the international students in Australia and for the sake of Australia's international reputation, we will be urging this government to reconsider these measures.

When these questions are put to the chamber, I trust that senators will have had an opportunity to read the minority report, the additional comments that the Labor Party has presented, in regard to this legislation. This is not an area in which we should act in haste, particularly given the start-up date for private providers is the middle of next year. What is the urgency here? Why is it necessary for the government to try to pull stunts like we have seen this morning, in terms of bringing on the committee report early, and then attempt to ram this legislation through? Why is it necessary to behave in this way unless there is a blind obsession with deregulation for the sake of deregulation, no matter what the evidence to demonstrate that there are colleges out there that pose an unacceptable risk to this nation's reputation and an unacceptable risk to students who enrol in good faith, only to find that they are used and abused in a manner which is unconscionable, even to the point now where the ACCC has had to take action against some of these crooks? Their own regulators should have moved much more rapidly to deal with this question in a timely way, to prevent these people regaining registration, in some cases, or being registered at all, in others. The circumstances
are clear, the evidence is abundant and I trust that senators will consider these matters carefully given the long-term consequences—(Time expired)

Senator SIMMS (South Australia) (11:55): I rise to speak to the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015. The Australian Greens have long supported the protection of Australia's reputation as a provider of world-class higher education and training. From 2008 to 2011, a number of international students were left without either alternative placements or refunds when multiple education providers went out of business, so the then Labor government recruited Bruce Baird to lead a review into the ESOS legislation. Senator Carr has touched on some of the aspects of that review.

The Baird review found that there were untenable amounts of risk in the system for international students. Given this, it recommended a change in regulation and the creation of a risk management framework to protect international students from exploitation and to protect students from the risk of being left without either a refund or a qualification in cases of provider bankruptcy or market exit. To achieve this, it recommended the introduction of the Tuition Protection Service, which would assist international students to complete their qualification by finding alternative placements or, at worst, reimburse them in cases where providers went out of business.

The bill before the parliament today would unwind many of the regulations around the Tuition Protection Scheme that were put in place by the Labor government in response to the Baird review. These include the ending of the requirement of providers to hold student fees in a 'designated account' until course commencement; the removal of the 50 per cent cap on the up-front costs that are chargeable for longer courses; the removal of the concept of a 'study period'; and the lowering of reporting obligations for student defaults.

The minister, along with some other voices within the sector, now says that he has renewed confidence in the sector and that these regulations are just unwarranted red tape. The Australian Greens do not agree with that. Just last week another major provider in the VET sector, Vocation Limited, went into administration, leaving potentially 12,000 students in limbo. I ask the minister: how on earth can he have confidence in such a system, in such a sector? The Liberals are great at talking about removing red tape. When it is about protecting students, they want to remove red tape, but we know what happens when they take away the red tape: they roll out the red carpet for the shonks and those who are going to exploit vulnerable students. It is all part of the Liberal Party's obsession with a deregulation agenda.

We have seen it being rolled out in our higher education sector across the board. We know that, if they win the next election, they are going to revive their plans to deregulate the university sector as well, potentially opening students up to huge amounts of exploitation and saddling them with lifetimes of debt, through skyrocketing HECS fees. That is the agenda of the Liberal Party when it comes to education in this country: 'Let's remove the red tape that actually protects students and let's leave them at the mercy of the market.' That is their agenda.

The Greens are not the only sceptics here. Here is an excerpt from the NTEU submission to the committee inquiry into the bill:

Supporters of the proposal to remove the designated account and 50% rules as a way of reducing provider compliance costs and red tape argue that it is justified as the international sector is more stable than when the current provisions to TPS were introduced in 2012. While we acknowledge that there
have certainly been improvements, supporters of the changes argue that the RIS is premised on the assumption that the risk of circumstances (that is, the turmoil the sector experienced over the period 2008-2011) which was the catalyst for these and other changes is now very low or non-existent. However, given the recent evidence of widespread problems within the private vocational sector ... we are concerned that both the Government and the sector are seriously underestimating the current levels of provider risk.

I repeat: 'seriously underestimating the current levels of provider risk'.

The NTEU goes on to say:

As such the assumption that it is fine to pull back on regulatory protections is being made under a false premise.

    Indeed, the Australian Greens agree that this decision is based on a false premise. Due to the problems within the VET FEE-HELP scheme, as identified in the recent Senate inquiry into the for-profit VET sector, there are more questionable providers than ever before. This is a scandal. Indeed, the Prime Minister has described it as such. Yet apparently the minister still has faith and confidence in this sector. It is our belief that the minister and the government have got their priorities completely wrong here. They need to sort out and tidy up this sector. They need to stop trying to pass the buck. We know that it was the Labor Party that brought in this system, but ultimately it is the Liberals that are in government and they need to try and find a solution.

Of course, the Greens have been advocating for many years that we should be cutting off funding to for-profit providers and redirecting funding back to TAFE. The government should be focusing on fixing this sector before they start going down the path of deregulating further, cutting away red tape, as they call it, and exposing students to huge amounts of risk. That is precisely what the government will do if this is legislated for today. That is precisely what will happen today if this legislation passes. We will be exposing students to more risk when we have not even solved the problems within the sector.

If the problems within the VET FEE-HELP scheme were to be fixed, it is quite possible that providers who rely on rorting the VET FEE-HELP system would struggle to stay afloat. After all, that is their business model. Many of the for-profit providers have an international student component to their business model so there is a structural risk to these international students' qualification and tuition if there is not appropriate regulation. What happens to those students and who carries this risk?

Given the problems identified here, it is the position of the Australian Greens that now is not the right time to pursue the deregulatory agenda contained within the bill. Now is not the time to be deregulating this industry further when we have rorts and scams endemic within this sector. Now is not the time to be saying: 'Let's remove the protections and let's expose students to even more risk.' It would be reckless and irresponsible to do so. It would pose too great a risk to students and Australia's international reputation as a world-class tertiary education provider. So the Greens will not be supporting this bill. We encourage other senators in this place to join us in our opposition to this bill.

Senator McKENZIE (Victoria) (12:03): I rise to speak in support of the government's Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015. We have over 2½ million international students studying in our great country. It is, as Senator Carr said, one of our great export success stories. In my own home state of Victoria we are
keenly aware of the benefits of a vibrant and efficient international education system, but we are also aware that it is where issues arose and risks were exposed. As a result, we are keenly aware of the importance of having an appropriate regulatory environment for international education so we can continue to provide a world-class education to students from around the world, and particularly those in our immediate region, who seek to have all the great things that Australian higher education can give them.

International students studying at our institutions are provided with a new way of learning. Rather than focusing on rote learning, there is a lot more team work and collaboration. There are team assignments et cetera, which they do not necessarily have exposure to in their own education systems. That is in addition to the personal friendships that they make. Many of them build fabulous friendships. We have heard time and again that the relationships that are formed through studying and working together can often lead to some fantastic outcomes once people get out into their professions and become leaders. I look at the Old Colombo Plan, and indeed the New Colombo Plan, in terms of delivering on all that international exchange can provide both for the exchangee and the exchanger.

International education also provides over 130,000 jobs in Australia. It is a very significant industry. The Deloitte report, looking at where is our competitive advantage as a nation post the mining boom, identified international education as one of the top five industries that are going to provide an economic underpinning for our nation going forward. So it is very important to get the settings around this right. We are not the only place where students can choose to study. We are No. 3 behind the UK and the US. It is a highly competitive environment. Canada wants more—everybody wants more—of the international student pie, so we have to get the settings right.

There is a complex interrelationship between the various arms of government that impact on a student's decision as to where they are going to study. It is not just about the reputation of the higher education institution. It is about the visa settings, post-education and pre-education, the value of the dollar and the distance from their home. So there are a whole range of issues interplaying here. That is why I am incredibly pleased that our government has chosen to approach international education from a strategic perspective. We set up a council—a group, if you like—and we got the ministers responsible in all those different areas, as I said, to come together for the first time and start to have a national conversation around where we are going to focus with international education.

When I went to uni and sat on a university governing council, international students were seen as the cash cow. International students were seen as the way for higher education institutions to underpin their balance sheets. That is not an educative process. International students were wrongly viewed as a way to make up for successive governments' shortfalls in funding for higher education institutions. Our government has gone back to the drawing board and has put trade, education, foreign affairs and immigration in the same room and has said, 'How can we focus on building this industry from a strategic perspective and really deliver outcomes, not just for our institutions and our local economies but also for our regions and for the very students who choose to study at our fabulous institutions?' So well done; because it is an incredibly international competitive environment.

The amendments to the Education Services for Overseas Students Act—or, as we are all calling it here today, the ESOS Act—will have the practical effect of reducing certain
unnecessary regulatory burdens currently placed on education institutions. This legislation will also improve the quality and reputation of Australia’s international education industry whilst maintaining protection for students. The contributions of Senator Carr and Senator Simms went to that very important issue. We do not back away from that at all. As you will see later in the week with our VET FEE-HELP bill, we are very, very focused on ensuring that international students and domestic students are protected in our educational systems. At the end of the day, if we do not protect students, they do not have to purchase international education from us; they can go somewhere else—and they will. This is a highly mobile population. We on this side of the parliament are very well aware of that. So any amendments that we are making to the Education Services for Overseas Students Act will absolutely have that at the forefront.

We want to get the settings right to protect students so that they and their families can have confidence that, when they study here in Australia at one of our fabulous institutions, it will be a high-quality experience. We want the best possible experience for those who choose to study here in Australia—out of all of the places in the world that they could choose to study in. We want it to be enriching and valuable to their personal lives and, indeed, to their professional lives over the course of whatever they do. Ultimately, we want to protect those students who are far away from home studying in a place where English is their second language or, in some cases, their third and who are far away from their usual support structures. We want to have integrity of process and an education system that reflects the fair society we endeavour to always have in this country. The Prime Minister has made it very clear that we are a government that is focused on fairness, and fair principles underpin the changes that we have put forward as part of this legislation.

In his contribution, Senator Carr made consistent reference to dodgy providers. I know through the work of the committee that you chair, Madam Acting Deputy President Lines, and which I am the deputy chair of, that this is an experience and an issue that we are very, very aware of and I know that we are both committed to ensuring that students, whether they are domestic or international, are not subject to unethical practices that seek to take advantage of a person’s disadvantage. As I said, the VET FEE-HELP bill is coming through later on this week, and I am looking forward to both the Greens’ and the ALP’s support for the measures to crack down on those dodgy providers so that we can continually get more and more integrity into our system. We know how serious the VET scandal is. We know that the former government did not mean for these unintended consequences to occur as a result of their legislation. But the reality is that that is how these unethical operators have chosen to treat students—and we are not going to have truck with it. So we really do look forward to your support.

Senator Carr also spoke about reputational damage to our nation and damage to our third-largest export. Senator Carr, we do need to learn the lessons from history. That is exactly what these bills seek to do. They seek not to burden providers with unnecessary regulation but to allow them to be as flexible as they need to be and as flexible as our students need them to be; to be connected to industry; and, at the end of the day, to be focused on outcomes so that the student experience is fulsome and valid for them. We are not a do-nothing coalition. We have identified the cheats of the industry and the blind-eye mentality of the previous Labor government. We know that they were allowed to get away with it under the previous
government, and we say to the Australian public that it will not happen again. Vulnerable students will never again be able to be taken advantage of in a heinous way. Never again will taxpayers' money be used to prop up crooked operators who tarnish our valuable and vital international education industry.

We need a comprehensive scheme—and this is the world's most comprehensive student protection scheme; absolutely—but we need it to be targeted on where the risk is. We need it to be focused on where it can give the most benefit to the international students and to those providers who employ over 130,000 Australians in our communities and provide such a significant contribution to our economy. They need to be able to be freed up from the unnecessary regulation whilst keeping the regulation that will benefit in terms of protecting students.

Senator Carr went to the process of consultation. These bills have come as a result of extensive consultation with international education stakeholders. As I have said, our government has been talking to stakeholders in international education for a very long time. Very early in coming to government we recognised this as one of the key pillars of our economy going forward and pulled together the right ministers who have been focused on getting a strategic vision for our nation in this space. We are across the detail. That is why we know what changes to make and where to make them. That is what is important.

Our Department of Education and Training was even congratulated by the Council of International Students. I noticed that, while Senator Carr was very keen to talk about the TAFE directors—who, might I say, have a bit of a conflict of interest in the comments they made around designated accounts—the Council of International Students, the very people this legislation seeks to protect and who we congratulate on coming, congratulates the department for its 'commitment to ensuring that student voices' are heard. In turn, the reforms are very well tailored to solve the real loopholes and problems. They conscientiously seek to add and continually improve the legislation that underpins the successful operation of our international export industry.

The coalition has acted on the plethora of negative evidence about the scheme and delivered this suite of bills to rectify the highly embarrassing problem. We will be tabling our report to this legislation later in the day. It was a really interesting set of submissions that we got. I wanted to briefly read some of the submissions to our committee that support the amendments the government is putting forward.

The Australian Council for Private Education and Training said that the amendments:

Are common sense regulatory reforms that align the domestic and international regulatory frameworks and clarify and confirm the roles of the regulators.

They will reduce the overlap and duplication that has been apparent. And there is overlap and duplication. While those on the other side do not see that as an issue, here on this side we recognise that when you duplicate and overlap what you actually do is waste time. And what you do for organisations that are focused on providing education is you cost productivity; because, while you are filling out all those forms for two different regulators, you are taking your eye off the prize. What you should be doing is providing a quality educational experience for international students in this country.

The Overseas Students Ombudsman said:
The OSO transfers certain complaints to the TPS, where it is better suited to deal with those complaints. This includes complaints about provider closures and complaints about an unpaid refund following a student visa refusal, where the TPS can pay the refund directly to the student.

The Department of Immigration and Border Protection noted that the amendments reflect Australia's visa program. They said:

Increasing the flexibility of education providers to claim more than 50 per cent of tuition fees upfront complements Australia's student visa framework, in which some students are required to show that they have sufficient financial resources to cover course fees, living expenses and travel costs in order to obtain a student visa. The financial requirements for student visas are designed to reduce the risk of international students experiencing financial hardship while in Australia and ensure that international students have adequate financial support for the duration of their studies.

Another inquiry that the committee is looking at goes to working visas. We heard about the shonky practices of 7-Eleven. In certain countries it was promoted that you would have no problems at all in Australia as an international student getting a job. You really did not need to worry too much about having enough money in the bank account to cover your full costs because you could always get job. What we have seen is those students absolutely exploited over a long period of time with respect to that. They are having to take on work that is not appropriately or legally remunerated, which is a great shame. We need to ensure that the legislation surrounding and regulating international students' education does complement our visa program.

Australian Government Schools International noted that often it is not the students themselves who are responsible for paying for their courses but parents, governments or other organisations, all of whom might prefer the option to pay all fees up-front upfront. Their evidence is that 'removing the restriction on payments of 50 per cent of tuition fees provides parents and students with greater choice and flexibility'. Here on this side we understand that flexibility, particularly in education, is fundamental.

When I went to uni to study science in Melbourne, I had to be there from nine to five. It was not a 20-hour a week course. I had to be there on campus. I had to move away from home if I needed to et cetera. Going back to study as a mature age student the flexible options were fantastic because by then I was a parent of many young children—fabulous young adults now—and I needed the flexibility. I was living in regional Australia, so I needed the flexibility afforded by online options and indeed studying on weekends or studying at night—being able to fit into my own life. That increasingly over time is exactly where higher education has had to position itself in order to meet the expectations, not just of international students, but also of our domestic student cohort. Funnily enough, it fits in with our government's focus on having an agile economy that meets the demands of our citizenry and our economy.

Universities Australia also noted that parents would prefer to make payments of more than 50 per cent and, because of the difficulty of getting funds out of some countries due to internal unrest or restriction, some parents would prefer to make tuition payments up front rather than leaving large sums of money in students' everyday accounts in Australia. That is a very sensible common sense approach to the reality of what we are dealing with, that these people are not growing up in the very comfortable leafy suburbs which the Greens represent or even in the suburbs the Labor Party represents. These students come from places where the stability of financial institutions and the stability of the wider society cannot be guaranteed.
The Independent Schools Council of Australia and the Australian Council for Private Education and Training also made positive comments. The report will be handed down later today. Obviously, as a government senator, I am incredibly proud of the legislation which seeks to get the balance right between protecting students and growing our industry.

Senator O'NEILL (New South Wales) (12:23): I rise to put remarks on the record as a Labor senator in regard to Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and the Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015. 'Streamlining regulation' is the part which first caught my attention and I worry about what that might mean for who gets the benefit and who ends up paying the cost. One of the things we have seen on occasion after occasion since the election of the Abbott-Turnbull government is days where they have heralded great advances for the nation in terms of cutting red tape. In the midst of their haste to cut red tape—which is also sometimes very necessary regulation to ensure that people have the safety and protection against very powerful interests that would exploit them—we have already seen this government throw the baby out with the bathwater on more than one occasion. That is why we need to pay close attention to this legislation and to watch carefully what it is the government say they are seeking to do and what the unintended consequences of them, in their haste, pressing forward may end up costing those who need the protection of regulation that this government seem too hastily ready to remove from too much legislation.

Let us have a look at what ESOS is—the term we use for 'education services for overseas students'—and why it is such of an important debate for our country today. The fact that international education is our highest earning service in terms of export means that this bill requires incredible scrutiny. We know that the Education Services for Overseas Students Act 2002 and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2007 were instrumental in establishing obligations on Australian institutions to make sure that international students received services of a high quality.

This is an area where students have not always been guaranteed access to high-quality education nor access to processes that were transparent and enabling and gave them a right to ask questions about the quality of the services they were receiving and to ensure that funds they provided for courses were being properly spent and well allocated to their education. The ESOS Act was established to make sure that tuition assurance and refunds for overseas students were available.

I want to make some remarks on Labor's amendment, foreshadowed by the minister in the chamber this morning, which will go to the fifth schedule in the act, talking about the need for providers to keep fees in a separate account. It goes to the first principle of why the act was established in the first place. Sometimes, like the great romances people might have, they might start off wonderfully but when things start to fall apart, there needs to be a way for there to be redress, where a parting of the ways can be done in a way which does not unduly benefit one over the other. Sadly international students often arrive with a language disadvantage and a language set of practices that do not enable them to fight big institutions and perhaps because of a lack of understanding about the processes in Australia, they were required by legislation to have greater protections wrapped around them.
The other role of ESOS when it was established was to protect and enhance Australia's reputation for excellence in education and training services. I know there has been sufficient commentary already about the critical demand for providing assurances of the quality of the experience people are going to have when they come to university in Australia. The foreshadowing of changes to the VET legislation, which in my view are way too late, by a very tardy government in regard to the VET sector, contrast markedly with their haste to change things with this legislation and their haste particularly in their early period of government to get rid of protections from all sorts of legislation. We want to make sure that this significant industry, this significant enabler of learning right across the globe, which we are a part of, maintains its standards and improves constantly on those standards in a highly competitive environment.

The role of ESOS originally was also to ensure that educational institutions report information that is necessary to support the administration of immigration laws in regard to student visas. That was a critical part of it. Labor will always look at this legislation making sure that there is due regard given to that dimension of it. I put on the record my incredible concern about the exploitation of students who are on student visas who are now a part of the conversation in the public place about the 7-Eleven franchise chain. I know that the Acting Deputy President, in her role as the chair of the Education and Employment References Committee, is leading a very significant inquiry into the practices of a company that has decided that the exploitation of student workers for their own purposes is a ripe ground for growing their business in the most unethical way.

Here we have students coming to university—clearly intellectually capable students, though they might lack a degree of cultural knowledge about what a fair wage is in Australia—who have been engaged by franchisees. With their wages being paid by head office—let's not let head office off the hook, as well—those students have had their visa status used against them. This plays into other action from the government, and is why our looking very carefully at this piece of legislation is so important. Those very students who are going to be disadvantaged by the 7-Eleven chain continuing this practice are the students who are desperately in need of this government giving them a visa amnesty. Yet we have a government that refuses to do that.

So students can be vulnerable in a number of ways, not just in their interactions with the institutions at which they seek to study but also in terms of exploitation of the fact that they are on a visa, and a visa with very specific restrictions. This visa says they are allowed to work for no more than 40 hours over a two-week period, and when they have broken that arrangement—often unknowingly, by coercion by their employer—they find themselves in a situation where they have no power. They are just looking for a little income to feed and clothe themselves and to pay for the necessities for their study so as not to be a burden on their families back home, and they are being exploited.

So it is not all good news in this sector. I have had students say to me: 'I thought that I would come to this country and that I would find a fair and free democracy; that my wages would be safe.' Yet what we are seeing is wage fraud being perpetrated on these students. So before we start throwing out regulation—because this government said that they are going to come in and cut regulation, as if that is going to absolutely transform the lives of every person in the country in a positive way—we need to give it the due scrutiny it deserves.
Why do we need this universal protection scheme? I guess the Tuition Protection Service provides both a universal and a streamlined approach to placing or refunding students when their educational institution cannot meet its obligations. This reality, the Tuition Protection Service, came into being because we had revelations of an incredible inadequacy of supervision in the sector that, in the period of 2008 to 2011, led to 54 educational institutions closing and over 13,000 international students being affected by those closures. One of the big problems is that only 11 of those 54 educational institutions were actually able to meet, or partially meet, their refund obligations. We should not forget that. The legislative change undertaken by the Gillard government in the last parliament was significant and effective in redressing that big problem. At the time there were three tiers of tuition protection: there were providers who were meeting their obligation to students; there were the tuition assurance schemes; and there was the ESOS Assurance Fund. The ESOS Assurance Fund is a critical part of schedule 5 in the piece of legislation that is being put here today.

When that ESOS Act of 2012 came in to deal with risk—and this is where Labor's concerns with this particular piece of legislation lie—it was to support the viability and the sustainability of that tuition protection scheme. To ensure that, there was a limit on the amount of course fees that could be collected by the educational institution. Basically they could not take the money and run, which is what we saw happening. The limitation was to make sure they could not collect more than 50 per cent of the total fees for courses of more than 24 weeks duration prior to a student commencing the course. It was very clearly aimed at reducing potential refund liabilities for both the educational institution and the tuition protection scheme. It also required stronger record keeping of student contact details and of academic progress to make sure that students did not just land in the country and disappear off the radar, with the money being held by the institution and no servicing of that student's education occurring. They were the reasons for the changes in 2012.

Let's come to where we are now. What we have in this piece of legislation is a call from the federal government to change this legislation one more time on the strength of 27 submissions from organisations. In principle, Labor does support the streamlining of regulatory and reporting requirements as much as they can be improved, once the sector has settled in response to Labor's original intervention with the 2012 legislation. But I have some concerns about the changes that are being proposed by the government here.

There are two parts. The first part, if we look at this explanatory memorandum, is all about streamlining registration and monitoring providers with the purpose of lining up reporting requirements and registration periods. The first response to that is that it sounds okay at first blush; if we can use new technologies in new ways that make transparency still achievable but with a lower impact on the people who have to enter, monitor and report the data, then essentially Labor would support that. This is consistent with the review of reporting requirements for the universities that was put forward by PhillipsKPA, which was one of the critical documents that was commissioned as part of Labor's consideration of the 2012 amendments to the bill. It was commissioned in August 2012 and released in 2013.

But there is a second part of the government's deregulation agenda embedded in this bill, that wants to remove a range of requirements that really affect the providers. While we have some support for those, we have concerns about the way in which that may be open to
interpretation and that it may lead to a loss of security of funds for students who find themselves departing from an institution.

Some of the proposed provisions we see from this government really leave Labor senators with some concern around the removal of the requirement to report all instances of a student default, the definition of what a study period might be and the requirements for providers to enter into agreements with each overseas student, setting out the study period and the tuition fees payable for each student period. The government says that it is better to deal with this through a national code. But Labor have concerns not only because of the scale of the exercise that is undertaken and the value of the industry that is at risk if we get this legislation wrong; also the project of revising the national code is something that is being undertaken right now by the government. Without the clarity of what that national code looks like, there are probably some questions we should ask about what the current legislation might allow because it is going to draw on the code for some of its strength.

In regard to the measure amending the restriction on education providers receiving more than 50 per cent of tuition for a course before the student commences the course if it is longer than 24 weeks, Labor understand the arguments that have been put that the change is going to give students the ability to pay more. But what does that mean in practice and what does it mean to ensure that students are genuinely freely choosing to do that, and where is the point at which we can get some oversight of whether there is coercion?

If I could go to the explanatory memorandum and look at the facts about one of the arguments being put by the government that there is regulatory failure and that they need to change it because students have limited choice on payment options. The data they source tell us that only seven per cent of students, on average, made a significant prepayment of more than one semester at their time of enrolment. Granted it does go on to say that there is significant variation by sector, with ELICOS students paying 44 per cent in advance compared to only four per cent in the higher education sector and five per cent in the VET sector, the problem here is that students really should be able to pay everything up-front. This is an imposition by not allowing them do something administratively simpler and to get the discounts that are available when you pay up-front. But if seven per cent is the number of students who are going to get the benefit of that then I wonder how broad that general claim really is and how valid that argument really is.

That is my constant concern with this government. I have just seen them do so many dodgy things and try to sneak through advantages for those who already have the most while kicking those who have the least when they are down. I do raise some concern about that.

As I said earlier in my remarks, when students commence their studies in Australia—and tens of thousands if not hundreds of thousands of students now have come through and have had wonderful learning experiences in this country under different regimes and taken back an advantageous view of Australia's tertiary sector—we all know that, from time to time, things do come to tears, things do fall apart. That is why, with reservations, Labor will support this legislation. But we will seek to amend it specifically with regard to the student's capacity to have clear sight of the money that should be rightly theirs if their course, for any reason, does not proceed, or if they become unwell and they cannot proceed, that the money that they have paid up-front, even if it is only seven per cent, should be available for them to have access to.
We cannot allow the situation to occur, once again, where the failures of tertiary institutions were so significant that hundreds of thousands of students were negatively affected. The impact on those individual students is something that I am sure they still keenly feel and that their families still keenly feel. Their families often go without a great deal to enable one particularly gifted child the opportunity of studying in Australia. Families who have been disadvantaged by that investment falling over need great protection.

While supporting this legislation in principle and the capacity of technology and new systems to improve and streamline the way in which students might be enrolled and their fees taken, Labor will make sure—and we will seek the support of the crossbenchers—in our amendments that the money that needs to be there when things fall away, when it all ends in tears and the milk is spilt—

Senator Xenophon: When things fall apart.

Senator O'NEILL: A great title for a novel—that students and their families who are investing in them and their futures can access a fair and timely response and secure the funding return that is their just due.

Senator XENOPHON (South Australia) (12:43): I have a short contribution to make in respect of the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015. I support the second reading of this bill but I do have a number of concerns in relation to the bill, in particular the removal of the requirement for private providers to keep fees paid by students in a designated account—a matter that was raised by Senator O'Neil. I will address my concerns shortly but, to begin with, it is important to reflect on the importance of international education to Australia and to my home state of South Australia—and, indeed, the home state of our education minister.

International education activity arising from international students studying and living in Australia contributed $18.2 billion to our economy in 2014-15. This is an increase of 14.2 per cent on the previous financial year. In fact, I hope it increases even more with a lower Australian dollar. May the Australian dollar go below 70c as soon as possible because the low Australian dollar is good for our higher education sector in terms of overseas students. It is terrific for our manufacturing sector, and it is very important that, if the dollar keeps going down even a bit further, that just makes us so much more competitive with other countries.

Looking at the economic contribution in more detail, the higher education sector generated $12.5 billion in export income, with the VET sector generating $2.9 billion in earnings. In my home state of South Australia, export income generated from international education last year amounted to $1.127 billion—so $1,127 million. According to statistics sourced from the Department of Education and Training's website, in 2014, there were 249,990 overseas student enrolments in higher education in Australia. In the vocational education and training sector, there were 149,785 overseas students. Unless my maths is wrong, we are talking about 400,000 overseas student enrolments in either the higher education or the vocational education sector.

The Department of Education and Training has also released a research snapshot in relation to international students studying science, technology, engineering and maths, or the STEM subjects, in Australia. The research revealed:
In 2014, 31.5% of all postgraduate research students at Australian higher education institutions were international students. Even higher proportions were in STEM fields, including Engineering and Related Technologies (54.2%), Information Technology (51.6%) and Agriculture, Environmental & Related studies (45.6%) …

Given the importance of international education activity to Australia's economy and Australia's reputation abroad, it is essential we have a framework in place that ensures its administration and regulation is appropriate and robust. The Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015, the bill that we are now debating, seeks to amend a number of acts that regulate the international education sector. These amendments will create education services for overseas students agencies, who will have direct responsibility for education providers' registration and for monitoring education providers' compliance with their obligations under the various acts. Education services for overseas students agencies will include the Tertiary Education Quality and Standards Agency and the Australian Skills Quality Authority. By clarifying that these two bodies have direct responsibility for registering providers and monitoring compliance of providers, this bill creates more certainty in the education sector about who is responsible for what.

This bill also makes a number of amendments to the Education Services for Overseas Students Act 2000. The first relates to decisions made by the education services for overseas students agencies. Under the current legislative framework, decisions made by the Tertiary Education Quality and Standards Agency and the Australian Skills Quality Authority can only be appealed in the Administrative Appeals Tribunal. This bill will allow for internal review of decisions made by these agencies. It will help to ease the caseload of the AAT by giving providers and ESOS agencies the ability to reach an agreement between themselves in the first instance. If that means fewer lawyers being involved or less legal work being done then so be it. I can say that as someone who still has my practising certificate—primarily for pro bono work, I should say.

The measures I have just described are some of the more straightforward measures in the bill. It is important to note that concerns have been raised in relation to a number of other measures. For example, in its submission to the Senate Education and Employment Legislation Committee's inquiry into this bill, the National Tertiary Education Union raised concerns about the proposal to remove the requirement for overseas education providers to keep prepaid student fees in a 'designated account', the matter that Senator O'Neill referred to previously. The government argues that forcing education providers to keep prepaid fees separate in a designated account limits the provider's competitiveness and its ability to invest in innovation in order to improve its operations. However, additional flexibility is not necessarily always a good thing, as we have seen from the collapse of some providers in the VET sector and private colleges. By the way, the overwhelming majority do terrific work, but if private providers collapse then that can leave students in the lurch and damage our international reputation as a quality higher education and vocational training provider. In relation to their opposition to this provision, the NTEU, the National Tertiary Education Union, pointed to the ongoing volatility of the private education market—although I would like to think that some of the reforms that Senator Birmingham, as education minister, is proposing to the VET sector will alleviate or deal with some of those concerns. That is why I welcome Senator Birmingham's bill in relation to this, which I understand we will be dealing with tomorrow. The NTEU are concerned that these changes will:
• weaken protections for overseas students studying in Australia, and
• threaten to undermine international reputation of Australia's tertiary education sector.

That is a direct quote from their submission. The Tasmania University Union argues that requiring providers to keep fees in a separate account serves as an accountability measure. In their submission to the Senate Education and Employment Committee, the TUU wrote:

If students do not start a course they initially enroll in, it is essential that they be refunded their payment. The requirement that Universities have a separate account for the funds paid by overseas students prior to commencing their course streamlines the process of checking that students have been refunded.

Removing this process not only removes transparency from the use of overseas students fees; but also increases the work involved in overseeing refunds.

I think there are a number of good points made there by the TUU.

This bill also seeks to remove the requirement that providers not be allowed to charge more than 50 per cent of tuition fees up front for longer courses. The government believes this improves flexibility for students or their sponsors, especially those who may be studying here on a scholarship and may be able to cover the course cost up front. There are concerns that, by removing the 50 per cent cap on student fee contributions prior to a course starting, we may see pressure being placed on students to pay more than 50 per cent of fees, even though they are not required to do so by law.

I spoke earlier about the significant contribution international education activity makes to the Australian economy. In order to enhance this contribution, it is imperative that we have systems in place to encourage overseas students to be here, particularly in areas of low population and economic growth. It is an issue on which I hope to engage with the Minister for Education and Training, with Assistant Minister Colbeck and, indeed, with Immigration Minister Peter Dutton. I think that there is a compelling case in regions and states with low population growth and low economic growth—in particular South Australia and Tasmania, because we are below the Australian average for population growth and economic growth. South Australia, sadly, has one of the highest unemployment rates in the nation. It is a position that we do not want to be in. We face much greater challenges in employment with the demise of manufacturing in the automotive sector at the end of 2017 unless there is some urgent work done to claw that back, to keep car manufacturing in South Australia.

I believe that there is a compelling case for students in low-population-growth areas and regions to have an incentive to study in those regions. That could be that they are allowed to work a bit longer, allowed to stay a bit longer, than in other states. I think that would act as an incentive for those students to study in those low-population-growth, low-economic-growth areas. That is a matter for another time, but I would like to think that it is something that will receive bipartisan support. I know that in South Australia I have had discussions with opposition leader Steven Marshall, who has shared these concerns, and spoken to state government ministers, Labor government ministers, who similarly, I believe, would like to see more international students in my home state.

So, while I support the measures in this legislation insofar as they relate to education and overseas student agencies, I do have reservations about the other deregulatory measures being pushed for by the government. I would like to have an opportunity to engage further with the government, the opposition and my crossbench colleagues in relation to those measures. But I
think it is important that we support the second reading stage of these bills and then see what can be drawn out of the committee stage in terms of any necessary amendments or sensible compromises.

Senator LINES (Western Australia) (12:53): I would just like to start by putting the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and the Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015 in the context of the sorts of changes that the Turnbull government is seeking to put across all aspects of education in our country, whether it is early childhood education and care, primary school, secondary, TAFE or other education. In that concept, there is one word that links all of those services together, and that is 'deregulation'.

We have heard the concerns of the sector in relation to deregulation. Last week in this place, Labor asked the minister a number of questions about the casualisation of the early childhood sector. We saw in the media a couple of weeks ago comments that Minister Birmingham made previously about moving to a voucher system in primary schools. Imagine that: a voucher system, completely deregulating our primary school sector! We have seen the sorts of concerns and indeed the explosion of private colleges in the TAFE area, and we have seen in Victoria the Victorian government move to take back 8,000 TAFE qualifications. And now we have seen—and we have fought in this place and in the wider community—the Turnbull government's deregulation of the university sector. We spent most of last year fighting their moves to introduce $100,000 degrees. Despite them trying to say that we got it wrong, that has now been shelved, but it has not gone away. It is still their intention to introduce $100,000 degrees, just not yet, because they have not got the support for it. Labor from day one, along with the National Union of Students and a whole range of other community organisations, has opposed that move, and thankfully crossbench senators and the Greens also do not support the deregulation of universities, which would make it incredibly expensive and prohibitive for a range of Australian students to attend university.

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Those opposite can shake their heads, but deregulation is the key word from the Turnbull government when it comes to education, whether it is early childhood education and care—and I must say I was appalled last week to stand in this place and hear about early childhood education and care. We all know the critical impact that early education has on children from the ages of nought to three, and what did we hear from the Turnbull government? We heard 'business models' and 'profit'. How disgraceful. There was no mention of quality.

Again, we see in this place the impact of the government's proposal to deregulate international students. It is important to acknowledge that international students are big business for Australian universities. This is one thing I have learnt in all of the inquiries that we have done across the university sector, whether they were into the government's disgraceful attempt to introduce $100,000 degrees or this latest move by the government to deregulate. International students are big business, but they should not just be big business. We should be proud of the country being able to offer quality educational services to all who seek them, whether it is our own local students or it is international students.

What should be at the forefront of that experience of people coming to study at university in Australia is quality: proper, quality courses that change people's lives. I can say from my own experience as a very young mature-age student—I went to uni as a 26-year-old, and I went to Murdoch University in Western Australia—that that was a life-changing experience.
That is what we want higher education to be. We want it to change people's lives, to give them greater opportunity. That is really what we want to do.

Unfortunately, we know that that requires our universities to be transparent, and it requires regulation. It does not happen on its own. It is not a trickle-down effect. It does not happen because nobody is watching, and it will not happen if we continue to deregulate our higher education sector. Of course, it should be regulated to the highest standards. The privilege to go and study at a higher education institution should be made available to many people in our community, whether they are international students or not. That should be an opportunity that is open to all. But it should be a proper opportunity, a life-changing opportunity, a life-enhancing opportunity.

That needs good, strong regulation—of course, not overregulation. That is not what Labor is calling for. It needs regulation to make sure that, when international students pay funds, those funds are protected and that universities act with great transparency and act in a proper way in relation to international students, because they are big business. Certainly, when we held the inquiry into the government's shelved $100,000 degrees, university after university told us that international students were a significant part of their student body. It did not matter if they were a rural or regional university or, indeed, a university based in our capital cities: international students were very much a core of their student bodies. We want to make sure that that core is protected—and, of course, our reputation.

We want to keep and indeed enhance our reputation as a country which is open and transparent, a country where students can come without fear of being ripped off and without fear of paying a lot of money and not getting a quality course or indeed not getting a degree at the end that is worth very much. Those are very important and they are also important to Australia, to continue as a leading country in terms of international students. We have world-standard universities and we have quite a small university body, which reflects our population, and we do want to keep that at world standard. We can name the universities which are competing at world standards and which are very highly ranked, but I think that all of our universities are at a world-standard level. So we want our reputation to be upheld. We want that quality and our reputation to grow and we want to continue to be held at a particular level.

International students make a significant investment, as do their families when sending a child overseas. Not only do they have to pay fees but that child also has to be supported either through working or through continuing to be supported at home. Families make a significant decision when they choose an overseas university, and we want them to keep choosing Australia so we have to have the highest standards. We have to have a quality educational service, and in order to get there we need regulation. It will not happen without regulation.

When Labor was in government we commissioned a review of reporting requirements for universities and, of course, Labor does support, in part, some of the streamlining of regulation. We do not want to see students and universities overburdened by regulation, but we do want to see very clear protective regulation in part. And some of that streamlining of the regulations is outlined in the bills, as recommended in that report—a report which Labor commissioned.

The second part, though, relates to the government's deregulation agenda. As I said at the outset, in early childhood education and care right through to higher education the
government's keywords in those areas are not quality, protection for students or even cost, surprisingly. It is 'deregulation'.

As Labor has said, and as you will hear other Labor senators say in this place, that is a danger, as it seeks to remove a range of requirements that affect providers and were indeed partly introduced in response to the last major crisis in the international colleges in 2008 and 2009. None of us in this place, no matter where we come from, want a return to that—where our international reputation, particularly in relation to Indian students, was well and truly on the line. We had some awful protests. We had Indian students allegedly being bullied. We had collapse after collapse, with shonky operators taking the significant funds they received from international students and fleeing. We do not want to see that, because that is not the sort of country we are. We are not a country that promotes shonks and we are not a country that allows people to rip students off in that way. That is not who we are as a country. And of course, that was significant damage to our reputation. Partly, that collapse occurred because we did not have the regulation in place.

We do need to keep updating regulation. It is probably not appropriate to say that regulation that applied in 2008-09 is going to lead us forward from 2016 onward. It does need to be something we continue to review, because regulation can become a burden if it no longer matches what is being provided. But regulation in and of itself is required because none of us in this place want to go back to what we saw in 2008 and 2009. And we know already that in the era of international education we must have proper regulation that protects students who come here in good faith.

When you choose a university it is a very exciting time. You make the choice and you make your decision about what sort of degree you want to pursue, and it sets your career opportunities up for the future. It is a very exciting time, so we want to make sure that the highest standard of regulations are in place so that that decision made by the international student and their family is made in an environment they can feel comfortable in. We want to make sure they know they will get the highest-quality education and will be secure in the knowledge that they are not going to get scammed or ripped off by a shonky operator or someone taking advantage of them.

It is very confusing when you come to Australia from another country. You arrive and everything is different, and you may have English as a second or third language. It is an environment where we need to welcome students, and we need to be able to say to them confidently, 'We have good, strong regulation in place that's going to protect your interests. It's designed to protect you as the international student.' It is us saying in another way how much we value that international student and their family making that often-difficult decision to send their child overseas to study.

When Labor were in government we initiated in response to those college collapses in 2008-09 a range of reforms, including the creation of the Tuition Protection Service. Alarmingly, some of the requirements in this bill seek to remove those protections that Labor put in place.

We have seen another form of exploitation of international students in this country with the appalling and shocking exploitation of students by 7-Eleven. We heard in evidence that students were getting paid $12 an hour. The Shop, Distributive and Allied Employees Association, the union in the retail sector, told us that they had calculated for one of those
international students that he was working for about $5 or $6 an hour. That is shameful, and I am not suggesting for one minute that anyone in this place thinks that is okay, but it does demonstrate that where international students are concerned there is a market for some who are unscrupulous to exploit them. In the 7-Eleven case, we have already heard in evidence just from the Fels panel that they have done underpayments for 101 students, and that amount of underpayment is more than $2 million. I think people perhaps do not appreciate that these are low-paid jobs. These are jobs where students are earning about $20 an hour, so, to get to an underpayment of around $23,000 per student, which is what the Fels panel is telling us, is a staggering underpayment.

We have also heard, in relation to 7-Eleven's international students, how they were forced to work more than 20 hours a week, breaching their visa conditions, putting at risk their university career and degree, putting at risk all the money their family had got together to enable that student to come to Australia to study—all of that put at risk because a dodgy company chose to exploit them. We know that in the area of visa workers for international students the current regulations we have are not enough. We certainly want to see a beefing up of regulation there.

Of course I am not suggesting for a moment that our universities are behaving with some of the unscrupulous practices we have seen from 7-Eleven and others—Pizza Hut just last week. These are all going on now. But it does clearly demonstrate that international students are seen by some as big business. Obviously, where there is a lot of money out there, we do see elements of exploitation. In the cases of 7-Eleven and Pizza Hut, there has been shocking exploitation of international students.

That damages our reputation. It may not be about the quality of the educational experience the student is receiving, but nevertheless people reading the story—particularly a student looking at Australia as a market to come to to study next year—will take it into account. 'Gosh, I've got to work to look after myself, and I'm entitled to work 20 hours a week, but it seems that I'm going to be exploited.' That is bad for everyone. It is certainly bad for our reputation overseas and it is bad for our universities to be caught up in that kind of story. If there is no story—if people have a good story about the quality of their educational experience in Australia and a good story about not being exploited at work—that in and of itself promotes Australia as a destination that is safe and welcoming to come to. So we do not want to see that kind of thing. We know that, if we want to retain our reputation and our world-class systems, international students need more protection, not less.

Labor certainly wants to put on the public record in the Australian parliament that these bills before the Senate today remove or weaken student protections. We want that loud and clear. We do not want there to be any mistake that Labor thinks that this is additional protection for students. We do not. We absolutely believe and want on the public record that these bills remove or weaken student protections. These bills will not, as the government states, give international students more protections; they will give them less. We are very clear about that. It is wrong to argue, as the government will, that all deregulation is good. We can look back at the events of 2008 and 2009 to see the perils of not having enough regulation in place, of getting the settings wrong. None of us in this place want to go back to that situation. It is there for us to learn from, but it would seem that the government has not learnt
or is not listening, because the current bills will weaken protections for international students. That history of 2008 and 2009 shows us that regulation is needed.

We do not want to see scams and rip-offs of international students. We see in the visa area that without adequate protections students are vulnerable. International students are big business, and some unscrupulous operators will take advantage. We do not want that. It is bad for all students. If there is a scam around an Australian university, that affects not only international students but also the local students who have a choice about what university they go to. ‘No, I won't go to University X, because they've had all that horrible scam of international students.’ It affects us all. We want a quality, well-regulated system that protects international students.

**Senator SINGH** (Tasmania) (13:13): The Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 really has two main parts. The first part is streamlining of the regulatory and reporting requirement. The opposition does give its support to that part in itself. However, the second part relates to the government's deregulation agenda in higher education and seeks to remove a range of requirements that affect providers and that were largely introduced, in fact, by Labor when in government in response to the last time we had a major crisis in the international education sector, which followed the collapses of colleges in 2008-2009 in particular. That is the part the opposition has grave concerns about, will move amendments to and will ask the government to reconsider.

When we talk about the international education sector, the international education market, we need to recognise the importance of quality—the importance of safeguarding that quality and having strict standards in relation to that quality. We know that this is an incredibly important part of the Australian economy. I understand it is second to coal and iron ore in terms of how important it is to our economy and worth some $18 billion a year. So, over and above the economic benefits that we know the international education market has, we need to ensure that, we as a country, stand proud in what we deliver and what we provide. Regulation is so important, because we know that there are those out there who, unscrupulously, will take advantage of any loophole they can find and offer dodgy courses which will lead, unfortunately, to the outcomes that we saw during the Howard era.

I want to draw on a little bit of history, though, in talking about the safeguarding of overseas students who come to study in Australia. This idea of a single framework to safeguard overseas students was first introduced by the Hawke government through the Education Services for Overseas Students (Registration of Providers and Financial Regulation) Act 1991. It has had quite a reform journey since that time, and quite rightly so, because we are not talking about an education sector that is static or a time period that is static. Regulations must change as circumstances must change, so perhaps the protections that were provided back in 2009 or in 2012 may not be appropriate for international students in 2016. That is why the opposition takes a very constructive approach to looking at what is needed for the international student sector.

This issue, though, of standards and of safeguarding quality, I have to say, is dear to my heart. I am the daughter of someone who migrated to Australia as an international student. It was the attractiveness of the standards and the quality education that Australia provided then, in the 1960s, which made Australia a drawcard for my father, as it did for so many other people, so many other overseas students at that time.
And it has continued to be. Australia has been, certainly, right up there with a number of other countries in the world as a place to come and study and receive a quality education and a quality outcome in that process. But, unfortunately, we have had some hiccups over the last number of years. It is for those reasons that Labor, when we talk about offering international students a pathway for the future, stand very firm on the need to have 'safeguarding quality' as a key to maintaining our high reputation. Why do we do that? Because if we value every human being as equal to ourselves then we would want the same standards provided in higher education to those students coming from overseas to study here as we would want for ourselves. We would not want those students to receive a watered-down degree, or have watered-down protections in relation to the fees that they have paid and the educational outcomes that they have then received in return.

That is why this kind of ideological zeal that this government has in relation to deregulation is just so wrong-ended. It is completely wrong-ended. It is fine to want to reduce some red tape. We all understand that. We all understand the importance of streamlining something to make things easier and run more efficiently for students, as well as for those education providers, but, to me, talking about deregulation speaks of weakening those necessary and effective protections for overseas students that are needed now more than ever.

We do not want in this place—and I am sure I speak for all senators—a repeat of what occurred during the Howard era with all of those terrible scams that were put out through those colleges operating at the time, which, as we know, culminated in not only a major economic crisis but also an educational crisis with the international education enrolments collapsing at that time. I think it was, if we look back, an issue of naivety on behalf of the Howard government at that time, which Labor, when it came into government, had to fix up in a fairly major way. Between 2008 and 2011 we saw 54 colleges collapse and 13,000 students affected, of whom only 312 students got refunds from their educational institutions.

Since then, there has also been the saga of Greenwich University, where a scam degree factory operated out of Norfolk Island, which the Howard government allowed to run rampant, I understand, for some four years. It was not only an example of dodgy practice—it was really quite a bizarre situation.

I think that the efforts of all of the reputable providers who strive day in, day out, to maintain high standards, treat students fairly and with dignity are tainted, unfortunately, when there is some dodgy education provider in the mix. That is a shameful thing—when we know that there are so many good education providers out there whose reputations get damaged in the process.

Unfortunately, there have been too many familiar stories in this space, though. It is that concern that I certainly have. I know that Senator Lines also touched on issues to do with the recent sham with contracting arrangements at 7-Eleven. We saw something similar with Australia Post as well recently, with international students being exploited. Even though we are aware of some of these cases—7-Eleven, educational colleges, Australia Post—it raises the question of how many scams or exploitations of international students we are not aware of. This is only what is being reported and what has been found out. We know that there could indeed be a number of reports that go hidden, and in that sense we are left in a cloud of secrecy.
So I do raise the importance of the additional comments that were provided in the Senate committee report on this bill. They went into some detail as to what Labor's position is—the fact that we support the positive elements of this bill but that we want the government to reconsider those provisions that we do not see as reasonable. Anything that is reasonable, of course, we would support, but we have that anxiety, as I mentioned, about the potential consequences of the deregulation agenda of this government.

If I can reiterate the position that Senator Carr spoke of here and that our shadow assistant minister for higher education spoke of in the other place: we are absolutely willing to do what is necessary in relation to reducing red tape, but we do not want to see the watering-down of protections for international students, which would threaten international education, which, as I said earlier, is one of our biggest export industries. So we reserve the right to make those amendments here in the Senate in that regard.

Any harm to Australia's reputation as an education provider will really stem the increasing flow of students into this country and the flow of export income along with them. I am sure the government understands the importance of that, if nothing else—the importance of this market to our bottom line in relation to our economy. We know the freedom that is available to students globally now and that they shop around and look at what is the best and most affordable education on offer to them. Australia may not always be their first port of call, but we want them to make the choice about coming to Australia and being educated here on the basis of quality, on the basis of safety and on the basis that they are not exploited—that they are able to come here and live safely, comfortably, in a supported, multicultural community and come out of it at the end with a really decent quality education and an enjoyable experience as a student whilst here. That is what we would want for our own sons and daughters if they were to travel overseas and study in an institution in another country, and I cannot see why we would want anything less than that for international students coming here to Australia.

On the basis of that, Labor will support in essence the main first part of this bill, but we certainly will be moving amendments in the committee stage and making very clear the reasons why this bill is flawed in its second part. We have shown over the years that we were able to clean up the mess of the Howard government and ensure that we did not get a repeat of the collapse of this educational sector with the closure—the necessary closure, of course—of those colleges and the withdrawal of enrolments. We want to ensure that in this country we have a proud, well-functioning, properly regulated international education market that continues to provide billions of dollars to our economy. The only way we will do that is by ensuring we have good legislation, with good regulations that help make that happen, and a positive attitude to our approach to international students in this country.

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (13:27): I also rise to make a contribution on the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015. This is an important industry for Australia. The senators opposite are calling on us to be positive about this. We are very positive about this sector. It is in fact, as a number of reports show, probably one of our largest inbound industries in terms of capital. It is about third after iron ore or coal. Nationally there are over 420,000 students who choose to come and study in Australia, from over 193 different countries. Not only does that provide work for our educational institutions but, as someone
who is involved in our foreign affairs, defence and trade committees and efforts, I believe it is an incredibly good expression of soft power and soft diplomacy, getting people to come here to experience Australia. Overwhelmingly, those people go home to their own countries with a positive experience of Australia.

In fact, a survey of students was done just recently by the University of Adelaide, in my own home state, and overwhelmingly the students said that South Australia was a great place to come because it felt safe, things were close, the people were friendly and the standard of education was good. So they went home with a very positive view of Australia. As we have seen from things like the original Colombo Plan and now the New Colombo Plan, which has been a particular initiative of the Minister for Foreign Affairs, Julie Bishop, those ties matter. Those long-term interactions with people of other countries, both the students and their families, and their employers in the future, matter because we actually build understanding between people who are going to be conducting business transactions and building relationships that will affect our economy as well as theirs.

To answer Senator Singh's comment, we are very positive about international students and education because it contributes a lot both now and into the future. In South Australia in particular it is an area that has been growing significantly. In the last year alone there has been about 8½ per cent growth in the sector. We have gone from just over 28,000 students studying in South Australia to now nearly 31,000 students in South Australia. In terms of the value to our economy, over $1 billion a year is brought into the South Australian economy. Depending on which reports you read, the estimates are that over 7,000 jobs are directly or indirectly created as a result of international students choosing to study in South Australia. That is a very positive thing for us. It is not guaranteed though. We cannot always assume that that is going to occur.

If we look at cost, for example, in a recent survey that was done of over 5,000 students from 15 different nations, two key things were identified. The first was that Australia was not necessarily the cheapest place. In fact, for these 5,000 students who were surveyed across a range of courses we were one of the most expensive places. It was estimated that, on average, around $42,000 was required by the time they paid fees and paid for their support—things like accommodation, transport or just living in South Australia. Given that people have consistently said that South Australia is a cheaper place to live compared to many other spots in the world then clearly a lot of that comes down to fees. In Singapore, for example, it was nearly $3,000 a year cheaper than in Australia to live and study. In the USA it was some $6,000 a year cheaper. This is an international market where students can choose, or parents can choose, with their children, where they entrust their children to go and study. If price is an issue—and it is certainly something that is reflected in the studies—the more expensive it is for our providers to provide education then the attractiveness of Australia as a place to be doing business is reduced.

The second key finding was that, for these 5,000 people who were surveyed, the perception was that Australia was no longer the highest in terms of quality. I think we are about No. 5 in terms of quality. Clearly, we should be seeking to help our providers in these sectors reduce their costs and focus on putting their effort into the quality of education as well as the experience for the student, so that the story that goes home to prospective students and
families who may be looking to send their children here is that Australia is a safe and friendly place and that it offers quality education and affordable education.

Government policy does matter in terms of affecting those things and affecting demand. Deloitte Access Economics highlighted in one of their reports that between 2010 and 2012 there was about a 19 per cent decrease in the value of the international student sector due to changes in Australia. They said in their report that those changes were due to a number of things. Three in particular came down to government policy, which was a tightening of skills requirements. In 2010, occupations like hairdressing and cooking were removed from the skills occupation list. The number of people who were applying for visas fell from over 31,000 in 2008-09 to 693 in 2010-11. Regarding the temporary stay requirement, in 2011, students were required to prove that they were temporary residents and had no intention to stay permanently. The impact of the genuine temporary entrant requirement resulted in the acceptance rate falling—in this case from India—from 90.8 per cent in 2007-08 to only 49.6 per cent in 2010-11. There was also a crackdown with new visa requirements that allowed students who studied at bachelor level to stay for up to four years after they graduated. But because this only applied to people at university, the demand for VET subsequently decreased.

Some of those measures are valid, although at the moment there is significant debate around visas and whether we should have further reform of visas, given that some of the people who are here studying as international students and who are keen to remain are studying in areas where there are recognised shortages and skills. If Australians are not choosing to do that study and get the qualifications and we have businesses suffering as a result because they cannot attract a skilled workforce then it appears logical that if someone has chosen to come and study in Australia and pay for their education and then wants to remain and work in that sector and contribute back to Australia's economy that is something we should be encouraging.

The point I make here is that government legislation does make a difference. That is why it is important that the changes we make in this sector value what this brings. Speaking as a South Australian, I am clearly keen to make sure that South Australia retains the value that it currently has and, in fact, grows. I think the state government has set a target of around 34,000 people by 2017 as something it would like to see. We need to make sure that legislation we bring forward does, in fact, help these providers to deliver a better quality of education at a lower cost.

The reforms that have been proposed in the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and the Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015 are enablers to do just that. These reforms, as you would expect, have been developed with considerable consultation with the sectors and with overseas students, particularly their peak body, over the last couple of years. Their peak body has indeed made submissions to the Senate inquiry that was conducted into these bills.

The reforms in schedule 5 of the bill are going to deliver some $76 million worth of savings to providers just through reducing red tape and duplication. As I highlighted, we are in a competitive environment, and parents have a choice as to where they encourage their children to go and study. As we have seen, Singapore and the US are both significantly
cheaper on a per annum basis than Australia. So the net effect of being able to reduce the cost to providers, by some $76 million each year, will go some way to helping them to make sure that Australia remains an attractive place for people to send their children. That also means that, rather than duplicating efforts and dealing with red tape, these providers can spend more time improving the quality of the education that they are delivering. The Council of International Students, who were one of the groups consulted, indicated in their submission to the Senate inquiry that they do not see that this bill in any way weakens student protections. In fact, they welcomed aspects of the bill, such as the flexibility in terms of being able to provide more than 50 per cent of their course fees up-front if they wish to.

I will go through some of the particulars of the bill, but I thought it was important to set that broad context first. It is important for Australia, and it is particularly important for South Australia. We value it and we recognise that it needs to be affordable and quality, and one of the ways to achieve that is to get rid of unnecessary duplication and red tape. That is the target of this bill, with some $76 million of savings. It has not been done in isolation; it has been done in consultation both with the providers and, importantly, with the international student body, who are the people who are directly impacted by this. So, for those who wish to criticise the bill, it is important to recognise this does have broad support from the people who are impacted by it.

Schedule 1 of the bill goes to streamlining registration, monitoring and quality assurance processes for education providers to provide a more seamless system. This means that the providers under the ESOS Act will be aligned with their domestic registration. So, rather than having to register twice, there will be the one process that deals with both their domestic and international markets—which seems to a logical person just to make sense. The requests for information for providers will also be reduced, with external regulatory bodies being able to use information collected for domestic registration in registering providers under ESOS. When I speak to small business in Australia, many sectors, including the education sector, tell me that one of the most frustrating things is having to provide the same information multiple times to different government departments or, in some cases, to the same government department but for a different purpose. Any legislation that we can provide that means that they only have to provide the information once is just good governance let alone a benefit to providers.

Schedule 2 looks at internal review of decisions. This saves time for providers by giving them access to an internal review process for decisions taken by the regulators. It provides the option to avoid lengthy appeals processes through the Administrative Appeals Tribunal when an internal review may in fact be a better way to resolve issues and to save time and resources. Importantly, in terms of consistency, the ESOS Act becomes consistent with domestic legislation for providers.

Schedule 3 looks at ministerial directions. It allows the minister to direct an agency to focus on a particular issue in the sector. Whether it is, for example, academic misconduct or cheating, they can direct the agency to look at that issue without having to actually identify a particular provider. That provides a good balance in being able to focus their effort without being seen to unfairly disadvantage any particular provider.

Schedule 4 looks to increase the powers of the Tuition Protection Service director to support quality assurance in international education. As I said in opening and setting the
context, that survey of 5,000 students and their families found that quality was one the
determining factors that they take into account when choosing where to come for their study.
The TPS director, who is someone who is often privy to information about the activity of
providers, plays a vital role in making sure that the providers meet their obligations to
students. If the TPS director sees issues that are not being rectified by providers, they can go
to the regulators with recommendations that allow them to take quick action against the poor
practices of particular providers. That is another way of making sure that we have a system in
place that works with providers and, if need be, directly with the regulators in a targeted way
to lift the quality of what is being provided. Schedule 5 goes to other amendments, which is
where we see the $75.9 million in savings for providers annually. As I said, this is going to be
a significant boon in terms of making the sector cost competitive.

Some of the practical issues that have been raised and are now reflected in the bill go to
things like removing student default reporting. Currently, providers have to report within five
days if they think a student has defaulted. But some of the reports indicate that there is
sometimes uncertainty as to whether it is a genuine default—that is, a student has in fact
chosen not to turn up at all for a course—or whether there has been a problem with transport
or getting into the country or establishing themselves and turning up on the day. Whilst
information still has to be provided, the reporting time frame has been extended to 31 days to
enable them to ascertain whether or not it is a genuine default as opposed to reaching a
conclusion within the first five days. Both providers and students indicated that they felt that
time frame of five days was too short. Examples provided included an illness that might have
prevented a student from turning up. For students under 18, clearly the welfare of that student
and the duty of care of the provider to have an interest in the welfare of the student is
important. So a reporting requirement of 14 days remains where the student is under 18. That
measure around the student default reporting and refining their system saves some $16
million annually for the students.

One of the areas that the student peak body for international students particularly supported
was allowing students to have more choice in how much of their fees they paid up-front.
Currently, the law restricts providers from collecting more than 50 per cent of student fees up-
front. This bill allows students to pay more if they wish. What that means is that, if there are
favourable exchange rate conditions or other reasons it suits the student or their family to pay
up-front, then they have the option to do that. Short courses continue to be exempt from this
requirement and the definition has increased up to 25 weeks which better reflects short-course
enrolment patterns. Again even this small change to better reflect what actually occurs on the
ground is a saving of $1.2 million annually.

The last area in here that has a significant saving for the sector is the removal of the
designated account. At the moment—unlike domestic providers who can use the fees that are
paid to invest directly in the innovation and developing of their product, their facilities and the
quality of the course—international students have to hold prepaid tuition fees in a designated
account, which means that they cannot use it. Public providers, such as universities, TAFE schools
and government schools, do not have to do that. Having private providers able to invest this
money into the quality of the course means that they can act in the same way as public
providers do. There will still be the ongoing financial viability checks to make sure that they
are a fit and proper person to run the course and have the flexibility, but the estimates are that
this will save some $27.7 million annually making them more cost effective and increasing competition.

As I said at the start, this is an important sector for Australia—over 420,000 students for South Australia and more than 30,000 moving towards a target of 34,000 by 2017. It is worth more than a billion dollars to our economy. We need to get the settings right so that they remain cost competitive and they can focus on providing a quality education. I welcome this bill and we will be supporting it.

**Senator CANAVAN** (Queensland—Nationals Whip in the Senate) (13:47): It is also a great pleasure to rise to support this particular piece of legislation and associate myself with the comments of my colleague Senator Fawcett, who was right to say it is extremely important that we maintain the competitiveness and cost-effectiveness of our university sector if we want it to maintain its position as a very attractive place for international students to come to study. I certainly want to maintain that position.

It is one of the largest export earners in our country. It has huge upside potential to grow, particularly with the growth to our north in the Asia-Pacific region. Like many of our export industries, it stands in a uniquely geographically determined area that can benefit from the rise of Asian countries and the increasing numbers in the Asian middle class. Of course, those people, as they go to the middle class, want a better education for their children— they are no different to Australians—they want a better future for their grandchildren and they will look to other areas of the world to make sure that they can receive the best education possible so that they can live up to that potential.

I do think education is somewhat different in that it faces different challenges and risks than other sectors that are similarly exposed to that Asian growth—for example, in agriculture where the rise of an Asian middle class will certainly drive uptake of premium Australian products. As people seek to define themselves by the clothes they wear, the cars they drive and the food they eat, they will look to countries like Australia, which are known to produce premium food, to seek those needs. While that phenomenon will be there—people will look to higher quality education—another thing will happen in parallel to the increasing economic growth and sophistication of Asian economies, and that will be the improvement of their universities in Asia. Their universities will increasingly become some of the better in the world as they invest in their own institutions, as their economies become stronger and more able to invest in higher education to a similar extent than we can in this country.

That will create both opportunities and challenges for our university sector. The opportunity will be there because there will be increased demand from both numbers of students in Asia and also the willingness to pay for a good-quality education from Asia. There will also be increases in supply of high-quality education in our region, particularly in Asian countries and that will make it more difficult for our domestic university sector to compete.

Just to labour on this point a little bit, in a particular ranking released earlier this year—there are different measures of world university rankings—the 2014-15 rankings reported that two Asian universities are now in the top 25. The University of Tokyo and the National University of Singapore are now within the top two of the 25, compared with only one last year and none in 2011-12. Five years ago there were no Asian universities in the top 25 in the world and now there are two. I have not got this particular ranking in front of me for all
universities, but the last time I looked there were no Australian universities in the top 25 at all. We usually have one in the top 50.

In the top 50 there are six East Asian universities—from Japan, Singapore, Hong Kong, China and South Korea. Now in total 24 of the top 200 universities in the world are in Asia. That is just a small demonstration of what is occurring in our region and why it is so important that we continue to support a strong, competitive and cost-effective sector here in Australia so that we can maintain its position as a strong magnet for students to come here and study. A key part of that is making sure that the regulatory burden on our university sector is not over burdensome, and is not put in place to an extent which would limit or inhibit its ability to compete with those Asia-Pacific universities.

This bill is not going to be a panacea for all those risks and challenges but it has make some important changes that will improve the competitiveness of our universities the changes that will reduce the amount of the overlap, duplication and red tape imposed on that sector. Senator Fawcett has usefully outlined what some of those changes will be. To put them in context, they stem from changes to the broader regulation of our higher education in about 2012, by which time the Commonwealth government had two type to agencies—with the Australian Skills Quality Authority and the Tertiary Education Quality Standards Agency—to provide overall regulatory oversight of the quality and standards of our tertiary sector. It was an important development to make sure those standards were maintained across the country.

Those standards were in place for domestic students but of course they had an impact on the quality and standards of university courses for all students around our country. However, because we lifted the bar on the standards and oversight for domestic students, they had not been aligned with the regulatory standards we had in place for overseas accreditation. This is what this bill seeks to align. The education services for overseas students have different regulatory standards and different agencies covering that sector. This bill seeks to align those with the high domestic standards we now have in place. For example, we will allow only one designated agency to be in charge of both overseas and domestic students' accreditation—the TEQSA and the ASQA. We will allow the internal appeals processes of those bodies to deal with any complaints that may arise from the teaching of overseas students, instead of having to go to the and more costly and convoluted Administrative Appeals Tribunal. That will save red tape and costs. We will allow the minister to direct TEQSA and AQSA in regard to the accreditation arrangements for overseas students, just as the minister can for domestic students, and we will also expand the functions of the Tuition Protection Service, which functions as the director of that service, which is in place to help protect overseas students and the quality of their studies.

All of those changes would appear to be supported by the opposition, at least in the recently tabled Senate committee report into this bill. They did not see opposition from Labor senators on that committee. I welcome that support. The Greens unfortunately, in their dissenting report, have rejected all of those changes and have not proposed any alternative scheme. The Greens have harped back to the fact that a lot of these things were put in place in the 2009 review conducted into the sector, conducted to make sure that there were high standards for overseas students. What they have ignored is that since 2009 we have put in these other agencies—AQSA and TEQSA—to improve the standards of domestic arrangements. We have somewhat brought the domestic standards and obligations up to what
was deficient for overseas students. So there is no need now for specific overseas student regulations. That is something the opposition has accepted and I welcome that.

The review which led to the changes in this bill was commissioned in May 2013 by the then Labor government. It obviously did not report until after the election and this bill seeks to put in place some of the recommendations, although further consultation was conducted on those recommendations and we now have this bill. So largely supported by the two major parties in this place is a constructive attempt to streamline regulations in this sector. There are some other amendments that are smaller in nature but do nonetheless provide substantial savings of up to $76 million for the sector. Reporting time frames for complaints will no longer be just five days but will be 31 days. Students will be allowed to pay up front in full for their fees if they so choose. At the moment the up-front fees are capped at 50 per cent. While that cap will remain—that an institution cannot ask for more than 50 per cent up-front payment—if a student so desires to pay more than 50 per cent of his or her fees up-front, they he will be allowed to do so—a sensible change which allows students to have that choice. If, say, they feel the exchange rates are attractive or they would like to make the payment while their parents are willing to do so and not after their marks come back, that is a fair and reasonable change which again I believe will be supported in the Senate committee report from the opposition. There will also be removal of the strict restrictions on regulations of the study period which students must cover—at the moment, 24 weeks. We will make that more flexible.

My understanding of the Senate committee report is that the only matter of disagreement is what is called the designated accounts at the moment. So private overseas student operators must maintain a designated account for the fees and funds provided by overseas students, to put into what seems to be a trust account at the moment—I do not think that is a term in the legislation—whereas other public institutions do not have to do that when they are offering the services. Obviously some are not really competitively neutral between the public and the private sectors and this bill therefore seeks to remove that anomaly to make sure that public and private providers are at the same level.

Senator Kim Carr: Where are the crooks?

Senator CANAVAN: The problem with the Labor Party is that they seek crooks everywhere and they just want to put regulation on everyone, including on the people doing the right thing. Why should we seek to impose more regulation on those providers doing the right thing rather than to clamp down on those doing the wrong thing? We should be rooting out the people who do the wrong thing, not putting up the cost for our entire university sector. That is what Labor are proposing to do. They are ignoring the fact that we have increased standards in universities since 2009. They are ignoring the fact that the vast bulk of our education providers have a good name and provide good services. By opposing this motion, they are dragging our tertiary education sector through the mud by somehow saying that there are sharks everywhere. Will what kind of message does that send to overseas students?

An opposition senator interjecting—

Senator CANAVAN: Yes, Senator, you know a lot about sharks, I know. What sort of message is that sending when most of our education providers do the right thing? They provide excellent services and we should get behind them and support a more streamlined regulatory structure for our tertiary education. (Time expired)
The PRESIDENT: Order! It being 2.00 pm, the time for debate is interrupted.

QUESTIONS WITHOUT NOTICE

Special Minister of State

Senator JACINTA COLLINS (Victoria) (14:00): My question is to the Attorney-General, Senator Brandis. I refer to the minister's statement last week in relation to the Mr Brough and James Ashby affair, that to have a search warrant executed is not 'an indication that any offence has been committed'. Why then, Minister, does the search warrant used by the Australian Federal Police in this matter make reference to Mr Brough's counselling and procuring Mr Ashby to disclose extracts of the Speaker's diary 'contrary to section 70(1) of the Crimes Act 1914 by virtue of section 11(2) of the Criminal Code 1995'?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:00): Senator Collins, I could, if I chose to, give you a very long talk about the law relating to search warrants. But I think it is sufficient for me to say, as I said last week, that the mere fact of a search warrant being executed is no indication that a crime has been committed. A search warrant is sought and obtained on certain grounds. The mere fact that a search warrant is sought and obtained is not probative of guilt. For example, it could never be the case that the fact that a search warrant was executed would be admissible in evidence in the Crown case, were there to be a prosecution. The purpose of a search warrant is to locate documents and things. It is not probative of guilt.

Senator JACINTA COLLINS (Victoria) (14:02): Mr President, I ask a supplementary question. I refer to the minister's statement last week that he had no knowledge of, or role in, the James Ashby affair. Does he stand by that statement?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:02): You misquote me, Senator. I said I had no knowledge of the James Ashby affair beyond what I read in the media, or role in it.

Emissions Reduction Fund

Senator REYNOLDS (Western Australia) (14:03): My question is also to the Leader of the Government in the Senate and Minister Representing the Prime Minister, Senator Brandis. Will the minister inform the Senate of how this government is reducing carbon emissions without placing a tax on electricity?
Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:03): Thank you very much, Senator Reynolds. That is a very important and, if I may say so, very timely question.

The Department of the Environment has released a formal national update on Australia’s 2020 emission target that confirms that Australia will not only meet its target but will well and truly exceed its target by, on current projections, at least 28 million tonnes. The government is taking a strong and responsible approach to addressing climate change through policies which actually reduce Australia’s emissions without a reckless carbon tax that punishes Australian families and Australian businesses.

The Emissions Reduction Fund is central to those strong and successful policies. At the first Emissions Reduction Fund auction in April 2015 the government contracted 47 million tonnes of emissions reductions at an average price of $13.95 per tonne. At the second ERF auction in November 2015, 45 million tonnes of reductions were contracted at $12.25 per tonne on average—which, as you can see, was even lower than at the first auction. At the second auction contracts were awarded to 131 projects, including 33 bushfire prevention projects which will reduce emissions by nearly seven million tonnes. Indigenous groups will play a significant part in this. Across both auctions the government has contracted 92.8 million tonnes of emissions reductions at an average price of $13.12. This is one per cent of the cost per tonne of abatement under the carbon tax. Unlike Labor’s carbon tax, our policy is working.

Senator REYNOLDS (Western Australia) (14:05): Mr President, I ask a supplementary question. Can the minister also update the Senate on how Australia is leading global action through the Montreal Protocol to reduce emissions?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:05): Yes, Senator Reynolds, I can. I can tell you that Australia will reduce its emissions by 26 per cent to 28 per cent from 2005 levels by 2030. Per capita emissions will be up to 52 per cent lower—the second-largest drop in the G20. Let me say that again, because it is a point that bears repeating: we are achieving the second-lowest per capita reduction of emissions of any G20 nation.

Our targets are responsible and achievable. Australia secured a key global agreement to expand the Montreal Protocol for a phase-down of hydrofluorocarbons. In Australia we are working towards phasing down the use of HFCs by 85 per cent by 2036. The Montreal Protocol has provided five times the climate benefit—(Time expired)

Senator REYNOLDS (Western Australia) (14:07): Mr President, I ask a further supplementary question. Are there any threats to this very effective approach which is actually working to reduce emissions? Are there any threats to those reductions?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:07): Yes, there are, Senator Reynolds, I am sorry to say. Although the policies of the Turnbull government are demonstrably effective and at a tiny fraction of the cost of the carbon tax, Mr Bill Shorten has announced yet another plan for higher electricity prices. Labor’s own modelling, which it released when it was in government, shows that its 45 per cent target would deliver around a $600 billion hit to the Australian economy, Australian income per person would fall by...
$4,900, with a carbon tax of $209 per tonne. Wholesale electricity prices would be 78 per cent higher in 2030 under Mr Bill Shorten's plan. Let me say that again: wholesale electricity prices would go up by 78 per cent under Mr Bill Shorten's plan.

**Defence Procurement**

**Senator GALLACHER** (South Australia) (14:08): My question is to the Minister for Defence, Senator Payne. I refer to the Liberal Party's election promise to build 12 future submarines in Adelaide. Can the minister confirm that today is the deadline for the responses to the government's so-called competitive evaluation progress for the Future Submarine program? How many submarines were the participants requested to tender for as part of the competitive evaluation process?

**Senator PAYNE** (New South Wales—Minister for Defence) (14:09): I thank Senator Gallacher for his question. Today is the day on which it is expected that submissions will be received from the three proponents in the competitive evaluation process for the future submarines. Those participants are DCNS of France, TKMS of Germany and the government of Japan, as is well known. The competitive evaluation process seeks from the proponents a very comprehensive response in the submissions that they are forwarding to the government. It seeks a large amount of technical information, quite clearly and self-evidently. It will be considered in due course by Defence, by the future submarines office, and advice will be provided to government.

In relation to the details of the submarine process, as the senator well knows, they are indeed an integral part of the white paper, the integrated investment program and the defence industry policy, which will be released in the first quarter of next year, as I indicated at the Submarine Institute conference in Adelaide about two weeks ago now.

**Senator GALLACHER** (South Australia) (14:10): Mr President, I ask a supplementary question. Does the minister agree that no less than 12 future submarines must be built to provide the defence capability our nation needs and a viable future for our vital shipbuilding industry?

**Senator PAYNE** (New South Wales—Minister for Defence) (14:11): I made it quite clear in this chamber and I made it quite clear at the Submarine Institute speech that we regard the future submarines as an essential component of capability—absolutely essential. I think I spoke on that in the chamber in response to a question just last week. As I have said very clearly in relation to the size of the fleet, those matters are matters for consideration in the defence white paper, in the integrated investment program and in the defence industry policy statement, which will be released in the first quarter of next year.

**Senator GALLACHER** (South Australia) (14:11): Mr President, I ask a further supplementary question. Will the Liberal government keep its election promise and build 12 future submarines in my home state of South Australia?

**Senator Edwards interjecting—**

**The PRESIDENT:** Order, Senator Edwards!

**Senator PAYNE** (New South Wales—Minister for Defence) (14:12): I would encourage Senator Gallacher to have a constructive conversation with his colleague Senator Conroy, the shadow minister for defence, who, when we have had the opportunity to discuss the development of the white paper, the IIP, the defence industry policy statement and the
competitive evaluation process, indicated that the government should take the appropriate
time—

**The PRESIDENT:** Pause the clock.

**Senator Wong:** Mr President, I rise on a point of order on direct relevance. I am sure the
minister is very interested in what Senator Conroy has to say but the question was very
specific: will the Liberal government keep its election promise and build 12 future submarines
in my home state of South Australia? I request that she come to the question.

**The PRESIDENT:** Order on my right?

**Senator Wong:** Just answer the question.

**The PRESIDENT:** On the point of order, Senator Wong, I will remind the minister of the
question. Minister.

**Senator PAYNE:** Thank you very much. If I had delivered a white
paper in 2009 and
2013 that was completely uncosted and completely undeliverable, I would be embarrassed
too. If I had not placed an order for one single naval vessel in six years, I would be
embarrassed too. I can understand—

**The PRESIDENT:** Pause the c
lock.

**Senator Wong:** Mr President, I rise on a point of order—again, it is direct relevance.
What is embarrassing is a minister refusing to answer the question. Answer the question.

**Senator PAYNE:** Mr President, on the point of order: Senator Payne was clearly
directly relevant to the question. She was providing directly relevant context in response to
the question that was asked.

**Senator Conroy:** Mr President, on the point of order: the minister is actually quoting
directly from Tony Abbott's speaking points from prior to the change in prime ministership.
She is not remotely relevant to the question she has now been asked three times.

**The PRESIDENT:** Thank you. You are starting to debate it, Senator Conroy.

**Senator Conroy:** I ask you bring her back to the question.

**The PRESIDENT:** Order! I do not need any further assistance with this point of order. I
will remind the minister of the question. The minister has 23 seconds in which to answer the
question.

**Senator PAYNE** (New South Wales—Minister for Defence) (14:14): There is nothing
more directly relevant to the question asked by Senator Gallacher than the defence white
paper, the integrated investment program and the defence industry policy statement.

**Senator Kim Carr:** Mr President, on a point of order on direct relevance, this minister
has been asked how many submarines were requested for tender, was asked if it was any less
than 12 and—a third question—three times has been asked how the government will now
keep its promise on 12 submarines, not eight—because that is what the tenderers were asked
to bid on, weren't they, Minister?

**The PRESIDENT:** Order! You are debating it now, Senator Carr. Minister, on the point
of order?

**Senator PAYNE:** No, I was going to continue my answer.
The President: Just a moment. I have to rule on the point of order. Thank you, Minister. We are only dealing with the final supplementary question, Senator Carr. The question was: will the Liberal government keep its election promise to build 12 submarines? That was the question. I remind the minister of the question and advise her she has 14 seconds in which to answer.

Senator Payne: For the benefit of those opposite, let me be very clear: the number of submarines, the build, will be addressed in the Defence white paper, in the integrated investment program and in the Defence Industry Policy Statement.

Economy

Senator Bushby (Tasmania—Chief Government Whip in the Senate) (14:16): My question is to the Minister for Finance, Senator Cormann, representing the Treasurer. Will the minister please inform the Senate how the government is enabling business to drive Australia's economic growth?

Senator Cormann (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:16): I thank Senator Bushby for that very important question. The government is backing businesses across Australia to strengthen growth and to create more and better jobs. That is why, of course, on coming into government we worked hard to remove that lead which Labor inappropriately put into businesses' saddlebags, the carbon tax and the mining tax, which of course we removed. That is why we are reducing red tape costs for business—so far by about $2 billion a year. That is why we have delivered tax cuts for small business, and of course we are having a conversation right now about how our tax system could be made more growth friendly moving forward. And that is, of course, why we are working so hard to help Australian exporting businesses to get better access and more competitive access to key markets in our region: China, South Korea and Japan. Of course, the Minister for Trade and Investment, Mr Robb, is working very hard to get further access to other markets, like India, Europe and so on.

That is also why we are working so hard to invest in a very ambitious infrastructure investment program, taking advantage of the current comparative downturn in the construction industry to build productivity-enhancing economic infrastructure now, when the cost of construction is lower than it would have been in the past and is likely to be in the future. Of course, we are pursuing competition reform, focusing on making sure that, across Australia, consumers and business can have the advantage of better policy settings moving forward. Very soon the Minister for Industry, Innovation and Science, Minister Pyne, together with the Prime Minister, will be releasing an innovation package which will help to strengthen economic growth moving forward.

On this side of the chamber, we understand that for Australia to be the most successful we can be we need private sector growth. We need businesses across Australia to be the most successful they can be, and that is what we continue to work on. (Time expired)

Senator Bushby (Tasmania—Chief Government Whip in the Senate) (14:18): Mr President, I have a supplementary question. What is the government doing to support jobs growth in the economy?

Senator Cormann (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:18): We are implementing our plan for stronger growth and
more jobs, and may I say we are achieving some success. Jobs growth over the last 12 months has been more than 13 times as high as in the last year of Labor. In the last year of Labor, just 23,400 jobs were created—just 23,400 jobs in a whole year in the last year of Labor—and of course over the last 12 months more than 300,000 jobs have been created. What this government will continue to do is focus on pursuing reforms that will make sure that businesses in Australia are the most competitive, the most productive, the most innovative, the most agile and the most nimble possible so that we can take advantage of the opportunities in the Asia-Pacific but we are also as resilient as possible in the face of inevitable future economic headwinds coming our way from time to time.

Senator BUSHBY (Tasmania—Chief Government Whip in the Senate) (14:19): Mr President, I have a further supplementary question. Are there any threats to future economic growth?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:19): That is a very important question that Senator Bushby is asking. Australia is a trading nation, and we always face a number of threats at any one point in time, and certainly right now there are significant global economic headwinds. In particular, the prices that we can achieve for the key commodities we export are much lower than they have been in the past. We have had to deal with the biggest fall in our terms of trade in about 50 years, and of course our economy is transitioning from the strong investment phase of the mining boom into other drivers of growth.

There is, however, another challenge that we are facing in the economy, and that is Labor, because Labor is again at it, coming up yet again not just with any carbon tax but with a turbocharged Bill Shorten version of the carbon tax. As if the Gillard version of it was not bad enough, now we have Bill Shorten, in order to get himself to Paris and away from the parliament this week, coming up with his own carbon tax. (Time expired)

Climate Change

Senator DI NATALE (Victoria—Leader of the Australian Greens) (14:20): Our new Prime Minister has said that he wants to place science—

The PRESIDENT: Who to, Senator Di Natale?

Senator DI NATALE: Thank you again. I have to get better at this, don't I? That is twice I have done that. I would never have made it at home.

Senator Bernardi interjecting—

The PRESIDENT: Start again, Senator Di Natale.

Senator DI NATALE: I am looking forward to Kitchen Cabinet tonight, Cory—or on Wednesday. What are you cooking?

The PRESIDENT: Question, Senator Di Natale.

Senator DI NATALE: My question is for the Leader of the Government in the Senate, representing the Prime Minister, Senator Brandis. Our new Prime Minister has said that he wants to place science and innovation at the heart of his government. Given that the targets that this government is taking to Paris are totally inconsistent with the science and keep us firmly in place as the world's biggest per capita polluter up until 2030, will the Prime Minister now revise the targets he is taking to Paris so that they are indeed based on science and they
do drive innovation, or is the Prime Minister just another politician who says one thing but does another?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:22): Senator Di Natale, you must not have been in the chamber when I answered Senator Reynolds's question about Australia's ambitious and effective climate change and emissions reduction policy and emissions reduction target. Might I remind you, Senator Di Natale, that Australia commits to a reduction from 2005 levels of between 26 and 28 per cent by 2030. That puts us in the median range in terms of percentage emissions reductions of comparable economies. But, more significantly, it means that we are one of the most ambitions nations in the world in per capita terms. By achieving emissions reductions of 26 to 28 per cent off 2005 levels by 2030, Australia will achieve a per capita reduction of 52 per cent, which is the second highest per capita reduction of emissions in the OECD.

Now, Senator Di Natale, you and I both know that Prime Minister Turnbull is a person who has been very, very close to this issue throughout his political career. You and I both know that there are few if any people on either side of politics in Australia today who have a deeper and more sophisticated understanding of these issues than Malcolm Turnbull. We both know that. Mr Turnbull proudly takes to Paris on behalf of Australia the second most ambitious per capita reduction in emissions of the OECD, and that is something I think we should all be very proud of.

Senator DI NATALE (Victoria—Leader of the Australian Greens) (14:23): Mr President, I ask a supplementary question to the Minister representing the Prime Minister, Senator Brandis. We have just learnt today that Australia signed up with 18 other countries to the Mission Innovation project, which is a project that seeks to get all shoulders to the wheel in developing and deploying new clean technologies domestically. Does that mean that the government will now axe its plans to abolish the Australian Renewable Energy Agency and the Clean Energy Finance Corporation, two agencies that power that investment?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:24): Senator Di Natale, you should not conclude that we will do that, because that is not something that is in contemplation. What we are going to do is to adhere to the successful emissions reduction policies for which this government has been responsible. I said to you a moment ago that we will take to Paris the second most ambitious per capita reduction in the world. Let us compare our ambition with that of comparable economies. The Canadian emissions reduction target is a per capita reduction of 44 per cent. The American emissions reduction target represents a per capita emissions reduction of 35 per cent; the Japanese, 21 per cent. (Time expired)

Senator DI NATALE (Victoria—Leader of the Australian Greens) (14:25): Mr President, I ask a further supplementary question. Given that the Prime Minister supposedly supports science, does he acknowledge the widely held view that Australia's domestic contribution will be dwarfed by the approval of the Adani coalmine, and will he join those nations around the world who in Paris will be calling for a moratorium on new coalmines?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:26): We certainly will not be calling for a moratorium on new coalmines, Senator Di Natale, because we support
coalmines. We support coalmines; we support the coalmining industry; and we and some, though not all, elements of the Australian Labor Party support the development of the Carmichael mine by Adani, and we wish to see it go ahead.

As I have said to your colleague Senator Waters, who represents the state of Queensland, as do I, this is a project of immense importance to people in Central Queensland. It is of immense importance. If you have travelled to Central Queensland, as I do from time to time and have done very recently, you would understand how important the Adani development of the Carmichael mine is to those people.

Our projections have been reliable. In fact, we have erred on the side of caution, which is why I was able to point out to Senator Reynolds in response to her question that we in fact will exceed our target by 28 million tonnes. We will exceed our target by 28 million tonnes.

(Time expired)

**Australia Post**

**Senator BACK** (Western Australia) (14:27): My question is to the Minister for Communications and Minister for the Arts, Senator Fifield. I ask: can the minister update the Senate on the process of reform of Australia Post?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:27): Thanks, Senator Back, for the question. Mr President, on Friday last the ACCC released its preliminary view that it would not object to Australia Post's proposal to raise the price of the basic postage rate from 70c to $1 for the regular service. While, as you know, decisions of the ACCC are matters for the commission, in its preliminary decision the ACCC noted that the new stamp price will have an important financial impact for Australia Post.

Australia Post reported a full-year after-tax enterprise loss for 2014-15 of $222 million, including a loss of $381 million in its letters business. This loss is driven by the continued decline of 7.3 per cent in letter volumes compared to 2013-14, with ordinary stamped letters falling by 10.3 per cent. Australians are now sending one billion fewer letters a year than they were in 2008, and the government is committed to ensuring that Post can maintain a sustainable and self-funding postal service for all Australians. Without reform, Post would be unable to stem accelerating losses in letters, threatening the sustainability of the entire business. On current projections, Post is projected to face losses of up to $6.6 billion over the next decade, and letters losses are projected to reach $12.1 billion over the same period.

That reform is essential to ensure that Post can continue to deliver a world-leading postal service. Post intends to introduce a new two-speed letter service, with postage for regular letters at $1, on 4 January 2016. It is important for all colleagues in this place to note that the concession stamp price will be frozen at 60c for 5.7 million concession card holders and that the Christmas stamp price will also be frozen at 65c for all Australians.

**Senator BACK** (Western Australia) (14:29): Mr President, I ask a supplementary question. Can the minister provide further information to the Senate of the ACCC's preliminary findings on Australia Post's request to charge $1 for the new regular letter service?
**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:29): The ACCC noted that increasing the basic postage rate to $1 will assist Australia Post to reduce the losses from its services as a result of declining letter volumes. Even with this increase, the ACCC does not consider that Australia Post will recover revenue in excess of its costs in delivering its letter service. The ACCC’s preliminary decision was backed by advice from independent consultants, which found that Australia Post's 'reform our letter service' program is an appropriate response to declining letter volumes based on overseas experience. And now that the ACCC has released its preliminary view, Australia Post will lodge its formal notification to the ACCC, and the ACCC is required to publish its final decision within 21 days of receiving this formal advice.

**Senator BACK** (Western Australia) (14:30): Mr President, I ask a further supplementary question in response to the answer just given by the minister. Can he tell us what the changes will mean for operators of licensed post offices, including those operating in regional Australia?

**Senator FIFIELD** (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (14:30): An increase in the basic postage rate to $1 will provide a welcome and substantial boost to payments to around 2,900 licensed post offices, including those 1,600 in rural and remote communities. Many licensees and their representatives wrote to the ACCC supporting the proposed increase, noting it would significantly improve the sustainability of the post office network. The proposed increase would lead to a 43 per cent increase in delivery-related payments and an estimated increase in LPO payments of $75 million per year. Importantly, combined with other measures announced by Australia Post over the last two years to support LPOs, this will mean around $125 million extra in annualised payments to licensees. All of these elements combined would be good news for LPOs but also good news for the sustainability of Australia Post.

**Whaling**

**Senator WHISH-WILSON** (Tasmania) (14:31): My question is to Senator Brandis, the Leader of the Government in the Senate, representing the Prime Minister. Last Friday, the Japanese government gave notice to the International Whaling Commission that they are going to commence the illegal and barbaric practice of whaling in the Southern Ocean this summer. In 2013, the environment minister, Greg Hunt, said:

“We’ve got blood in the water and a blind eye in Canberra, it’s completely unacceptable … Whaling should never be occurring but for it to occur in Australian waters is an utter failure in Canberra.

It is 2015 and the harpoon boats are now heading back. What is the Australian government going to do to stop the impending slaughter?

**Senator BRANDIS** (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:32): Thank you, Senator Whish-Wilson. It is an important matter, and I am grateful to you for raising it. The Australian government is very disappointed by Japan's decision to resume whaling in the Southern Ocean this summer because Australia is, as you know, committed to the protection of whales. That is a position that has been held by both sides of politics since the days of the Fraser government.
The government has made representations at the highest level to urge Japan not to resume whaling this year. The science is clear that all the information necessary for the management and conservation of whales can, in our view, be obtained by nonlethal methods. That is a position, as you know, that was endorsed by the International Court of Justice. We will continue our efforts in the International Whaling Commission to promote whale conservation and uphold the global moratorium on commercial whaling.

Australia and Japan have a strong and productive relationship despite our differences on this issue. Both governments have consistently agreed not to let our differences on the issue of whaling affect the broader bilateral relationship. But, coming immediately to your question, Australia has taken the matter up at the highest levels and is urging Japan not to resume this practice.

Senator WHISH-WILSON (Tasmania) (14:34): Mr President, I ask a supplementary question. Minister Hunt, also quoted:

The Government should stop turning a blind eye to whaling in our waters and should have a Customs vessel in the Southern Ocean … It’s time finally for the Government to be focusing on protecting our waters rather than protecting their own back.

The coalition government did go into the last election with a promise to send a Customs patrol vessel. Will you send it this summer to monitor the Japanese fleet as they head south to slaughter our whales?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:34): Senator Whish-Wilson, if I may say so we are getting a little ahead of ourselves. We are taking this matter up with the Japanese to see if they can be persuaded not to resume the practice of whaling. Might I respectfully suggest that we wait and see what the outcome of those diplomatic representations is? In the event that those diplomatic representations are not met with success then that is certainly an option before the government.

Senator WHISH-WILSON (Tasmania) (14:35): Mr President, I ask a further supplementary question. I am disappointed that Attorney-General has said this issue will not affect our broader bilateral agreements on issues such as trade. Why would the Prime Minister not raise this issue in relation to a multibillion-dollar submarine contract when he meets the Japanese in two weeks time?

Senator BRANDIS (Queensland—Attorney-General, Vice-President of the Executive Council and Leader of the Government in the Senate) (14:35): Perhaps you misunderstood me. I did not say that the Prime Minister would not be raising the issue with the Prime Minister of Japan. I said that this matter will be being pursued at the highest levels.

Senator Whish-Wilson: Mr President, I rise on a point of order. I want to highlight that my question was in relation to giving the Japanese government a submarine contract. Would he raise it directly in relation to that issue?

The PRESIDENT: The Attorney-General has concluded his answer. In any event, Senator Whish-Wilson, your final supplementary question delved into new material. I did not pull you up on it at the time. I think that the Attorney-General has nothing further to answer and nothing further to add.
The PRESIDENT (14:36): I would like to draw to the attention of honourable senators the presence in the chamber of the honourable Speaker Languiller from the Legislative Assembly of Victoria, On behalf of all senators I extend a warm welcome to the speaker and, with the concurrence of honourable senators, I ask that he take a seat on the floor of the Senate.

Honourable senators: Hear, hear!

Mr Languiller was then seated accordingly.

QUESTIONS WITHOUT NOTICE

Child Care

Senator SMITH (Western Australia—Deputy Government Whip in the Senate) (14:36): My question is to the Minister for Education and Training, Senator Birmingham. Will the minister update the Senate on how the government is supporting grandparents who are the primary carers of their grandchildren?

Senator BIRMINGHAM (South Australia—Minister for Education and Training) (14:37): I thank Senator Smith for his question and acknowledge Senator Smith’s interest in this topic and that he was indeed a champion of the Senate inquiry in this place looking into the care that grandparents provide to their grandchildren. Our government’s Jobs for Families childcare reforms are, firstly, about trying to make the childcare payment system simpler, reforming three-plus different payment measures and subsidies into one simpler childcare subsidy system. Secondly, we are trying to ensure that they are fairer, that the support is there for families who work more to be able to access the greatest number of subsidised hours of child care and for families who earn less to be able to access the greatest rate of subsidy in relation to that child care.

As part of those fairness components we are very committed to having a strong safety net in place to support all those vulnerable children, vulnerable families and, indeed, grandparents who are the primary carers of their grandchildren. Importantly, we will be making sure that as part of our reforms grandparents do not have to meet the activity test requirements that otherwise apply to access to child care. The activity test is there to make sure that those families who most need child care and most need childcare hours are best able to access those hours, but we recognise that, in relation to grandparents who are the primary carers of their grandchildren, they are providing support, care and love to their grandchildren at times of great need but are quite often doing so in their retirement years and deserve a level of respite. They deserve a level of support, and we want to make sure that, wherever possible, they are not out of pocket for that support that they provide for their grandchildren. It is part of our commitment to making sure the childcare system is fair, is simple and is affordable for all of those who need it, supporting the most vulnerable while supporting those Australians who are accessing it to balance work and family obligations too.

Senator SMITH (Western Australia—Deputy Government Whip in the Senate) (14:39): Mr President, I ask a supplementary question. How will the Jobs for Families package further support grandparents who are the primary carers of their grandchildren and on income support?
Senator BIRMINGHAM (South Australia—Minister for Education and Training) (14:39): In addition to waiving the activity test for grandparents, we are providing for those grandparents who are the primary carers and on some form of income support essentially a complete exemption from the likelihood of paying childcare fees. We are introducing an hourly cap on childcare fees, against which will be paid the subsidy of $11.55 for long day care. This is intended to place downward pressure on childcare fees over time and ensure that the extra $3 billion our government is contributing to child care does not have an inflationary impact on fees. To make sure that grandparents within that cap are able to access services they need, we will be providing an up-to-120 per cent subsidy against that hourly cap to ensure that, even where services are above the cap, grandparents are, hopefully, not out of pocket. We estimate this will support around 3,900 grandparents around Australia in their love and care for more than 6,000 grandchildren.

Senator SMITH (Western Australia—Deputy Government Whip in the Senate) (14:40): Mr President, I ask a further supplementary question. How is the government funding this childcare package?

Senator BIRMINGHAM (South Australia—Minister for Education and Training) (14:40): This is a very important aspect. Indeed, this side of politics recognises that, when you are going to embark on major reforms that come with additional costs—and the childcare reforms involve more than $3 billion of additional expenditure—they must be paid for. Some on that side seem to recognise that as well; I know that Ms Macklin, the shadow families spokesman, has acknowledged that the childcare reforms ‘must be paid for somehow’. Yet the Labor Party have no means of identifying how they will pay for it. On this side of politics we have indicated reforms that will help to pay for this additional $3 billion in support—reforms so that we can afford to support grandparents in their care for their grandchildren, reforms so that we can ensure families who need the greatest number of hours of childcare support are able to access it, reforms to ensure that families who need the greatest level of subsidy are able to access the greatest level of subsidy. But those opposite seem to stand in the way of such reforms and stand against helping those who most need assistance. (Time expired)

Special Minister of State

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:41): My question is to the Cabinet Secretary, Senator Sinodinos. I refer to the Cabinet Secretary’s statement last week:

I don't think the situation Mal Brough is in at the moment qualifies for him having to stand aside …

Has the Cabinet Secretary spoken with the Prime Minister about Mr Brough’s conduct in the James Ashby affair to satisfy himself that it does not constitute a 'prima facie breach' of the ministerial standards, which mandate that ministers must act in accordance with the law?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:42): I thank the honourable Leader of the Opposition in the Senate for her question. I go no further than what the Prime Minister said last week, when he said:

… there are no new facts, matters or circumstances that have come to hand …

If there are new developments, obviously they will be considered.

These are matters for the Prime Minister. I have not spoken to the Prime Minister about this.
Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:43): Mr President, I ask a supplementary question. I refer to Mr Brough's admission on 60 Minutes last year that had asked Mr Ashby to procure copies of the former Speaker's diary. What criteria have been used to determine whether Mr Brough's admitted conduct in the James Ashby affair constitutes a prima facie breach of the ministerial standards?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:43): As the Leader of the Opposition in the Senate well knows, the Prime Minister already answered this question last week. I have nothing to add.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:43): Mr President, I ask a further supplementary question. Have the criteria for determining a breach of the ministerial standards changed since 2014, when the former Prime Minister required the then Assistant Treasurer to stand aside due to a corruption inquiry by the New South Wales Independent Commission Against Corruption?

Senator SINODINOS (New South Wales—Cabinet Secretary) (14:44): The answer to that question is no, the standards have not changed.

Tobacco

Senator McKENZIE (Victoria) (14:44): My question is to the Minister for Rural Health, Senator Nash, representing the Minister for Health. Can the minister inform the Senate how the government is helping Australians give up smoking?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Minister for Rural Health) (14:44): I thank the senator for her question and note her very real interest in what is an important issue for all Australians. All of us in this chamber know that smoking causes great harm to Australians; leads to death from cancer and lung and heart disease; and hurts families. The coalition government has moved ahead with a suite of evidence based initiatives, including a focus on Indigenous communities. The government is also defending the legal action against plain packaging by the big tobacco companies. Smoking rates in Australia have been reduced to an all-time low.

The most recent national data from the Australian Institute of Health and Welfare's National Drug Strategy Household Survey 2013 reports that the daily smoking rates for those aged 14 and over has now dropped to 12.8 per cent. Young people—those on the other side might be interested to know—are also delaying commencing smoking. The average age at which 14- to 24-year-olds smoke their first full cigarette increased from 15.4 years of age in 2010 to 15.9 years of age in 2013. This is the most significant drop in smoking rates in Australia in 20 years and reinforces the benefits of having a multifaceted, evidence based comprehensive suite of tobacco control measures.

Price measures are one component of the Australian government's comprehensive set of national tobacco control measures, which also include education programs and campaigns, plain packaging, labelling tobacco packaging with updated and larger graphic health warnings, prohibiting tobacco advertising and promotion, and, most importantly, providing support for smokers to quit.

Senator McKENZIE (Victoria) (14:46): I have a supplementary question. Will the minister further advise the Senate on how the government is helping Indigenous Australians tackle smoking?
Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Minister for Rural Health) (14:46): I am very pleased to announce that, as part of the government's revamped Tackling Indigenous Smoking program, funding of $116.8 million over the next three years will be provided for evidence based regional activities that will reduce the number of people taking up smoking, and encourage and support people to quit. Local knowledge, as we understand on this side of the chamber, is always best. Service providers will make decisions on how they tackle smoking in their region. Funding will continue for enhancement to quit-lines, and the training for front-line health and community workers who help Aboriginal and Torres Strait Islander smokers. I am also pleased to advise that funding of $10 million has been allocated from the national tobacco campaign to target Aboriginal and Torres Strait Islander communities.

Senator McKenzie (Victoria) (14:47): I ask a final supplementary question. Can the minister inform the Senate of the importance of evidence based policy in reducing tobacco use in Australia?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Minister for Rural Health) (14:48): As I have noted previously, this government's policy is built on a strong evidence base. However, Labor seem to have no evidence base for their recent announcement to commit to increasing the tobacco excise. Labor claims their tax was modelled to factor in behaviour change, but Labor will not reduce its modelling. They will not tell us anything. Indeed, I note that it was Labor's Senator Bullock who also stated last week that those on lower incomes and likely Labor voters would not be able to afford this additional slug. It is a simplistic, regressive grab for revenue. Labor needs to understand that smokers alone cannot pay off Labor's deficit. It is more policy on the run from Labor. They should release their costings. They should say how much this is going to reduce smoking, and how much money it is going to raise.

Economy

Senator Ketter (Queensland) (14:49): My question is to Senator Cormann, the Minister representing the Treasurer. I refer to reports in The Australian that the Prime Minister has ordered Treasury to include second round effects modelling in costings for the innovation statement. Is this true?

Senator Conroy interjecting—
The PRESIDENT: Order on my left.

Senator Conroy: You are in that much trouble. You are going to dodge up the numbers—
The PRESIDENT: Senator Conroy—

Senator Bernardi: You know about dodging up the numbers, Senator Conroy.

The PRESIDENT: and Senator Bernardi.

 Honourable senators interjecting—
The PRESIDENT: Order!

Senator Cameron: You would have liked to have dodged up the numbers against Malcolm, but you couldn't!

The PRESIDENT: Senator Cameron.
Senator Ian Macdonald interjecting—

The PRESIDENT: Senator Macdonald.

Honourable senators interjecting—

The PRESIDENT: Order! Senator Macdonald!

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:50): I have told the senator before that he should not believe everything he reads in the newspaper. Of course, the next budget update, as with every budget and budget update that we have provided in the past, will be prepared consistent with the provisions of the Charter of Budget Honesty.

Senator Conroy interjecting—

The PRESIDENT: Order!

Senator KETTER (Queensland) (14:50): I have a supplementary question. Can the minister confirm that the Charter of Budget Honesty costing guidelines requires the departments of Treasury and Finance to take into account first round effects only and will generally not incorporate second-round effects? Will the costing of the innovation statement include second-round effects?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:50): I have, in fact, already answered that question.

Senator Kim Carr: No, you didn't.

Opposition senators interjecting—

The PRESIDENT: Order!

Senator CORMANN: For the avoidance of any doubt, of course, the Mid-Year Economic and Fiscal Outlook as a budget update, like every budget and budget update we have provided—

The PRESIDENT: Pause the clock. Point of order, Senator Wong?

Senator Wong: The question was, 'Will the costing of the innovation statement include second-round effects?'

The PRESIDENT: In fairness to the minister, we need to give him a bit more time. He is only 15 seconds into his answer. Senator Wong?

Senator Wong: There is no reference to MYEFO in the question. How can it possibly be relevant to this question?

The PRESIDENT: I am going to give the minister a little bit more time to respond. Minister.

Senator CORMANN: No wonder that Senator Wong was the worst finance minister in the history of the Commonwealth. No wonder that she was the worst finance minister—

The PRESIDENT: Order! Minister!

Senator CORMANN: in the history of the Commonwealth.

The PRESIDENT: Minister!

Senator CORMANN: She does not even know—

The PRESIDENT: Order!
Senator CORMANN: that an innovation statement would be reflected—

The PRESIDENT: Senator Cormann!

Senator CORMANN: in the Mid-Year Economic and Fiscal Outlook.

The PRESIDENT: Senator Cormann.

Senator Conroy: Dear, oh dear!

Opposition senators interjecting—

The PRESIDENT: Order on my left! Minister, I did give you the good grace of allowing you to respond, and I think you abused the good grace I gave you. But I will call you to order and to answer the question.

Senator CORMANN: The question related to the Charter of Budget Honesty. The only way that question can be relevant is in the context of how the innovation statement, as any other policy measure of the government, is costed in the context of budgets and budget updates. It was directly relevant, and the fact that the good senator on the opposition side does not get this point, the fact that she made the point of order she made, shows how little she understands—

Senator Wong interjecting—

Senator CORMANN: I have already indicated that all of these policy measures— (Time expired)

Senator KETTER (Queensland) (14:53): Mr President, I ask a further supplementary question. Doesn't the Prime Minister's extraordinary intervention show that this government is cooking the books in order to mask the fact that the innovation statement will be an additional hit on the bottom line in the government's December budget update?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (14:53): I completely reject the premise of the question—No. 1. No. 2, the answer that I gave to the primary question was that we would be costing—

Senator Wong: Why does Christopher Pyne get a leave pass?

Senator Ian Macdonald: Can you keep quiet for five seconds, Senator Wong?

The PRESIDENT: Order on both sides! Senator Macdonald and Senator Wong!

Senator CORMANN: As I have indicated in answer to the primary question, costings for this measure, as for any other measure in MYEFO, as in every budget and budget update so far, will be done consistent with the requirements of the Charter of Budget Honesty. The assertions that Senator Ketter and Senator Wong have been making are false. Of course we will be preparing costings for the innovation statement, as for any other budget measure, consistent with the requirements in the Charter of Budget Honesty.

Tourism

Senator BERNARDI (South Australia) (14:54): Mr President, this may be my last question for this year, so may I take this opportunity to wish everyone in the chamber a merry Christmas, in the spirit of that.

The PRESIDENT: To the question, Senator Bernardi.
Senator BERNARDI: In particular, I would like to wish a merry Christmas to the person I am going to ask this question to, the Minister for Tourism and International Education, Senator Colbeck. Would the minister please update the Senate on how the Australian tourism industry is performing under the coalition government, particularly following the release of recent reports?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:55): I thank Senator Bernardi for his question and I thank him for his Christmas wishes. I look forward to having a glass of good red with him before the season—to look after the great wine producers of Australia!

Tourism is already one of Australia's largest exports and a major pillar of our economy. It is a $100 billion-plus industry, and, for every dollar spent on tourism, a further 87c is washed through the sectors of the economy. Tourism generates jobs, investment and growth in communities throughout Australia, with one in 12 jobs being linked to tourism. Ninety per cent of these jobs are delivered by Australians, and this is up from 87 per cent two years ago. This means that there are now almost one million Australians working across tourism. Forecasts from Tourism Research Australia recently released by the government show that this sector will continue to grow over the next decade and is set to inject more than $145 billion into the Australian economy by 2025. Inbound arrivals increased by 77 per cent, to a record 6.6 million arrivals over the last 12 months. Arrivals from New Zealand led the way, with 1.2 million inbound tourists. China grew 21 per cent, to reach over 860,000 visitors, while India grew 20 per cent to reach over 200,000 inbound visitors. I am pleased to say that the Indian tourist market has broken $1 billion for the first time, no doubt also driven by strong educational links we also share with India. This is an exciting time for the Australian tourism industry.

Senator BERNARDI (South Australia) (14:57): Mr President, I ask a supplementary question. Would the minister be kind enough to explain to the Senate why growing the Australian tourism industry is essential to deliver jobs and growth in regional Australia?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:57): I have just indicated that this is quite an exciting time for the Australian tourism industry, and we need to ensure that the spoils of the industry continue to be shared beyond our capital cities. A recent report by the ABS showed that average room yields rose by 0.6 per cent in our capital cities but fell by 2.8 per cent in the regions. We need to redress this balance. Last year 100 million Chinese tourists went on an international holiday, and by 2020 this figure will double to some 200 million. We are seeking to ensure that an increasing number of these Chinese travellers visit our regions, and I am working with Minister Robb to attract investment to rejuvenate regional tourism product. Many of our greatest tourism assets exist in our regions, such as Uluru, Cradle Mountain and of course the Barossa, in the senator's home state. Tourism can be a critical developer of regional Australia, and with 45c in every tourism dollar spent around regional Australia—(Time expired)

Senator BERNARDI (South Australia) (14:58): Mr President, I ask a further supplementary question. Would the minister please explain how the government is removing impediments to growth in the tourism industry to ensure the sector continues to prosper and deliver jobs for Australians?
Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (14:58): I cannot stress enough how important it is to remove barriers to new tourism growth and investment in our economy. We have frozen the passenger charge for this term of parliament, and we are working with our state and territory counterparts to shine a light on regulatory barriers to new investment. Two of the most important or game-changing areas are visas and aviation. Just two weeks ago, in Indonesia, I announced with my colleagues Andrew Robb and Peter Dutton a three-year multiple entry visa for Indonesian visitors to Australia. This will streamline and encourage more inbound visitation from that important growth market. On aviation, we have productive conversations with airlines to promote more direct routes into Australia, particularly outside our major capital cities. I was pleased to have the opportunity to welcome the first Jetstar flight from Wuhan in China to the Gold Coast, a new service that will see an extra 30,000 Chinese visitors to Queensland each year. *(Time expired)*

**Economy**

Senator PERIS (Northern Territory) (15:00): My question is to the minister representing the Treasurer, Senator Cormann. Can the minister confirm that last week’s capital expenditure figures represent the worst quarterly fall since records began in 1987?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (15:00): As I have said to the Senate previously, the Australian economy and the Australian budget are in better shape than they would have been had Labor stayed in government. That is No. 1. No. 2: when we came into government we inherited a weakening economy, rising unemployment and a budget position that was rapidly deteriorating. Remember the 11 short weeks between Labor’s last budget and their pre-election economic statement. There was a $33 billion deterioration in the budget bottom line—about $3 billion a week.

*Opposition senators interjecting—*

Senator CORMANN: You might complain about the fact that in the context of global economic conditions, with the worst terms of trade in about 50 years, the economy is not growing more strongly. But let me tell you that it is growing more strongly than it would have had you stayed in government. If we had not taken all of that Labor lead out of our saddlebags, if we had not got rid of your disastrous mining tax, if we had not got rid of your disastrous carbon tax, which you want to bring back—the turbo charge—if we had not gone out to reduce red tape costs for business by $2 billion a year, if we had not pursued an ambitious free trade agenda helping our exporting businesses get better access to the key markets in our region—

*An opposition senator interjecting—*

Senator CORMANN: Why are we not growing more strongly I have been asked by way of interjection. Well, do you know what? Australia continues to grow where other commodity-based economies are in recession. If you look at the situation in Canada and Brazil, they are in recession. Australia continues to grow and to a large degree that is because we have been working to reduce costs in the economy for business. That is because we have been working to improve our competitiveness and our productivity and to ensure that we get our budget spending back under control and back on a more sustainable trajectory for the
future. We inherited a disastrous trajectory from Labor. We are working to fix your mess. Of course, more than 13 times as many jobs have been created this year— (Time expired)

Senator PERIS (Northern Territory) (15:02): Mr President, I ask a supplementary question. Can the minister further confirm that since the election, despite the coalition promising a stronger and more prosperous economy, capital expenditure has fallen 24 per cent?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (15:02): It is no wonder the Labor Party was so bad at managing the economy and the budget. The Australian economy right now is going through a transition. It is true that after significant capital investment in order to meet the demand for our key resources there was a very high level of investment in the resources sector in particular. There was a very high level of investment in the iron ore industry and a very high level of investment in the LNG industry. Of course, that will all keep driving increased production volumes.

One of the reasons why we are in better shape as an economy now than we otherwise might have been, despite the significant falls in our terms of trade, is that production volumes are going up and the value of the Australian dollar has been coming down. That has cushioned somewhat the significant effect in terms of the fall in our terms of trade. But there have been record levels of investment on the back of the best terms of trade in 140 years which peaked in 2012 under Labor and we— (Time expired)

Senator PERIS (Northern Territory) (15:03): I ask a further supplementary question. Does the economy, growing below trend and capital expenditure at historic lows, demonstrate that Mr Turnbull is just as incapable as Mr Abbott of providing the economic leadership that this nation needs?

Senator CORMANN (Western Australia—Minister for Finance and Deputy Leader of the Government in the Senate) (15:04): The answer is no. With all due respect, that is a juvenile question. It is a juvenile question that completely ignores the challenges and the opportunities we have in front of us as a nation. Firstly, for the good news. We are here, at the heart of the Asia-Pacific, able to take advantage of the opportunities that come from being in the part of the world where most of the global economic growth will be generated for the next few decades. We are also dealing with global economic headwinds. You would have to be under a rock in order not to realise that there has been a change in demand out of China for iron ore and that there has been a related effect on a commodity that represents about 20 per cent of our national export income.

The truth of the matter is that this government, the Turnbull government, building on the progress made under the Abbott government, is working every day to put Australia on a stronger economic and fiscal foundation for the future. We are not getting any help from those opposite. In fact, those opposite want to hit the economy for six by bringing back the turbo charge carbon tax. (Time expired)

Senator Brandis: Mr President, I ask that further questions be placed on the Notice Paper.
QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Arts Funding

Senator FIFIELD (Victoria—Manager of Government Business in the Senate, Minister for Communications, Minister for the Arts and Minister Assisting the Prime Minister for Digital Government) (15:05): On Thursday I indicated in answer to a question in relation to the Australian World Orchestra that I would seek some additional information in relation to government support over a period of time. I table that information.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Special Minister of State

Senator JACINTA COLLINS (Victoria) (15:05): I move:

That the Senate take note of the answers given by the Attorney-General (Senator Brandis) and the Minister for Defence (Senator Payne) to questions without notice asked by Senators Collins and Gallacher and the Leader of the Opposition in the Senate (Senator Wong) today relating to ministerial standards and to the manufacture of the next fleet of Australian submarines.

Senator Bernardi: It's all about you, isn't it?

Senator JACINTA COLLINS: It is; thank you, Senator Bernardi. No, in fact it is about Mr Brough and whether there is a case to be answered. This, once again, was the subject of discussion in question time today. As we have heard, the new Prime Minister, Mr Turnbull, says, 'There's nothing new here, so there is no case to answer,' and refuses to engage with serious questions about whether he conducted due diligence in the appointments he made to his executive. Again today we heard from Senator Sinodinos that there are still no answers to very important questions about what due diligence was conducted in the appointment—a very important appointment—of a man who would be Special Minister of State, and integrity and the responsibilities that are involved in that role.

Let us look at the reason that many feel there is a case to be answered. The first and most obvious is that Mr Brough himself confessed on 60 Minutes. Let me go to exactly what he confessed to. The question from Liz Hayes was:

Did you ask James Ashby to procure copies of Peter Slipper's diary for you?

Mal Brough's answer:

Yes, I did.

For him to suggest that it was not a clear question and maybe he was not in proper mind when he gave that answer is just ludicrous.

But let us look at the next issue that was canvassed in question time today, and that was with respect to the warrant. Again, I am incredulous that the first law officer of the land can suggest that warrants are just handed out willy-nilly and they do not really matter and it is not really important because guilt has not been established. As Senator Wong's question pointed out, guilt had not yet been established in relation to Senator Sinodinos but he was required to stand down. The only justification that there is no change in the ministerial standards of practice would be us going back to the John Howard approach to the ministerial standards, which is to pretend that they do not exist. So we have them; we just do not apply them.
Given that we do understand that a warrant does require the Australian Federal Police—and remember this is the Australian Federal Police—to establish reasonable grounds and that these cases are not to be taken lightly, it is incredulous that, as Attorney-General, Senator Brandis would suggest that it just does not really matter and that there is no case to be answered. What he hides behind, as I said, is that guilt has not been established. That is not the standard that has been applied in the past. What he is in fact doing is stonewalling. We saw that stonewalling last week when, as representing the Prime Minister here, he refused to take on notice questions to the Prime Minister regarding what due diligence the new Prime Minister conducted in this matter in establishing his new executive.

Today we saw another case of stonewalling when he did not answer my question in relation to what other members of the coalition frontbench were involved in this matter. He has refused to answer that question—a very important question—and one can only ask why. Is it a level of arrogance that this government should not be held accountable? Is it a level of arrogance that due diligence is not something that should be required in relation to very important appointments? Does he think that there genuinely is no case to answer when a minister of the government confesses on national television that he sought to procure Peter Slipper's diary using James Ashby? Of course there is a case to be answered. What is more concerning, though, is the quality of these question time answers and the stonewalling that has occurred for two days now on very important questions. (Time expired)

Senator SMITH (Western Australia—Deputy Government Whip in the Senate) (15:10):

It may have escaped the attention of Labor senators in this place—it might have even escaped the attention of Mr Bill Shorten, the Leader of the Opposition—but time is running out. We thought that this was going to be the year of big ideas, but what did we get today's question time in the Australian Senate? We had a lame question from Senator Collins with respect to the so-called James Ashby affair and we had a lame question from Senator Gallacher.

Senator Gallacher interjecting—

Senator SMITH: I know that you are not inclined to trust things from a coalition senator, but it is now the end of November and tomorrow is the beginning of December. Time is running out. We thought that this was going to be the year of big ideas, but what did we get in today's question time in the Australian Senate? We had a lame question from Senator Collins with respect to the so-called James Ashby affair and we had a lame question from Senator Gallacher.

Senator Gallacher interjecting—

Senator SMITH: I will specifically address your question in a moment, Senator Gallacher, because the way that you presented the submarine issue was not entirely accurate. This is where we are up to on 30 November, with one more month and just a few sitting days to go, in Labor's year of big ideas. You would think that, having announced a big idea on the weekend—a big idea that is going to cost Australian families and Australian businesses—and announcing his climate change targets, Bill Shorten might have instructed his Labor senators to come into the Australian Senate and argue—

The DEPUTY PRESIDENT: Senator Smith, I am struggling to see the relevance to the question before us. I might just remind you of the question. It is that the Senate take note of the answers to questions asked by Senators Wong, Gallacher and Collins.
Senator SMITH: Thank you very much for your Christmas leniency and Christmas cheer, Deputy President. Let me refer specifically to two issues. The first is the so-called James Ashby affair. The Prime Minister has made his position crystal clear on this issue. He has said, firstly, that he has confidence in the member for Fisher as the Special Minister of State and the Minister for Defence Materiel and Science. He has said that Mr Brough is cooperating with the police and there is nothing at this stage to suggest that he should stand aside in accordance with the statement of ministerial standards. Finally, the Prime Minister has said that any investigation should be allowed to take its course if it is necessary. Those are the facts. Questions in relation to the Ashby affair do not need to find themselves in the Australian Senate question time. In the year of big of ideas, there should be other issues worthy of prosecution by Labor Party senators.

Let us go back to Senator Gallacher's question on submarine contracts and let us again get some facts on the table. Importantly, what was Labor's record when it came to submarine contracting? Where did Labor leave Australia's naval capabilities at the end of their six-year tenure? The first point is a simple one. The former government failed to make a decision on the Future Submarine project, risking a critical security and capability gap. That was your legacy, Senator Gallacher. Now Senator Gallacher and others say that they want a tender process. Who should we trust on this matter? Let's trust the Australian Defence department. The Australian Defence department says that a tender process, as proposed by Labor, would risk at least another five-year delay in the program and bring about yet another critical capability gap.

We had six years of inaction under Labor's alternative plan and they want another five years of delay—an 11-year capability gap for our naval forces. Instead, what the coalition has done is put in place a very robust process to choose the best possible submarine capability for the best price while at the same time maximising Australia's industry involvement. That has to be a good outcome. Why do we know that is a good outcome? Let's not listen to what coalition senators say. Let's not listen to what Labor senators might say. Let's listen to what Brent Clarke said from DCNS. What did he say? For those who are not aware: DCNS are very significant French naval shipbuilders. What did they say? On 25 May, Brent Clarke—more informed dare I say than anyone in this Senate chamber—said, 'It is pretty simple—

(Time expired)

Senator KETTER (Queensland) (15:16): I rise to make a comment with respect to answers given to questions by senators Wong and Collins. I commence my contribution by making the observation that there is a very dark shadow hanging over the integrity of the Turnbull government. We know that there was an opportunity for the government, for the Prime Minister, to answer some of the questions which need to be answered in relation to the behaviour of Mr Brough and his own admissions on prime time television, but unfortunately the questions remain unanswered. It is the responsibility of the opposition to continue to seek the answers. The Australian people need to be confident that the Turnbull government is, in fact, addressing the issues that it needs to address.

Senator Collins identified that it was Mr Brough's own words last year in the 60 Minutes program which have electrified the debate. Senator Collins has already drawn attention to this. When asked on 60 Minutes if he has asked Mr Ashby to produce copies of Mr Slipper's
diary for him, the now Special Minister of State admitted, 'Yes, I did.' That is quite a significant statement by a person who is now the Special Minister of State.

We need to understand that Mr Brough is not only a minister of the Commonwealth; he is also a Special Minister of State, and being a Special Minister of State entails being responsible for a whole range of matters to do with integrity of government, including the Australian Electoral Commission and the entitlement system for members of the parliament. This is a responsibility which requires him to exercise the highest standards of judgement and integrity. When a person presents themselves and in their own words identifies the fact that they have prima facie committed an act which may well be contrary to the law—and that is a matter that needs to be determined—when a person makes an admission like that, and the person holds that particular position of Special Minister of State, I think it is incumbent on the opposition to ask questions about this and to seek the appropriate assurances and answers.

In the other place the Prime Minister was given an opportunity to be more fulsome in his explanation. In terms of identifying the decision-making processes behind, for example, the elevation of Mr Brough to the position of Special Minister of State—we know that Mr Brough was a supporter of Mr Turnbull in the change of prime ministership—the question remains hanging in the air as to whether or not Mr Brough was elevated into the position because of the fact that he has been of some political assistance to the Prime Minister. What decision-making processes were brought to bear by the Prime Minister in elevating Mr Brough? Surely Mr Turnbull was aware of what had been said on the 60 Minutes program last year. He would have been aware of what transpired in relation to the events concerning Mr Slipper. These are matters which are on the public record.

In answer to Senator Collins's question, Senator Brandis gave the indication that the fact that a search warrant has been issued in respect of Mr Brough, and that police have visited Mr Brough's home, is something which should just be brushed off, not worthy of much comment. 'Nothing to see here. Let's move along.' But we do know that search warrants are not issued lightly, and there must be some reasonable grounds before these things are exercised, so there are questions to be answered— (Time expired)

Senator BERNARDI (South Australia) (15:21): It gives me no pleasure to rise and have to rebut some of the spurious arguments that have been put forward by those on the other side. It concerns me, in fact, not least of all that those who are most vocal in their interjections are the ones who are probably muckraking the most over this circumstance. What we do know is that the Prime Minister of the day will choose those people whom he believes are appropriate for the portfolios in which they will serve the people of Australia. Simply because one of the Prime Minister's chosen ministers is assisting police in establishing the facts and circumstances surrounding the demise of Labor's sleazy own pick for Speaker of the House of Representatives under Julia Gillard's tutelage I think is not cause for alarm. What would be more alarming would be if there were no cooperation taking place, but indeed there has been. The fact that Mr Brough has nothing to hide came through abundantly clear in the 60 Minutes interview, to which those opposite continue to refer.

What I do not think is appropriate, and I think the Australian people share my point of view, is politicians acting as judge, jury and some sort of character executioner by standing in this place and using parliamentary privilege to throw down all sorts of smears of which they have no further evidence. We have seen accusations of hypocrisy being levelled before in this
space. If I may recall, many of those who are firing the arrows and the bullets from the other side were the same staunch defenders of one Craig Thomson.

*Opposition senators interjecting—*

**Senator BERNARDI:** I am not sure I need to remind you, but I will anyway, for those opposite who continue to chirp and interject, that Craig Thomson has been convicted of using a union credit card for all sorts of expenses that took advantage—

**Senator Conroy:** Mr Deputy President, I rise on a point of order. I understand that Senator Bernardi is uncomfortable defending anybody who has the name 'Malcolm', but could you please direct him to debate the issues in the questions that were asked. Mr Thomson, to whom he is now referring, did not come up in any way, shape or form in question time. I would ask you to bring him back to trying to defend Mr Brough.

**The DEPUTY PRESIDENT:** Senator Bernardi on the point of order?

**Senator BERNARDI:** I am simply drawing parallels about the conduct of individuals in this parliament versus in the previous parliament, Mr Deputy President. It is entirely relevant.

**The DEPUTY PRESIDENT:** I do not believe there is a point of order.

**Senator BERNARDI:** Thank you, Mr Deputy President. As I was saying, there are those who are quick to rush to judgment of a matter and circumstances in the current environment, who are equally quick, and unwisely so might I add, in their defence of Craig Thomson. Mr Craig Thomson was a valuable and trusted member of the Gillard government, as was repeated on occasion after occasion. He was also trusted by the membership of the Health Services Union, although he spent their money on prostitutes and on a range of dodgy expenses, for which he has found himself in the courts. We knew on this side how guilty Mr Thomson was but we chose to let justice play out, rather than rush to judgment ourselves.

The difference here is that those on the other side are making accusations while the police are conducting their inquiries. I find this extraordinary. The parliament deserves better than the kangaroo court being levelled by the Labor Party. We have to encourage all members in this place to participate as fully as possible in any police investigation so that they can clear up any abnormalities or misconceptions. While that is taking place, we should be spared from the childish accusations from those on the other side who have suddenly discovered 60 Minutes a year after the program went to air. Not one of them has the character to condemn one of their own. Not one of them has the character to stand up and say what is right and what is wrong. The only thing they are capable of doing is pursuing petty, partisan, political point scoring—the four Ps, for those on the over side. That is because they have nothing else going for them. They do not have a base, a principle on which to stand. The only thing they have is their partisan politics and that is something we need less of in this place. *(Time expired)*

**Defence Procurement**

**Senator GALLACHER** (South Australia) (15:27): I rise to take note of the answer to a question asked by me of the Minister for Defence, Senator Payne. This is a very serious matter for Australia, in particular for South Australia. Whichever the other side keeps regurgitating the line that somehow or other this was the Labor Party's problem, I will remind them that the coalition committed to build 12 new submarines in Adelaide: 'We will get that task done. It's a really important task not just for the Navy but for the nation. We're going to see the project through and put it very close after force protection as our No. 1 priority if we
win the next federal election.' That is the scenario we once again face. Here we have the third defence minister and we know there have been two Prime Ministers, and the voting public of South Australia are keenly aware that something is very much awry.

We asked a simple question not once, not twice but three times: did you have 12 submarines in the competitive evaluation? Were there 12 or was there another figure? Are you committed to 12? Will you build 12? And we are seeing the same prevarication, the same obfuscation as from Senator Johnston when he was defence minister. It continues to be a huge issue in South Australia. We know from the South Australian Minister for Defence Industries and from defence strategists and economic experts that any less than 12 submarines will not provide the certainty, the climate, the industry for investment. We know this. People have done these figures to death and any less than 12 will be problematic for a number of sectors in Adelaide. The Premier of South Australia has called upon the new PM to build the 12 submarines in Adelaide and honour the promise. An overseas build would be a fatal blow for the South Australian economy, as would a hybrid build. These things are very clear and they are on the table. As we speak, a new expert economic report supports the building of Australian submarines. Why would it not? This report highlights that an estimated $5.5 billion in tax is recouped by the government under the 'no change to budget' assumption in this model—the need to cut other government programs to cover the cost of submarines.

Secondly, if submarines are built overseas there is a $6.2 billion increase in the cost to the Australian federal government, if the Australian dollar mean exchange rate reverts to a purchasing power parity of 74c, as compared to the models of 92 US cents. This excludes the cost of hedging. Simply put, if we employ Australians and they pay tax and they are employed by Australian companies that pay tax then that investment of taxpayers' dollars comes back to the state and federal governments in a dividend. But if we employ overseas workers to build the submarines they will, rightly, pay their taxes in Germany, France or Japan, and there is no return for the Australian taxpayer.

We need a serious, early commitment in South Australia to maintaining manufacturing. They have closed the automotive sector. It is closing down in 2017, with an incredible loss of jobs and an incredible stress put on small business. Christopher Pyne, the Minister for Industry, Innovation and Science, was on the _Sky News_ channel this morning saying quite clearly: 'We are getting things passed through the Senate under the new leadership of Prime Minister Turnbull and treasurership of Scott Morrison. Over the next five to six months leading up to the budget we will see even more domestic policy, and we have a plan that will create jobs and growth.' If they are serious about this, build the submarines in South Australia—you will create jobs and growth.

Question agreed to.

**Environment**

_Senator WHISH-WILSON_ (Tasmania) (15:32): I move:

That the Senate take note of the answer given by the Attorney-General (Senator Brandis) to a question without notice asked by Senator Whish-Wilson today relating to whaling in the Southern Ocean.

It was only two weekends ago that I was lucky enough to spend a beautiful Tasmanian morning in a town called Bicheno, on the east coast of my magnificent state. My son and I got
some fantastic surf. It was an offshore, north-easterly swell and we spent three hours out in the water. Then, because the swell was up, he wanted to have his photo taken on the rocks for his Facebook profile—like a lot of kids of his generation do. We went down onto the rocks and, as I was taking the second or third photo, a whale breached the background. For about an hour and a half we sat on the rocks with other people from our town while a mother and calf put on a show for everyone. They were on their way to the whale sanctuary in the Southern Ocean—where they go every summer, Senator Williams.

It breaks my heart that the Japanese government has decided that again this year they are going to send the harpoon boats down to the Southern Ocean. We have taken action through the International Court of Justice. The Labor Party initiated it. The current federal government maintained it, and they upped the pressure. Even though we had a very good outcome, where the International Court of Justice clearly showed that Japanese whaling was not scientific—it was actually commercial and therefore it was illegal—the Greens warned that would not be enough and that the highest level of diplomatic representation was necessary to stop this cruel and barbaric practice, a practice that nearly every Australian finds abhorrent.

While I was asking my question in the Senate today, the Japanese government announced their boats are leaving tomorrow. So much for Senator Brandis's diplomatic avenues and pressure. They made that announcement today. This is thumping their noses at the Australian people, because they know it is a deeply offensive issue to a lot of Australians. That is why we have pursued this issue. That is why we have shown global leadership to prevent whaling. That is why Malcolm Fraser led the global charge to ban whaling. We have always shown leadership on this issue, and we cannot afford to be seen to be wimps on whaling—given the importance of our leadership in the past.

I have to point out that the answer Senator Brandis gave to my question—on why the government could not use its leverage with something such as the submarine contracts to persuade the Japanese government to not send their boats—does not make sense to me, and it does not make sense to a lot of Australians. He said:

Both governments have consistently agreed not to let our differences on the issue of whaling affect the broader bilateral relationship.

That means it is not being prioritised enough by this government. It is not an important enough issue on its own if we cannot raise this at the highest dramatic levels and let them know how important this is to our nation.

As far as the patrol boat goes, Senator Brandis said:

Senator Whish-Wilson, if I may say so we are getting a little ahead of ourselves.

Two years ago the government said, in an election promise, that they would send a patrol boat to the Southern Ocean to monitor the Japanese fleet. This was the year that Sea Shepherd was there. Sea Shepherd is not going to be there this year, so who is going to monitor the Japanese fleet? The clock is ticking on the election promise, and there no more important time than now to commit to send the ADV Ocean Shield, which is up off Christmas Island someone on Operation Sovereign Borders, down to the Southern Ocean—which is what it was purchased for. It is one of the only ice-rated vessels we have. We also know that this summer there is likely to be illegal Patagonian toothfish poachers down there again, which, once again, Sea Shepherd stepped into the breach about last year and chased them away.
It is time we took our responsibilities in the Southern Ocean a lot more seriously. I know our new Prime Minister, Malcolm Turnbull, has been to International Whaling Commission meetings before. This is an issue that I believe he actually does feel deeply about. When he meets Shinzo Abe, the Japanese Prime Minister, in a few weeks time he has to look him in the eye, like the New Zealand Prime Minister did, and say: 'This is totally unacceptable to the people of Australia.' If I were in his shoes, and I am sure a lot of you are glad that I am not, I would be saying: 'No submarine contract if your harpoon boats go south.' It is as simple as that. I reckon that would be enough to persuade the Japanese government to withdraw their boats. If that is all they are interested in—they are not interested in respecting the International Court of Justice or the Australian court that found the Japanese government acted illegally just a few weeks ago against the wishes of the Australian people—then I am not sure what we can do to stop this cruel and barbaric practice.

Question agreed to.

NOTICES
Presentation

Senator Polley to move:
That the Senate—
(a) recognises:
(i) the successful campaigning of Maria Bond from Bears Of Hope, whose efforts have prompted the Tasmanian Government move to provide official recognition for babies lost during early pregnancy, and
(ii) the importance of this initiative, which allows Tasmanian parents who lose a baby before 20 weeks gestation, or a baby that weighs less than 400 grams, to apply for a commemorative certificate;
(b) notes that:
(i) 15 October is recognised as Pregnancy and Infant Loss Remembrance Day in the United States of America, Canada, the United Kingdom, New South Wales and Western Australia, and
(ii) the campaign for Pregnancy and Infant Loss Remembrance Day in Australia began in 2008; and
(c) calls for 15 October to be recognised in Australia as Pregnancy and Infant Loss Remembrance Day—a day for parents and families who experience the loss of their baby.

Senator Smith, McAllister, Singh and Simms to move:
That the Senate—
(a) notes that:
(i) 1 December marks World AIDS Day, which is held every year to raise awareness about the issues surrounding HIV and AIDS, and is a day for people to show their support for people living with HIV and to remember those who have died,
(ii) the aim of World AIDS Day is to encourage all Australians to be aware of HIV, to take action to reduce the transmission of HIV by promoting safe sexual practices, and to ensure that people living with HIV can participate fully in the life of the community, free from stigma and discrimination, and
(iii) while significant advancements in treatment and diagnosis have been made, 30 years after the discovery of the HIV virus the HIV epidemic remains one of the greatest public health challenges facing Australia, its region and the world;
(b) reaffirms the commitment made by all Australian Health Ministers in 2014 in signing the AIDS 2014 Legacy Statement, which commits to:
(i) a rejuvenated response to HIV and ensuring that the HIV responses of all jurisdictions reflect new scientific advances and the vision of ending HIV and AIDS,

(ii) continue measures to ensure Aboriginal and Torres Strait Islander people remain a high priority area for Australia’s HIV response and to achieving HIV prevention and treatment targets, with a particular focus on research and health literacy,

(iii) taking necessary actions, in partnership with key affected communities and sector partners, to remove barriers to accessing HIV testing, treatment, prevention, care and support across legal, regulatory, policy, social, political and economic domains,

(iv) continuing to support high quality, multi-disciplinary, collaborative research that incorporates basic science, clinical research, social and behavioural science and operational research to inform local and international action to eliminate HIV,

(v) advancing actions to ensure an appropriately trained and supported HIV workforce, including in clinical, community, research and policy and program areas, and

(vi) continuing to demonstrate global leadership in the response to HIV; and

(c) acknowledges the role played by people living with HIV, their friends, family and supporters, AIDS activists and researchers, past and present, in making HIV a disease people can live with.

Senator Ludlam to move:
That the Senate—

(a) notes the recommencement of legal action against Australia by Timor-Leste in the Permanent Court of Arbitration in The Hague regarding claims that Australian spies bugged a Timor-Leste cabinet office during negotiations over an oil and gas treaty in 2004;

(b) calls on the Minister for Foreign Affairs to direct the Department of Foreign Affairs and Trade to reissue a passport to the individual known as ‘Witness K’, a former senior intelligence officer who came forward as a whistle-blower, to enable him/her to appear as a witness at the upcoming hearing of the case; and

(c) affirms the right of the Government of Timor-Leste to bring these proceedings against Australia in the Permanent Court of Arbitration, and the need for this case to be independently investigated.

Senator McKenzie to move:
That the following bill be introduced: A Bill for an Act to amend the Charter and board composition in the Australian Broadcasting Corporation Act 1983, and for related purposes. Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 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 pm, as follows:

(a) Wednesday, 3 February 2016, followed by a public meeting;

(b) Wednesday, 24 February 2016, followed by a public meeting; and

(c) Wednesday, 16 March 2016.

Senator Madigan to move:
That the resolution of appointment of the Joint Standing Committee on Electoral Matters be amended to provide for participating membership, omitting from paragraph (3A) “the 2013 election” and substituting “political donations”.

Senators Siewert and Polley to move:
That the following matter be referred to the Community Affairs References Committee for inquiry and report by 30 June 2016:

The future of Australia’s aged care sector workforce, with particular reference to:

(a) the current composition of the aged care workforce;
(b) future aged care workforce requirements, including the impacts of sector growth, changes in how care is delivered, and increasing competition for workers;
(c) the interaction of aged care workforce needs with employment by the broader community services sector, including workforce needs in disability, health and other areas, and increased employment as the National Disability Insurance Scheme rolls out;
(d) challenges in attracting and retaining aged care workers;
(e) factors impacting aged care workers, including remuneration, working environment, staffing ratios, education and training, skills development and career paths;
(f) the role and regulation of registered training organisations, including work placements, and the quality and consistency of qualifications awarded;
(g) government policies at the state, territory and Commonwealth level which have a significant impact on the aged care workforce;
(h) relevant parallels or strategies in an international context;
(i) the role of government in providing a coordinated strategic approach for the sector;
(j) challenges of creating a culturally competent and inclusive aged care workforce to cater for the different care needs of Aboriginal and Torres Strait Islander peoples, culturally and linguistically diverse groups and lesbian, gay, bisexual, transgender and intersex people;
(k) the particular aged care workforce challenges in regional towns and remote communities;
(l) impact of the Government’s cuts to the Aged Care Workforce Fund; and
(m) any other related matters

BUSINESS

Leave of Absence

Senator CANAVAN (Queensland—National Whip in the Senate) (15:37): by leave—I move:

That leave of absence be granted to Senator McGrath for 30 November and 1 December 2015, on account of parliamentary business.

Question agreed to.

Leave of Absence

Senator McEWEN (South Australia—Opposition Whip in the Senate) (15:38): by leave—I move:

That leave of absence be granted to Senator Sterle on 1 December 2015, for personal reasons.

Question agreed to.

Leave of Absence

Senator SIEWERT (Western Australia—Australian Greens Whip) (15:38): by leave—I move:

That leave of absence be granted to Senator Waters from 30 November to 3 December 2015, on account of parliamentary business.
Question agreed to.

NOTICES
Postponement

The following items of business were postponed:

Business of the Senate notice of motion no. 2 standing in the name of the Chair of the Education and Employment References Committee (Senator Lines) for today, proposing a reference to the Education and Employment References Committee, postponed till 2 February 2016.

Business of the Senate notice of motion no. 3 standing in the name of Senator Whish-Wilson for today, proposing a reference to the Foreign Affairs, Defence and Trade References Committee, postponed till 2 December 2015.

General business notice of motion no. 911 standing in the name of Senator Hanson-Young for today, proposing the introduction of the Migration Amendment (Free the Children) Bill 2015, postponed till 3 December 2015.

General business notice of motion no. 929 standing in the name of Senator Siewert for today, relating to the New South Wales Custody Notification Service, postponed till 1 December 2015.

General business notice of motion no. 969 standing in the name of Senator Xenophon for today, proposing an order for the production of documents by the Minister for Education and Training, postponed till 1 December 2015.

COMMITTEES
Reporting Date

The Clerk: Notifications of extensions of time for committees to report have been lodged in respect of the following:

Economics References Committee—
Australian food certification schemes and certifiers—extended from 30 November to 2 December 2015.
credit card interest rates—extended from 3 December to 16 December 2015.
cooperative, mutual and member-owned firms—extended from 26 February to 17 March 2016.

Education and Employment References Committee—
Long Service Standards—extended from the third sitting day in February to 25 February 2016.
Australia’s temporary work visa programs—extended from 11 February to 25 February 2016.

Finance and Public Administration References Committee—
Aboriginal and Torres Strait Islander experience of law enforcement and justice services—extended from 3 December 2015 to 17 March 2016.

The DEPUTY PRESIDENT: Thank you, Clerk. I remind senators that the question may be put on any of those proposals at the request of any senator. There being none, we will move on.

MOTIONS
Defence Facilities: Contamination

Senator McEWEN (South Australia—Opposition Whip in the Senate) (15:40): At the request of Senators Conroy and Rhiannon, I move:
That the following matters, in relation to perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA) contamination, be referred to the Foreign Affairs, Defence and Trade References Committee for inquiry and report:

(a) by 4 February 2016 on PFOS and PFOA contamination at RAAF Base Williamtown and Australian Defence Force facilities, with reference to:

(i) what contamination has occurred to the water, soil and any other natural or human made structures in the RAAF Base Williamtown and the surrounding environs,

(ii) the response of, and coordination between, the Commonwealth Government, including the Department of Defence and RAAF Base Williamtown management, and New South Wales authorities to PFOS/PFOA contamination, including when base employees, local residents and businesses, Port Stephens and Newcastle City Councils, and the New South Wales Environmental Protection Agency (EPA) were informed of the contamination,

(iii) the adequacy of consultation and coordination between the Commonwealth Government, the New South Wales Government, Port Stephens and Newcastle City Council, the Department of Defence and Australian Defence Force, affected local communities and businesses, and other interested stakeholders,

(iv) whether appropriate measures have been taken to ensure the health, wellbeing and safety of Australian military and civilian personnel at RAAF Base Williamtown,

(v) the adequacy of health advice and testing of defence and civilian personnel and members of the public exposed, or potentially exposed, to PFOS/PFOA in and around RAAF Base Williamtown,

(vi) the adequacy of Commonwealth and state and territory government environmental and human health standards and legislation, with specific reference to PFOS/PFOA contamination at RAAF Base Williamtown,

(vii) what progress has been made on remediation works at RAAF Base Williamtown, and the adequacy of measures to control further contamination,

(viii) what consideration has been undertaken of financial impacts and assistance to affected business and individuals, and

(ix) any other related matters; and

(b) by 30 April 2016 on PFOS and PFOA contamination on other Commonwealth, state and territory sites in Australia where firefighting foams containing PFOS and PFOA were used, with reference to:

(i) what Commonwealth, state and territory facilities have been identified as having PFOS/PFOA contamination, and what facilities may potentially still be identified as being contaminated,

(ii) the response of, and coordination between, the Commonwealth, state and territory governments, local governments, commercial entities and affected local communities,

(iii) what measures have been taken by the Commonwealth and state and territory governments, to ensure the health, wellbeing and safety of people in close proximity to known affected sites,

(iv) the adequacy of public disclosure of information about PFOS/PFOA contamination,

(v) what consideration has been undertaken of financial impacts on affected businesses and individuals,

(vi) the adequacy of Commonwealth and state and territory government environmental and human health standards and legislation, with specific reference to PFOS/PFOA contamination,

(vii) what progress has been made on the remediation and the adequacy of measures to control further PFOS/PFOA contamination at affected Commonwealth, state and territory sites,

(viii) what investigation and assessment of contaminated sites and surrounding areas has occurred, and

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(ix) any other related matters.
Question agreed to.

**HIV-AIDS**

**Senator SIMMS** (South Australia) (15:41): I move:

That the Senate—

(a) notes that:

(i) the Council of Australian Governments has agreed to a target to end new HIV infections in Australia by 2020,

(ii) in 2014, there were 1,080 infections in Australia with about 750 of these amongst sex between men,

(iii) each new infection and lifelong treatment brings significant health and personal impacts, with lifelong costs estimated at $200,000 to $300,000 per person,

(iv) there is now a strong evidence base and consensus amongst Australian non government organisations in this area that pre exposure prophylaxis (PrEP) along with rapid HIV tests and home self-tests are vital to add to the prevention tools currently available, and

(v) France is the latest jurisdiction to announce wide scale access to PrEP, with many other cities and states already having arrangements in place; and

(b) calls on the Government to:

(i) demonstrate leadership on HIV by urgently removing regulatory barriers to access to PrEP, rapid HIV tests and home self-tests, and

(ii) as an interim measure, urgently explore policy options, including expanded trials in states and territories, to enable access to these important prevention tools.

**Senator RYAN** (Victoria—Assistant Cabinet Secretary) (15:41): I seek leave to make a short statement.

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

**Senator RYAN**: The Australian government is committed to the prevention, testing and treatment of HIV in Australia and delivering on the actions and objections of the Seventh National HIV Strategy 2014-2017. To extend the use of a medicine already registered on the Australian register of therapeutic goods to include additional clinical indications such as for pre-exposure prophylactic use, it is necessary for the sponsor of that product to submit an application to the Therapeutic Goods Administration. Neither the TGA nor the Australian government is able to compel a sponsor to submit such an application. There are demonstration and trial projects underway in several states that will provide an important evidence base with which to discuss and draft a national policy regarding pre-exposure prophylactic use.

Question agreed to.

**Centenary of Anzac**

**Senator WILLIAMS** (New South Wales) (15:42): I move:

That the Senate notes:

(a) on 12 January 1916, the people of Inverell, New South Wales, lined the town's streets to farewell a group of 114 men who were answering the call to serve their country following terrible losses at Gallipoli in World War I,
(b) the body of men became known as the 'Kurrajongs', and at the time was the single largest group of men to leave a New South Wales country town together for war;
(c) in 1918 Inverell was presented with the New South Wales Governor's Shield for attaining the highest number of recruits per head of population during a specific recruiting campaign in May and June of that year;
(d) that among the 114 Kurrajongs was Private Alan Mather who was killed in action and whose remains were discovered in Belgium in 2008 and were buried at Prowse Point Commonwealth War Graves Cemetery in 2010 with full military honours;
(e) on 10 January 2016, Inverell will host the re-enactment of the Kurrajongs march;
(f) on 12 January 2016, Inverell will host a commemorative service, and the re-enactment of the presentation of the New South Wales Governor's Shield; and
(g) the Re-enactment Committee thanks the Australian Government and the former Minister assisting the Prime Minister for the Centenary of ANZAC, Senator Ronaldson, for the support and funding of the events.

Question agreed to.

**Medicinal Cannabis**

**Senator Di NATALE** (Victoria—Leader of the Australian Greens) (15:43): I move:

That the Senate—

(a) notes:
   (i) the efficacy of medicinal cannabis for managing crippling symptoms where other pain relief and medicines have failed, and
   (ii) the urgency and importance of making medicinal cannabis accessible for patients;
(b) applauds the bravery of those families acting to ease the pain of their loved ones despite the anachronistic classification of medicinal cannabis;
(c) affirms the critical need for a framework that makes medicinal cannabis accessible through a doctor, legal, available and affordable; and
(d) urges the Australian Government to heed the voices and deeply moving stories of over a quarter of a million Australians who have called for legal and accessible medicinal cannabis.

**Senator RYAN** (Victoria—Assistant Cabinet Secretary) (15:43): I seek leave to make a short statement.

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

**Senator RYAN**: The Turnbull government is incredibly sympathetic to the suffering of those Australians with debilitating chronic illnesses and we want to ensure that they get access to the most effective medical treatments available. In October this year the government announced that it will amend the Narcotic Drugs Act 1967 to allow the controlled cultivation of cannabis for medicinal or scientific purposes and to facilitate access for patients to a safe, legal and sustainable supply of locally produced products. The regulation and approval of new medicinal cannabis products will continue to be managed under the Therapeutic Goods Act 1989. There are a number of pathways that allow doctors to prescribe an unapproved medicine, such as medicinal cannabis, to patients in need. The government strongly supports evidence based medicine in ensuring that new treatments are clinically trialled and proven. The government plans to strike the right balance between patient access, community protection and our international obligations.
Senator DI NATALE (Victoria—Leader of the Australian Greens) (15:44): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator DI NATALE: The genesis of this motion comes from Haslam family. Dan Haslam was diagnosed with bowel cancer at the age of 20. He suffered from debilitating nausea and had relief from medicinal cannabis when all other antiemetic medication had failed. It is a story that is consistent with stories of many other Australians, right around the country, who are forced to behave like criminals and are subject to criminal penalties for accessing what is, effectively, a medication that relieves their pain and suffering.

It is encouraging that the government is finally taking some steps, in this regard. The concern is that the legislation being proposed will address the issue of a supply but not the issue of patient access. The test of any legislation will be whether a doctor or a specialist can prescribe this medication from their practice and ensure that the person gets the medication as they do any other medicine.

Question agreed to.

Phytophthora Dieback

Senator SIEWERT (Western Australia—Australian Greens Whip) (15:47): I move:

That the Senate—

(a) acknowledges:

(i) the importance of managing Phytophthora Dieback in protecting the vulnerable plant species and high value ecosystems in Western Australia, and

(ii) the work that has been done by Project Dieback Partners on integrated management as part of implementing the threat abatement plan; and

(b) urges the Government to continue to invest in the ongoing management of Phytophthora Dieback.

Senator RYAN (Victoria—Assistant Cabinet Secretary) (15:47): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator RYAN: The Australian government recognises the threat posed by Phytophthora dieback to biodiversity and ecological communities and the importance of ongoing management. Under the Australian government's National Landcare Program there are eight projects in Western Australia that are contributing to addressing Phytophthora dieback and other environmental outcomes. The total value of those projects is over $14 million.

These projects are being delivered by a number of organisations, including regional natural resource management organisations. Examples include on-ground disease mitigation activities in the Ravensthorpe Range, planned for 2016, and 10,000 hectares of detailed vegetation mapping contributing to future dieback management in the Stirling Range. Project Dieback is, however, a WA government initiative that is funded by the Western Australia government. Questions about its ongoing funding arrangements should be directed to the Western Australia government.

Question agreed to.
Senate Estimates Training

Senator RHIANNON (New South Wales) (15:48): I seek leave to amend general business notice of motion No. 961 standing in my name for today relating to an order for the production of documents concerning Senate estimates training for public sector workers before asking that it be taken as formal.

Leave granted.

Senator RHIANNON: I move:

That there be laid on the table by the Leader of the Government in the Senate, no later than 11 am on Wednesday, 3 February 2016, all documents (whether archived in paper or digital format) held by the Government in relation to any training since 1 January 2013 undertaken by public servants as preparation to appear before Senate estimates committees, including but not limited to:

(a) media or media awareness training documents or similar;
(b) performance or confidence training documents or similar;
(c) details of contracts, including for each contract the name of the department, dates of training, numbers of staff trained; name of training provider and costs of contracts;
(d) copies of related tender documents, including documents specifying training outcomes sought by departments;
(e) copies of each training program training schedule including, but not limited to, content and aims or outcomes of subjects or module or activities, such as role playing, performance skills, delivery and impression;
(f) examples of individual written reports, analyses of performances, DVDs or other feedback from such courses, with personal identifiers redacted;
(g) documents relating to any training provided by the company Media Manoeuvres and other training providers; and
(h) any other relevant document, memo or emails.

Senator RYAN (Victoria—Assistant Cabinet Secretary) (15:49): I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator RYAN: I was not intending to make a statement on this particular legislation. However, with the amendment that is just been moved on the chamber by Senator Rhiannon I am not in a position to seek further advice on. The government will be opposing this motion and I do note that while I am not going to assign a motive to Senator Rhiannon in changing the date at all—I appreciate that it covers a substantially less period—I would also suggest that it only covers a period, effectively, of this government plus nine months. The government will be opposing this motion.

The DEPUTY PRESIDENT: The question is about general business notice of motion No. 961 as amended be agreed to.

Question agreed to.

Puppy Farms

Senator RHIANNON (New South Wales) (15:50): I move:

That the Senate—

(a) notes that:
(i) many of the puppies that will be given as presents this Christmas will have been bred in puppy farms and raised under inhumane conditions without the opportunity to socialise,
(ii) many of the bitches are forced to breed continuously in barren pens, often starting from as young as 6 months, and
(iii) the majority of puppies purchased informally, online and from pet shops cannot be traced;
(b) urges all customers considering purchasing a puppy as a present to only buy from registered and reputable breeders after inspecting breeding facilities;
(c) encourages customers to adopt rescued animals from pounds or animal shelters;
(d) calls on all state and territory governments to adopt a consistent National Register of organisations that are approved breeders, and issue permits to such organisations; and
(e) encourages all state and territory governments:
   (i) to regulate the sale of cats and dogs via online services, in pet shops and at local markets, and
   (ii) who do not have a register and breeder permit system to consider adopting such a system.

Question agreed to.

The DEPUTY PRESIDENT: The puppies are relieved! That concludes formal business.

MATTERS OF PUBLIC IMPORTANCE

Climate Change

The DEPUTY PRESIDENT (15:51): The President has received the following letter from Senator Moore:

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

The need to take effective action on climate change.

Is the proposal supported?

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

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

Senator McALLISTER (New South Wales) (15:52): Yesterday I attended a very large demonstration in Sydney, and I was pleased to be there with Labor’s Acting Leader and Deputy Leader, Tanya Plibersek, the member for Sydney, and a number of other senators from this place, and I know that all around the country many of my Labor colleagues attended similar events.

Opposition senators interjecting—

Senator McALLISTER: The senators are correct: I did not see any Liberal senators at this demonstration; I did not see Liberal senators standing up yesterday for meaningful action on climate change. That suggests to me just how out of touch the government is with community sentiment on this question, because the events over the weekend were attended by Australians from many walks of life. Our first peoples were well represented and honoured at these rallies. Faith groups were present at the rallies. Workers were represented—there were unions and representatives from migrant workers' groups present at these rallies. There were
ordinary Australians from all walks of life who understand how very, very serious the challenge of climate change is, not just for Australia but for the globe.

What all of these people were asking for and what all of them expect from our government is that, when they attend the meetings in Paris this week, they will be putting forward a serious contribution on behalf of our nation that will allow the globe, the world, to start to take serious steps to address this existential threat. Sadly, those people are destined to be disappointed under the leadership of this Prime Minister. And of course we understand why that is: it is because, although the Prime Minister has made his personal views on climate change very plain on a number of occasions, he is hamstrung by a party room that fundamentally does not accept the seriousness of this issue, does not accept the science behind this issue and is unwilling to take any sort of serious action.

We do know what the Prime Minister thinks because he has told us very clearly what he thinks about Direct Action—the current policy mechanism. He said: 'The Liberal Party is currently led by people whose conviction on climate change is that it is "crap" and you don't need to do anything about it. Any policy that is announced will simply be a con, an environmental fig leaf to cover a determination to do nothing.' That is a pretty clear statement. Those are words of conviction, are they not? But this Prime Minister is unable to act on that conviction—unable or unwilling to because of the forces in his own party room. We have heard them speak out again and again and again, and today, in a number of our national papers, we see the coalition party room playing up again. Because the Prime Minister has headed over to Paris, he is not here to defend himself. But what we see are the same repeat offenders—the repeat offenders who do not accept the policy, who do not accept that we should be taking action, and, as is reported in the Australian Financial Review, they are about to go nuts. It is the usual crowd: it is Barnaby Joyce; it is George Christensen; it is Senator Canavan; it is the former industry minister Ian Macfarlane. And they are tweeting about it, they are briefing on it and they are speaking up about it because these are people who, fundamentally, are unwilling to support even the modest action that is proposed by this government in Paris.

I want to talk a little bit about the targets that Australia is taking to Paris under this government, because they are woefully inadequate. The Liberal Party has committed Australia to a 26 to 28 per cent reduction by 2030 compared to 2005 levels. This target is not compatible with the internationally agreed goal to limit warming to two per cent.

Even at two per cent, we know that there are serious consequences. There are serious consequences for Australia. There are serious consequences for our Pacific neighbours. There are serious consequences for many people in the developing world who do not have the resources to protect themselves from the impacts of climate change. But this government cannot even bring itself to bring forward a target which would meet that two per cent goal.

The Climate Institute suggests that actually the government's target is in fact consistent with a three to four per cent rise in global temperatures. If all the other nations of the world go to Paris with a target equivalent to ours, this is the outcome we are presenting not just to our generation but to our children. And the Australians who were out in force yesterday and out in force on Friday night in Melbourne—all of those Australians were saying no. They were saying: 'This is simply not good enough. This is not the role that Australia wishes to play in the global environment.'
Modelling by The Climate Institute also suggests that, under these targets, we will have the most pollution-intensive economy and the highest per capita emissions in the developed world by 2030. How shameful! We can do better than this. We should do better than this, because we owe it to our Pacific neighbours and we owe it to many people in the developing world, but we also know that it is in our own interests.

We have heard, time and time again, of the impacts that climate change will wreak on Australians—on Australian industry, on Australian farming, on Australian tourism and on Australian suburban life. We know about the impacts of drying already in the agricultural regions in south-western Australia and also in south-eastern Australia. We know that a drying trend is likely to have very, very serious impacts on agriculture in those regions, and we also know that farmers, in very practical ways, are preparing for that, but it will have a devastating effect on our agricultural industries. We know how worried the tourist operators in Northern Queensland are about the impacts of a warming ocean on the Great Barrier Reef, and we know how very sad it is for many Australians that that treasure, which we hold in trust for the entire world, is presently on a path of deterioration.

We know how worried the insurance sector is about the likely increase in extreme weather events, about the costs that that will present and about the challenges in constructing an insurance market that can respond to the level of damage presented by very extreme storms and by increased cyclone intensity; We know how worried the insurance sector is about that, and we know how devastating that will be for the many communities who will be affected by these events.

What is unfortunate is that we also know that as the rest of the world moves to decarbonise, right now Australia is not doing enough to get on board with this global trend—with this economic trend. We need to make substantial investments in renewable energy. Under Labor, renewable energy was booming. Australia rose to be one of the four most attractive destinations for global renewable energy investment, along with China, the US and Germany. Households with solar panels rose from 7,000 to more than 1.2 million. Jobs in the renewable energy industry tripled.

We made significant investments in renewable energy when in government. We established the Australian Renewable Energy Agency and we established the Clean Energy Finance Corporation. But it is a very different story under the Liberals. Under Tony Abbott, and, of course, continuing under Prime Minister Turnbull, the Liberal government has almost destroyed the renewable energy industry. Investment in large-scale renewable energy projects such as wind farms has fallen by 88 per cent. It is unbelievable that a government would preside over a collapse in industry performance at this scale. The intransigence, the indolence, and the indifference to this industry has been absolutely unbelievable. I say to those who are listening to this debate this afternoon that I understand how very serious this problem is, as do the people on this side of the chamber and in fact everybody except the people opposite. We understand that this is not a problem that will fix itself. It is a problem that will require real leadership, both domestically and internationally.

We are approaching a very significant global meeting. It is an opportunity for Australia to stand up, to take its place on the world stage and lead. But unfortunately we are sending overseas a Prime Minister utterly hamstrung by his party room—a Prime Minister who
probably understands how serious this is but is unwilling to act and is incapable of acting. I say to all of you that Australians deserve much better than this.

Senator REYNOLDS (Western Australia) (16:01): I too rise to speak on this matter of public importance. I have to say up-front that I could not agree more with the topic and with the need to take effective action on climate change. I am sure everybody in this chamber wants to leave the world and our environment in a better state than we inherited it. The simple fact is that this government is taking effective action that, no matter how much those on the other side hate to acknowledge, is making a real difference.

While we agree in this place on the need to improve our environment and to leave the world in a better state than we found it, what we very clearly do not agree on is how to achieve that goal. We on this side believe in practical solutions, versus those on the other side who have fanciful policies and a lot of rhetoric but very little substance and very few gains. For example, Labor's most recent emissions reduction plan, so to speak, is quite simply a flight of fancy, even under their own costings. If ever imposed, which clearly it never would be, it would kill our Australian economy. In contrast, this government is taking real and direct action to protect our environment without destroying the economy but instead contributing to it. Our practical, realistic climate change policies and emission reduction targets, in contrast to Labor's record when in government, are actually working. They are demonstrably working.

Australia is the 12th largest economy in the world, and yet we are only responsible for 1.5 per cent of global emissions. Here is the kicker for those on the other side, which they will never acknowledge, and it is a fact that they hate: Australia is currently on track to beat our 2020 emissions reduction target by 28 million tonnes, and our policies will ensure that we are able to meet the 2030 target of 26 to 28 per cent.

Senator Lines: That's because you are cheating with the way you are counting. It is clever accounting!

Senator REYNOLDS: Those opposite may want to interject, but that is a fact. That is a demonstrable fact. I will say it again for the benefit of those here. We are currently ahead of our 2020 target by over 28 million tonnes, and we are well on track for our 2030 objectives. Despite all of the rhetoric and all of the marches and demonstrations they organise, the fact is that our policies are working.

Our target, unlike that of those opposite, is responsible. Our focus is on direct action—not talking about making changes. We are getting out in the Australian community, the Australian environment and the economy and implementing policies that actually work. In fact, the target we are taking this week to the Paris climate talks is, per capita, the second highest and second most ambitious of any G20 country. You might shake your head over there, Senator Lines, but it is true.

Senator Lines: I do shake my head! It is clever accounting!

Senator REYNOLDS: You might not like it, and you might not like the fact that those on this side are implementing—

The ACTING DEPUTY PRESIDENT (Senator Back): Direct your comments through the chair, Senator Reynolds.

Senator REYNOLDS: Apologies, I will refer my comments through the chair. That is what they cannot stand—that we are implementing policies that are actually working. Let's
put the rhetoric aside and look at some of the demonstrable facts. The Emissions Reduction Fund has so far contracted 92.8 million tonnes of carbon reduction for an average price of $13.12 per tonne—nearly half of what a tonne of carbon abatement cost under the previous Labor government. Despite all of the rhetorical flourishes and everything that has been said in this chamber by those opposite, the Emissions Reduction Fund is working, and it is backed by Australian businesses. In fact, it has been so successful that there are currently 500 projects underway that are registered under the fund, and we expect this success to continue, all at a fraction of the cost of Labor's carbon tax.

Our other Direct Action policies, including the National Energy Productivity Plan to improve energy productivity by 40 per cent by 2030, are realistic, practical and deliverable policies for Australia. We also want to use our energy more efficiently, not put up the prices of electricity and other consumer costs as happened under Labor. So this week at the Paris climate conference the Prime Minister, the Minister for Foreign Affairs and the Minister for the Environment will send a clear message to the world that Australia is serious about addressing climate change. Again, that is in stark contrast to those opposite. This government is actually ensuring that Australia pulls its weight on the international stage when it comes to mitigating the effects of climate change. We are achieving real and significant emissions reductions, at around one per cent of the cost of Labor's carbon tax. I will say that again: we are making real change and reductions, at one per cent of the cost of the carbon tax which Labor imposed on the economy. We have actually implemented policies that are working and are on target to meet our goals.

What do we get from the Leader of the Opposition? The Labor Party has had five different carbon tax policies in five years. The Leader of the Opposition cannot make up his mind. First he promised to abolish a carbon tax, then he voted to keep it and now he wants to bring it back—which, inevitably, would see electricity prices skyrocket again. Even worse is the Greens policy. Fairly typically, it has been put forward with little or no thought as to how it would work in the real world. They want emissions reductions of 60 to 80 per cent by 2030. Not only is not just unrealistic; it is not credible, and it would simply kill the economy if it were ever introduced—and with the economy goes jobs.

Under Labor's previous carbon tax, under their own figures, Australia would have experienced a rise in carbon emissions from 578 million tonnes to 621 million tonnes per annum by 2020—all of that at a cost of $9 billion to Australian industry and Australian workers. So, not only was their policy, by their own projections, going to increase carbon emissions; it was killing the economy, and it was not working. Couple the carbon tax debacle with other flip-flops and failures in implementing environment policy. Remember, they scrapped solar projects, they botched the integration of renewable energy into the grid and they wasted millions of dollars on stop-start funding for so-called green initiatives before a lot of these initiatives even got off the ground. And that continues today. Their ideological blindness is blocking the Carmichael mine. The practical consequence of that for the environment is that if India does not get our cleaner coal it will have to turn to other countries for much dirtier coal. That will inevitably increase pollution across the Subcontinent and also increase carbon emissions, not decrease them. The truth is that coal will remain a part of the energy mix into the future and will play an important role in alleviating poverty in developing economies.
How does all this contrast with the government’s record? We are providing $15 billion in support of renewable energy. If you listened only to those opposite, you would think we were not doing anything for renewables, but of course we are: $15 billion worth of investments into renewables. We are establishing the Office of Climate Change and Renewables Innovation to bring a new focus to the role of innovation in the future of energy technology. As anybody who has had anything to do with the sector knows, more innovation is required in order to generate more and more baseload power. Australia has a strong record on renewable energy, and this government is committed to improving on it. We are supporting Australian households to reduce their electricity bills by further investing in rooftop solar energy. In Australia we now have the highest proportion of households with rooftop solar panels in the world, at about 15 per cent, and this government's support for rooftop solar will see more than 23 per cent of Australia's electricity coming from renewable sources by 2020—a doubling of large-scale renewable energy over the next five years.

So, despite everything that is said by those opposite, we are supporting and actually implementing policies that are demonstrably working, and we are putting a lot of investment into renewables and particularly into finding new and innovative ways of producing renewable energy. The fact is that this government is implementing ambitious but achievable emissions reductions targets under Direct Action—(Time expired)

**Senator DI NATALE** (Victoria—Leader of the Australian Greens) (16:12): I too was at one of the climate rallies—the one in Melbourne on Friday, where tens of thousands of people marched in solidarity to see our government commit on the world stage to much more ambitious action when it comes to tackling catastrophic global warming. It was terrific to see so many ordinary people—mums, dads, families and so on—join together to call for more ambition. I think that is a reflection of the fact that a big change is happening within the Australian community—among business leaders, people who are very concerned about the direction our country is headed when it comes to attracting new investment. There is also a change in the political wind. We saw the announcement from the ALP, which I certainly welcome, of a 45 per cent reduction in levels by 2030. I think that is a good step forward—light in detail, no plan for getting there, but at least it has been put on the table by the ALP.

So, there is action here in Australia, and there is so much going on right around the world. The fastest-growing segment of China's energy generation sector is solar power. In the US, emissions standards and regulation are in place to help drive that change. California is committing to ambitious renewable energy targets. That is the eighth biggest economy in the world. In the UK we have seen the commitment to phase out generation from coal fired power. There are so many things happening internationally, but Australia is showing itself to be an international laggard when it comes to action on climate. Here we are in Paris, trumpeting the fact that we are on target to exceed our 2020 benchmark—

**Senator Ian Macdonald:** Aren't we?

**Senator DI NATALE:** Well, emissions are increasing. Let's just remember: our emissions are increasing. The reason we are on track to achieve that target is an accounting trick. It is simply an accounting trick with a carryover that allows us to meet that target while our emissions increase. That tells you all you need to know about whether achieving that target is of any meaningful value.
And we have Prime Minister Malcolm Turnbull spruiking Tony Abbott's climate targets on the world stage—targets that, again, when it comes to international comparators with OECD countries, are the worst in the world. Based on 2000 levels, which are the benchmark that many other developed countries use, we are talking about a 19 per cent reduction. You can get bamboozled with the facts and figures, the numbers and climate targets and so on, but just know this: if we achieve the targets that have been established by Tony Abbott and taken by the Prime Minister to Paris, we will remain the biggest per capita polluter in the world. That tells you everything you need to know about the level of ambition when it comes to achieving those targets.

All this comes at a time when we have a prime minister who promised to put science and innovation at the heart of policymaking in this parliament. If he is true to those words then the targets we take to Paris need to be based on the best available science, and the best available science tells us that we should be achieving a 60 per cent reduction by 2030 if we are to ensure that what we are doing is consistent with the huge body of expert opinion when it comes to climate change. But it is not just about achieving an environmental imperative, as critical as that is. It is also about driving the innovation that we need in this country to transform our economy from one that is reliant on those sources of generation that helped us to achieve our prosperity over the last century but which will not be the pathway to prosperity over this coming century. We need to recognise that investment in renewable generation is precisely that—an investment—and that, while people discuss the costs of that investment, there is a much bigger cost in not acting.

The Prime Minister should start with a couple of simple things. He should abandon his plans to axe the Clean Energy Finance Corporation and the Australian Renewable Energy Agency, for they are hubs of innovation that have helped to kick-start the transformation we need. And he needs to recognise that if he does not tackle this challenge he will simply be another prime minister who says one thing and does another.

Senator LINES (Western Australia) (16:17): I too joined the thousands and thousands of Australians who met and marched yesterday, demanding action on climate change. I marched here in Canberra. If you need clear proof that it does not matter who leads the Liberal Party, just look at the climate change policies: they are exactly the same. Despite a change in Prime Minister, the policy is written by the climate change sceptics, the parliamentary members of the Liberal Party—many of whom, I am sure, make up the 44 who did not vote for Mr Turnbull to be our Prime Minister.

It is not that Mr Turnbull, our Prime Minister, believes that climate change is 'crap', to quote the former Prime Minister. He does not. In fact, he is on the public record as saying quite the opposite, as recently as a few years ago:

The Liberal Party is currently led by people whose conviction on climate change is that it is crap and you don't need to do anything about it. Any policy that is announced will simply be a con, an environmental figleaf to cover a determination to do nothing.

He went on—I will not say it here, because I am sure it is unparliamentary language. But he described it as something beginning with 'bull' and said that not only was it that, but that Mr Abbott knew it to be that as well.

Despite not being one of the Liberal Party's climate sceptics, Mr Turnbull will do nothing about climate change because he knows he will lose the prime ministership. He lost the
leadership of the Liberal Party once before because he stood up for climate change, so he already knows what the outcome will be if he airs his real views and beliefs that climate change is real.

We now know that three-quarters of Australians, according to the CSIRO research, believe in climate change—which is, funnily enough, about the same who believe in and support marriage equality. And, although Mr Turnbull says he supports climate change and believes it is real, and that he certainly supports marriage equality, he is going to do nothing about either. Why? Because he wants to be Prime Minister more than he wants to do what the Australian people want, whether it is about climate change or marriage equality.

The farce which Mr Turnbull used to describe the Liberals’—his own—climate change policy is really a farce being perpetrated on the Australian public, led by Mr Turnbull and his government. The Climate Institute’s research states, ‘The majority of Australians don’t believe this government—the Turnbull government—is doing enough on climate change.’ And the number of Australians who think that the Turnbull government is not doing enough on climate change is increasing.

Rather than thinking that coal is good for humanity, as the Turnbull government thinks, almost three-quarters of Australians believe it is inevitable that coal-fired generators will need to be replaced with clean energy. Sixty-five per cent of Australians do not believe in divesting wind power and solar power, yet what has the Turnbull government done? They have appointed a very expensive wind power commissioner who is paid $205,000 for a part-time three-year position. Again, why? It is a sop to the party’s own climate sceptics and a sop to those crossbenchers who also do not believe in climate change. Mr Hunt has gone on to tell us that that will be within budget, yet the new wind commissioner is telling us that he is going to make outside appointments. I think we now need to know what is being cut to accommodate the climate sceptics within the Liberals’ own party. And once again Mr Turnbull just backs in those old views.

Today, we saw that the Nationals—the great Nationals; the tail wagging the dog—in exchange for their support of Mr Turnbull, have taken another backwards step. First, Mr Turnbull put them in charge of water. He put them in charge of water! And, today, they have urged the Prime Minister not to sign up to a communique at the UN climate summit in Paris, pushing nations to speed up the removal of subsidies on fossil fuels. Why? It could jeopardise the future of the diesel fuel rebate. The Nationals seem to have completely ignored the impact that fossil fuels have on climate change. Even the IMF have said that fossil fuel prices should reflect not only supply costs but also environmental impacts like climate change and the health costs of local air pollution. The IMF did not stop there; they went on to say that fossil fuel subsidies are also socially regressive.

Those climate sceptic Nationals discussed it at their caucus this morning and have sent a direct message, or was it a warning, to Mr Turnbull. The biggest joke of all came from Senator Canavan, who said, ‘We—the Nationals—don’t view the fuel rebate as a subsidy.’ So what is it? Is it an entitlement?

Let us see what Mr Turnbull will do to head off this latest backlash from his own coalition. Certainly, they have been tweeting about it, and Mr Christensen took to Twitter saying that if we signed the fossil fuel subsidy, it would be madness. And, then, guess what? Mr Turnbull
assured that noisy rump of the Nationals that all would be okay and that nothing that threatened the rebate would be done. Again, the tail is wagging the dog. Mr Turnbull knows who he has to appease in his party and it is, again, the right-wing Tea Party elements, the climate sceptics in this case. It is clear that there are two very different futures for Australia: Labor and renewable energy versus the same old Liberals and coal.

More research conducted for Future Super shows that 84 per cent of Australians think there should be more than 40 per cent of renewable energy in Australia. The Prime Minister is not interested in what the Australian people think. Mr Turnbull is only interested in the dirty deals with the dominant right of his party to serve his political ambitions. Despite them sending that wrecking ball across the renewable energy industry, their emissions reduction fund is a joke. But they will cling to this notion that somehow, with clever accounting, they are doing the right thing.

Was Senator Reynolds really saying in here that the thousands and thousands of Australians who marched over the weekend have got it wrong on climate change and the climate sceptics in their party have got it right? I do not think she is right. History will show we are right.

Senator IAN MACDONALD (Queensland) (16:25): Again, can I try to bring a reality check to this debate which the Greens, the Labor Party and the ABC seem to continue to want to thrust upon the Australian public. Senator Lines and Senator McAllister talked about these thousands and thousands of people. Even according to the organiser's own estimates, there were 100,000 around Australia marching in support of this philosophy and against the Turnbull government, which means that there were 23,400,000 Australians who did not march and who think the government's proposals at Paris are just right. So 100,000, even according to the overinflated estimates of the organisers, marched around the whole of Australia; 23,400,000 Australians did not march. Keep that in your mind for a reality check.

As I always say about this debate, Australia emits less than 1.2 per cent of all emissions of carbon in this world. If you shut down Australia completely, if there was not a skerrick of carbon coming out Australia, it would not make one iota of difference to the changing climate of the world or to the world's environment, not one iota of difference would it make. So you just need to bring some reality into these debates.

The Greens and the Labor Party hate the fact, absolutely loathe the fact, that under the Turnbull government, under the Abbott government, this nation is actually doing something to reduce emissions. That does not really matter if we stop all our emissions. It would not make any difference to the world's changing climate if carbon emissions are what are causing it. Nevertheless, Australia has gone along and we are reducing particulate emissions into the atmosphere. I think that is always a great idea. I am one of those who always acknowledge that the climate changes. I always say, 'Once upon a time, Australia was covered in ice and the centre of Australia was a tropical rainforest.' So of course the climate changes; always has.

Even if you accept that carbon emissions by mankind are causing something then Australia, with such a limited reduction, will make not one iota of difference. Having said that, Australia is one who meets its targets. We signed the Kyoto protocol, and we have actually beaten the targets we set ourselves then, whereas we are lectured by the American President, Mr Obama, about our Barrier Reef. Yet his country would not even sign the Kyoto protocol and wanted nothing to do with it at all. We have the American President come out
and make promises. It is easy to make promises—just join the Labor Party or the Greens. It is so easy to make promises; it is a lot harder when you have to meet the promises you make. President Obama, as long as he is left in the White House, will have no influence whatsoever on the American reductions.

If you believe that carbon makes the difference and you want to do something about it then have a look at America, have a look at Canada, have a look at India, have a look at China. When their carbon emissions are down to what Australia emits then you might start looking at Australia and saying, We've got to take more drastic action.'

But I ask for this reality check. As I say this, 23,500,000 Australians did not bother to go along to the march organised by the Greens, Labor, GetUp! and the ABC on the weekend. Those 23.5 million Australians think the current government is doing a pretty good job. We are exceeding our targets. We are ahead of the game, and the Greens and the Labor Party just hate it.

The Kyoto targets I have mentioned. Australia makes a promise, we do it in all seriousness and we actually meet those targets that we set, and we continue to do that. I heard one of the previous speakers from the opposition talking about how it was a dirty trick—an accounting trick. But, of course, we use the same United Nations accountancy on targets as has been happening for some time and as the previous Labor government used. But it is like so much from Labor and the Greens: if the coalition does it it is bad, but if Labor do exactly the same thing then it is good.

Again in this whole debate, I ask for and urge some reality—a reality check on what this is all about. I emphasise that Australia has a responsible and achievable—again achievable—emissions reduction target. We are going for 26 to 28 per cent below 2005 levels by 2030, and because it is Australia who has promised it Australia will meet that target, because we are one of the few countries in the world that have met their targets. We have done it without buying these dodgy credits that popped up all over the world and made the merchant bankers a lot of money. We have done it without buying those dodgy carbon credits. We have done it by serious, achievable and affordable emissions of carbon.

When this subject is debated, can I just ask Australians to take a reality check. Look at what really is happening. Australia emits less than 1.2 per cent of the world's emissions, and our emissions do not really mean much at all, but still we are going to follow along and reduce our emissions, as we have promised before and as we have achieved before.

Senator DAY (South Australia) (16:32): From 1940 to 1976 the world's climate cooled. Numerous books were written at that time, including Lowell Ponte's 1975 book warning:

... Global Cooling presents humankind with the most important social, political, and adaptive challenge we have had to deal with for 100,000 years. Your stake in the decisions we make concerning it is of ultimate importance: the survival of ourselves, our children and our species.

Sound familiar? We now have exactly the same statements being made about global warming instead of global cooling. There has not been any global warming in 18 years, even though CO₂ levels have risen. There was needless alarm about 36 years of cooling when CO₂ levels were rising in the 1940s, '50s, '60s and '70s; there was needless alarm over the last 18 years as CO₂ kept rising; and there is needless alarm today.
There is no evidence that CO\textsubscript{2} has influenced the climate in the past or that it could do so in the future. Not only that; the additional CO\textsubscript{2} that has been emitted has actually been beneficial, with increased vegetation and crop yields—food production—around the world. The world is a bit greener and a bit healthier thanks to CO\textsubscript{2}. Ninety-seven per cent of CO\textsubscript{2} is emitted naturally. Only three per cent is man made, so it is ridiculous to suggest that it is the three per cent that is causing global warming, not the other 97 per cent. As for calling CO\textsubscript{2} pollution, that is the most ludicrous, unscientific statement one could possibly make. Over the last 18 years there have also been fewer extreme weather events like cyclones, not more. Not only that; a slightly warmer climate would be beneficial. More people die from cold than die from warmth.

This is the most baffling and perplexing subject I have ever come across in my life, and I am at a loss to explain what motivates 40,000 people to gather in Paris—and, before that, in Copenhagen, Kyoto, Durban, Rio et cetera—when there is such a lack of evidence to support the theory that carbon dioxide causes global warming. The best thing that Australia can do at the Paris climate conference is to be a voice for truth, reason and scientific inquiry, not irrational climate alarmism.

Senator SINGH (Tasmania) (16:35): With the important meeting of the Paris talks, which begins today in Paris to reach, hopefully, a global agreement on reducing greenhouse gas emissions on our planet, I really hope—very much so—that Australia becomes a leading light. But, unfortunately, I think my hopes perhaps will not be delivered, because we know that the government so far has not changed its stance from the Abbott government's position on climate targets, particularly the 26 to 28 per cent emissions reduction target that it has set for itself, which does nothing, as we know and as the Climate Institute has said, to prevent global warming of two degrees. In fact, it is consistent with global warming of three to four degrees.

Having said that, I live in hope, and I also really hope that there are real gains made at this Paris summit. They may not be made by Australia, but I hope they are made by enough countries—the some 166 that have now pledged their emissions reductions—to ensure that we come out with a very positive outcome. Of course, this summit in Paris, this Conference of Parties 21, has taken a different approach. It has taken an approach where countries pledge what they are able to contribute and then hope to defend that as their reasonable contribution to limit global warming by two degrees. That is what needs to happen. We know that Australia’s targets do not do that, but we are hoping that the outcomes from other countries make that happen.

The opposition, however, have very much put forward our position on climate change and renewable energy as a very positive one, one where we can actually make a difference. Over the weekend, I noticed that the Prime Minister described Labor's plan to reduce Australia's 2030 emissions and our policy to the next election of net zero pollution by 2050 as 'heroic'. Well, I have to say that I would much prefer to be on the side of heroism than on the side of failure. Unfortunately, unless the Prime Minister ignores his National Party colleagues, who are urging him, certainly, to do less, not more, and ignores Senator Macdonald, Senator Day—I could go on with a number of senators— and others in the other place from the very conservative side of the do-nothing approach, the forget-about-humanity approach, we will not have a strong outcome for this country out of this Paris summit.
Having said that, I know there is a lot of goodwill—very much so—at this meeting. That allows me to feel comfortable with the fact that other nations will hopefully do the right thing. I have spoken in this place before, though, about the importance of the Asia-Pacific, particularly some of our Pacific island neighbours but also Asian countries as well that will lead to sea level rises over the next decade or more, and how there is going to be a need, with the Green Climate Fund, to ensure that there is support for our region. That is why I also urge the Turnbull Liberal government to ensure that it does increase its contribution to the international Green Climate Fund. That is at least one way that we can hold our heads up high, even if the government is not going to change its current emissions reduction targets, which so need to be changed. The Green Climate Fund is crucial and will be discussed and contributed to by a number of nations at this UN climate meeting because the OECD has made it clear that it is some $30 billion short in its demand to help developing countries mitigate the impacts of climate change.

I guess I am pointing this out to some of those senators who take a different view so that they can take a reality check. It is very clear that they need to take a reality check and read some of the science and some of the reporting that has been done in the area of global warming. I would like to point to one area, and that is sea level rises in the Asia-Pacific. The most conservative estimates of the Intergovernmental Panel on Climate Change indicate that sea level will rise on average at about four millimetres per year above 1990 levels by the period 2090 to 2099. What does that mean? It means that in South-East Asia another 250 million people, particularly in poor rural areas, who live in the low-lying river megadeltas of Bangladesh, India, Myanmar, Thailand, Cambodia and Vietnam—of which two million people will be directly affected by the inundation of sea level rise by mid century—will be affected. That is the reality check. That is what we are dealing with here. That is the result of global warming that has been caused by man-made influences through our activities, which we need to slow and curtail. It is already too late for so many of these poor people who live in these low-lying areas.

Nowhere, I think, is the threat more imminent than in the Asian region. That is why those small developing island countries in the Pacific, which are highly vulnerable to storm surges, to coastal erosion, to flooding and to inundation, need the support and the protection that we can provide. That is what we can do through our contribution to the Green Climate Fund.

So I urge our Prime Minister, while he is over there, to stay true to the position that he once held, and that is that the Direct Action policy is 'a fig leaf', is 'a farce', is 'a recipe for fiscal recklessness on a grand scale'. They are his words. I urge him to recognise that that is not the policy that he believes in and that we need strong action on climate change to do our part when we make our contribution to limit global warming to two degrees, in the hope that we can hold our heads up high for our sense of humanity.

Senator BACK (Western Australia) (16:42): I am delighted to rise to comment on the need to take effective action on climate change. I am going to focus very much on the word 'effective' in my contribution. As said previously by Senator Macdonald and others, climate is itself continually changing. Climate has continually changed over millions of years, and I think perhaps it is an oxymoron to use the term 'climate change'. We can make a comment on effective action on climate.
But, as Mr Hunt, our Minister for the Environment, said the other day, not only did Australia meet and exceed our Kyoto targets when many other countries failed to do so but kept criticising Australia but we also go into this process some 28 million tonnes ahead of our target for 2020. And then we are told by others on the other side, 'Of course, that's just creative accounting,' and yet, funnily enough, it is the accounting method used by the United Nations. It is the accounting standards that Labor used when in government. But all of a sudden, when the coalition government led by Mr Turnbull is able to achieve these outcomes with Direct Action, what do we suddenly see? It is all 'creative accounting'.

When we speak of effectiveness, I want to reflect on some of the renewables and other sources that are absolutely phenomenal. I start with hydro, or hydroelectricity. As we know, Tasmania is very, very strong in the hydro space. There is the Snowy Mountains authority. And we have the capacity, I understand, in Far North Queensland for the Tully-Millstream proposal, which would be generating in excess of 1,000 gigawatt hours per annum once that project was up and running. We certainly need to be expending our resources in that area.

In my home state and city of Western Australia and Perth, there is the excellent work undertaken by the Carnegie Wave Energy company, which won an award only recently in The Australian's 2015 Innovation Challenge. And what have Carnegie done using funds partially provided by the successive Commonwealth Labor and coalition governments? We now see a significant proportion of HMAS Stirling's power and desalinated water on Garden Island, south of Perth, being generated by wave action from Carnegie. Secondly, the company has only just recently raised a significant sum of $7.5 million to deliver on renewable energy for the island of Mauritius. How fantastic is that space?

On solar application we have heard others speak already; there are 2.4 million solar hot water systems or solar PV units, and 15 per cent of Australian homes now have solar units on the roof. That is double that of Belgium, which is next, which in turn is double that of Germany, at 3.7. And they say by 2020 we could well have 1 million solar battery technology performances here in Australia. How fantastic would that be?

We often hear the comment of how the Americans are starting to meet their targets—and do you know how, Mr Acting Deputy President? It is because they have moved substantially from coal generated to gas generated electricity. We in Australia probably have the world's largest gas reserves, and by 2019 we will go past Qatar as the biggest exporter of LNG in the world—so how fantastic is that going to be? I would also like to mention briefly again the capacity identified by the CEFC in the recent report showing there is potential for more than 800 megawatts of new generation from bioenergy, which they say could avoid some 9 million tonnes of carbon emissions annually.

The point to be made is that Australia's excellence in this space is our capacity to innovate and our capacity to develop new technologies and then to extend them through other parts of the world, especially in those developing countries of the world that cannot afford to pay for this new technology. That is where Australia's contribution lies, and why it is not recognised is beyond me. A prime example is the work of Carnegie.

I want to talk in the few minutes left available to me about the term 'effective'. I want to speak for a few minutes on the ineffectiveness of industrial wind turbines and make the point that it is estimated to be about 18 years for an industrial wind turbine to repay the greenhouse gas cost of originally developing it and putting it in place. For those who are interested, and
for those who are not, it is about 18 years of use, so by the time an industrial wind turbine is getting to the stage of being decommissioned you will tend to find it is getting somewhere near the original cost of its greenhouse gas.

But those in South Australia would know, and you are one of them, Mr Acting Deputy President Edwards—and Senator Ruston and Senator Wong are here in the chamber—that on November 1, the first day of this very month, at 10 pm, across South Australia there was a blackout. More than 100,000 homes were without power—why? For two reasons. First of all is the enormous reliance on wind power now in South Australia—and you would not believe it, but the wind did not blow. And at the same time the wind was not blowing there was an interconnector problem with bringing the power coming from Victoria’s coal fired Latrobe Valley. So we had a circumstance then, for that period of time, that South Australia and those 110,000 homes were without power, as were the small businesses and other businesses around.

In the United Kingdom, only in the last month did the UK government have to pay those heavy users of electricity factories and others to actually decrease their power for a period of time, again simply because of the lack of wind power. Having moved to rely on that particular form of energy for that purpose they are predicting now that it is going to cost them some billions of pounds into the future to compensate high-electricity users so that they can keep the lights on in their residences.

As we know about wind power, it is unpredictable. First of all, you do not know whether the wind is going to blow this time tomorrow. Secondly, you have absolutely no idea how much generation you are going to get. It is unreliable: you do not know how long the wind is going to blow for, and of course without other forms of generation it is totally unsustainable. So what we are going to see in South Australia over time is a higher and higher loss of reliability and, as we know, as a state South Australia has the highest cost in this nation for electricity.

I am a Western Australian, and we are all asked, as we should be in a nation, to make sure we support every state. But which manufacturing operations are going to want to go to set themselves up in South Australia when the supply of power is unreliable and it is the most expensive in the nation? It is no wonder the Premier, Mr Weatherill, is so actively trying to have a look at nuclear. We know that it is the ultimate when it comes to being a source of energy which produces no carbon at all.

The point to be made in these final few minutes is that when you have a high proportion of renewables, particularly wind-turbine-generated power in a community, you pay three times. First of all, you pay for the power. Secondly, you pay for the subsidy of the industrial wind turbines to the tune of about half a million dollars per turbine per year. Then, increasingly, we are going to be paying some sort of subsidy to keep the baseload power generation going. I certainly support the notion of effective action.

Senator XENOPHON (South Australia) (16:50): I strongly support the need to take effective action on anthropogenic climate change. It is up to us to do what is necessary to meet this challenge and to meet it as soon as possible, because the costs of not acting now will be much higher in the long run. The issue is: how do you drive the best possible reduction in emissions as efficiently as possible? Senator Back does have a very good point in terms of wind energy. It is intermittent and it is unreliable. In terms of the renewable path, it is much
better to go down the path of large-scale solar, for instance. And South Australia needlessly has the highest power prices in the nation.

My concern with the previous government's carbon tax policy, the Labor government's tax policy, was that it was a huge revenue churn, and that itself is inefficient. Back in 2009, when the now Prime Minister was opposition leader, we jointly commissioned Frontier Economics to prepare an alternative emissions trading scheme. It was in my view cleaner, greener and smarter, because its churn on revenue was lower and it was based on energy intensity. I believe it has an enormous amount of merit.

Politics has intervened. I have worked constructively with the coalition since the election to improve its Direct Action legislation, to strengthen the safeguard mechanism and to make the overall scheme much more accountable and practical. We have heard what the costs of emissions reductions have been: an average of $12.25 per tonne.

More must be done. I think it is a good thing that our Prime Minister is in Paris. I think the previous Prime Minister had no intention of going there. The fact that Malcolm Turnbull is there is a good thing. We also need to regularly review emissions targets. I believe the 26 to 28 per cent emissions reduction target by 2030 needs to be much more ambitious, so I will work constructively with my colleagues on both sides of the chamber to see what we can do in practical terms to reduce emissions as much as possible, to constantly review those targets and, of course, to be aware of the damage that has been done, not to ignore issues of adaptation.

The ACTING DEPUTY PRESIDENT (Senator Edwards): The time for the discussion has expired.

DOCUMENTS

Consideration

The ACTING DEPUTY PRESIDENT (Senator Edwards) (16:53): We now proceed to the consideration of documents under the temporary order. The documents for consideration are listed in under today's Order of Business.

Workplace Gender Equality Agency

Senator McALLISTER (New South Wales) (16:53): I rise to take note of the annual report from the Workplace Gender Equality Agency. I move:

That the Senate take note of the document.

I do so noting that this is a relatively new institution in the Australian public sector and the function it performs is also relatively new: in particular, that function of requiring private sector organisations with employees numbering more than 100 to provide information about the number of men and women and the level of pay provided to those men and women is extremely important and a function that I think everyone in this chamber ought to support.

Of course, this new function was established by the previous Labor government. In introducing the bill that provided for this function, then Minister Collins said, 'Gender equality is essential to maximising Australia's productive potential and to ensuring continued economic growth.' The bill that she introduced brought in new obligations for reporting, including reporting on pay and the gender pay gap. It was a response to the persistent gender pay difference in this country. I note that the gender pay gap has not really budged in any
substantial way since I graduated from university. It hovers around 19 per cent and is still sitting there on the latest reports.

The annual report that has been tabled talks a little bit about the work of this agency in bringing forth the information we need to tackle the problem. The first thing to note is that we, through this agency, have created a world-class data set. It was launched in November 2014 and reports on a range of metrics. One important metric is the pay gap based on total remuneration. The gender pay gap is revealed at 24.7 per cent, which is an absolutely extraordinary figure. The agency has also set about providing customised information to those business entities that report to it, so the businesses that are providing information to the WGEA receive regular confidential, customised reports that allow them to assess their own performance, have a look at how they are going relative to other organisations and assess over time whether the strategies that they have in place are actually making a difference.

The acting director, Louise McSorley, in the report that has been tabled notes that this positions Australia as a world leader. The says that the agency has been approached by other governments and organisations around the world for our insights. You can also see in the report that the agency has been quite vigorous in reaching out to businesses. There is a list of the many public presentations and talks that have been pursued by staff from the agency getting the message out there that gender pay matters and that gender equality at work matters.

There are some encouraging results reported. We see the percentage of women in leadership increasing from 26 per cent to 27½ per cent. We see the number of employers conducting gender remuneration gap analysis rising from 24 per cent to 26 per cent. We see the percentage of employers with a strategy or policy to support employees with caring responsibilities rising from 55 per cent to 57.8 per cent. But of course there are still many challenges to address. These are important improvements and are in my view a direct response to the information that has been made available through this agency and program of work. However, there is still quite a lot of work to do.

The latest figures reveal, as I said, a very substantial gender pay gap. They show that this is worst in the finance sector. They show that only 15½ per cent of CEOs and 27 per cent of key management personnel are women. There is still a very big problem in this country with employers finding senior roles for women that allow them to exercise their leadership capabilities and to receive the pay that they deserve. The consequence of that is a persistent difference between the pay received by men and the pay received by women.

I think we should all be enormously supportive of the work by the Workplace Gender Equality Agency. There was some talk, early in the Abbott government's period, of winding back the functions of this agency and winding back its budget. That seems to have been put on the backburner. I think that is a welcome change and hope that there are no attempts from the government to revive that strategy.

I seek leave to continue my remarks later.

Leave granted.

Senator MOORE (Queensland) (16:58): I wanted to again note the work of the Workplace Gender Equality Agency. Senator McAllister has pointed out some of the key work that this agency does. Its core job is to ensure that we in Australia understand exactly
what is happening in workplaces around workplace gender. That was what the legislation was originally developed to prove. The workplace gender agency since its introduction has done large collections of data. We have had two rounds of that data collection which are now on public record and which indicate what is genuinely happening in Australian workplaces and reflecting the obstacles to ensuring that there is gender equity and the ways that employers can work effectively to make change within their workplaces.

As a result of that, there have been ambassadors of change developed within the workplace gender agency who are core employers who have acknowledged that within their own workplaces, to achieve workplace gender equity, there must be changes. These employers have volunteered to be part of promoting the role of the agency; promoting the role of the need to have effective data; and also to identify, very clearly, that, as long as there is no workplace change, there will continue to be an ever-growing workplace gender gap. We know that. Whilst the workplace gender pay gap in Australia has fluctuated and whilst there continues to be some discussion around the edges about what exactly are the amounts of money involved—what is counted and what is not—the one real thing is that this gap continues to grow.

Recent data indicates that, this year alone, there has been a slight increase in the overall gap between payment received by women employees and male employees in our country. The positive thing is that there is work being done to address that. I want to give credit to the employers who voluntarily agreed to be part of the education campaigns that the agency has run, in particular 'In your hands' that was launched at the end of September 2014, focusing on educational programs about gender bias and how people can improve the work in their own agencies. The data sets have now been created, for the first time, to provide benchmarks at the industry level so employers can see how they are going in comparison to other employers within their own industry. Employees and employers can see what is happening in their agency and sense the commitment that has been made by the leadership in their agencies.

Unfortunately, we do have the list of non-complying agencies, non-complying organisations, non-complying businesses. There are 44 who are listed in this year's annual report. I am not going to read them all into the record today but there could well be a time when I will read them one by one, organisation by organisation. For various reasons, they have chosen not to comply with the expectations, being an organisation with over 100 employees, nor look at what is happening in their organisation nor fill in the data collection from the agency.

These 44 organisations and businesses cross a range of industries. There are a number in transport; there are a number in the cinema industry; and, certainly, the one that interested me—the jewellery industry. I would imagine that there would be many people who are working as purchasers in this organisation who do not understand that this particular company has decided, for whatever reason—and I do not know the reason—that they will proudly be listed in 'Appendix 1: Non-compliant organisations' for this financial year. I really do encourage people to check out who is on that list, because the whole idea of naming and shaming is to ensure that the shame is known.

This year's annual report from WGEA lists the work that has been done. I want to give credit to the two previous directors of the agency, particularly Helen Conway, who was there up until 6 March 2015; Louise McSorley, who came in and worked for the period 7 March to
18 October and was able to keep going, particularly with the ambassador program; and also welcoming Libby Lyons, as the newly appointed CEO who commenced in her role on 19 October. I encourage people to read the report, and I seek leave to continue my remarks.

Leave granted.

**Marine Reserves**

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (17:03): I rise to take note of the response from the Minister for the Environment, Mr Hunt, to a resolution of the Senate of 9 November 2015 concerning marine reserves.

In his letter in response to that resolution, which I brought to the Senate and which is around reinstating our marine protected areas and seeking to pursue the community’s call for the government to give our marine reserves back, Mr Hunt said, 'The Turnbull government is committed to Australia's system of representative marine reserves.' At this stage you could have fooled me, because they have not effectively been in place for some two years. He goes on to say, 'Marine reserves first proclaimed in 2012 remain in place and do not require reinstatement.' That is not really the situation.

Within months of coming to government, the Abbott government got rid of the management plans for these marine reserves, effectively making these marine reserves, these marine protected areas, just lines on the map—because, without management plans, these reserves are not being managed. We do not have the appropriate zoning in place. This was because the government gave in to the perceived pressure from the recreational fishing sector and the fishing sector.

There are a hell of a lot of fishers that actually support marine protected areas, because they actually understand the evidence. They understand the value of these marine protected areas. They understand the value of protecting our marine biodiversity. In a world of changing climate, there has never been a more important time to ensure that we have in place an effective system of marine reserves around Australia.

Australia used to be one of the world-leading nations in marine protected areas, but we are now being fast outdone by some of the large areas that are being put in place around the world. Mr Hunt saying that they do not require reinstatement is subterfuge. It is trying to trick Australians into thinking: 'We haven't done anything with these marine reserves. Don't look here. We don't need to reinstate them'. Well, they do—because these reserves are not in place. They are not protecting our unique marine biodiversity.

Mr Hunt goes on to say, 'An independent review of the zoning and management arrangements of the reserves proclaimed in 2012 is nearing completion following nationwide consultation.' The minister and the government persist in the untruth that, in fact, there was no consultation on marine protected areas, when, quite clearly, there was nationwide consultation, not just once but over a long period of time and more than once.

He goes on to talk about 'expert consideration of the science underpinning those arrangements'. He says that, 'the review recommendations will inform the development of new management plans that are appropriately balanced with conservation, recreation, commercial and Indigenous needs.'

This review was supposed to finish earlier this year. When I asked in estimates when the review was going to be presented to government, when the government was going to actually
make decisions and release the promised new management plans, the government and the department were unable to answer. This review has been going on and on and on. It is unlikely that we will see anything before the end of the year, which further blows out the development of the management plans, which further blows out when they are released, which further blows out when we get our marine reserves back.

We know, as I said, that marine reserves are important for the protection of marine biodiversity, but they also have value for fisheries management and our tourism industry and, increasingly, they are the basis for marine tourism. In fact, people now call them tourism powerhouses because there is so much tourism around our marine environment. They support a range of other growing industries, which I have spoken about at length in this chamber. Our message to the government—and the community's message, because they are repeatedly sending it—is: 'We want our marine reserves back. We want those marine reserves in place so they are protecting our unique marine biodiversity and our valuable marine environment.'

Senator IAN MACDONALD (Queensland) (17:08): I intend, as often as I can and to the best of my ability, to continue to expose the downright misinformation—and that is putting it politely—of the Greens political party. Regrettably, from a senator I have some regard for, you have just heard that again. As the minister said in his letter, you do not have to get the marine reserves back because they are there and they have not left since the Howard government first instituted them as part of the world's first oceans policy, also introduced by the Howard government. It is never recognised by the Greens political party, but it was the Howard Liberal-National Party government that actually instituted the world's first oceans policy. Part of that was the implementation of marine reserves. There are not many around Australia—there are about six. They are very big areas. Anyone listening to the previous speaker might think she was talking about the Great Barrier Reef, but that is not so. But that is par for the course with the Greens political party. They would have you believe that. These are reserves further out in Commonwealth waters. There was one in Bass Strait. I happened to be the minister for fisheries when that one in the Bass Strait was implemented. There was an enormously significant and widespread consultation process at the time. We spoke to environmentalists, fishermen, mining interests and everyone. It took a while, but we eventually got a management plan for the Bass Strait reserve that everyone reluctantly agreed with. Everyone was 85 per cent satisfied. No-one was 100 per cent satisfied, but everyone was 85 per cent satisfied. That was consultation.

You do not have to get these reserves back, because they are still there. The coalition government having introduced them, you then had the Labor Party, with Greens support, come in and adopt a process where they only consulted with some of the stakeholders, some of the users—and the 'some of them' were the environmentalists, the conservation groups and not much more. So this became a huge issue in Far North Queensland and up in the gulf country and around the top of Australia, because people who had been stakeholders in these areas for years were simply ignored by the then Labor government, supported by the Greens political party.

I well remember it was a promise of ours at the 2010 and 2013 elections that we would scrap those plans which had not been consulted on and we would consult with everybody to try to get a marine plan that would have 85 per cent support from all stakeholders. That is the
process that we are going through, and I think that is the process that Mr Hunt described in his letter of response to this Senate resolution.

In accordance with the Greens' normal approach, they would like to think they are talking about the Barrier Reef green zones. They were another initiative of the Howard Liberal government—not the Labor government, not the Greens government, not the Labor government that the Green supported. The Howard Liberal government put in those green zones and brought in proper plans of management for them. They still exist today, and yet a casual observer listening to the previous speaker would think that what she was describing was happening in the Barrier Reef green zones, which is simply not true.

As I say, as often as I am able to—and I am not always able to, because I do do other things in this chamber—whenever I hear that sort of misinformation coming out from the Greens political party I am going to rush down to the chamber, as I did today, to again give a reality check on what is truthful, what the real facts are and not have the people of Australia confused and believing the sort of, with respect, direct and deliberate misinformation that you continually get from the Greens political party. What you heard from the previous speaker was very tongue in cheek—or speaking with forked tongue—because it was sort of half-right. If you do not know the real facts, as I do, you can get the wrong impression. Those marine reserves, an initiative of the Howard government, continue to operate and will operate better after proper consultation.

Question agreed to.

**Consideration**

The following orders of the day relating to documents were considered:


**MINISTERIAL STATEMENTS**

**Gosford Waterfront**

**Senator RUSTON** (South Australia—Assistant Minister for Agriculture and Water Resources) (17:14): I table a document relating to the order for the production of documents concerning the Gosford waterfront.

**COMMITTEES**

**Economics References Committee**

**Membership**

**The ACTING DEPUTY PRESIDENT (Senator Edwards):** The President has received a letter requesting changes in the membership of a committee.

**Senator RUSTON** (South Australia—Assistant Minister for Agriculture and Water Resources) (17:15):—by leave—I move:

That Senator Carr replace Senator Dastyari on the Economics References Committee for the committee's inquiry into Australia's steel industry, and Senator Dastyari be appointed as a participating member.

Question agreed to.
Community Affairs Legislation Committee
Report

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (17:15): Pursuant to order and at the request of the chair of the Community Affairs Legislation Committee (Senator Seselja), I present the following report and documents: Community Affairs Legislation Committee—Social Services Legislation Amendment (Family Payments Structural Reform and participation Measures) Bill 2015 [Provisions]—Report, dated November 2015, together with the Hansard record of proceedings and documents presented to the committee, additional information and submissions.

Ordered that the report be printed.

Education and Employment Legislation Committee
Report


Ordered that the report be printed.

Community Affairs Legislation Committee
Report

Senator FAWCETT (South Australia—Deputy Government Whip in the Senate) (17:15): Pursuant to order and at the request of the chair of the Community Affairs Legislation Committee (Senator Seselja), I present the following report and documents: Community Affairs Legislation Committee—Social Services Legislation Amendment (Youth Employment) Bill 2015 [Provisions]—Report, dated November 2015 and submissions.

Ordered that the report be printed.

BILLS

Defence Legislation Amendment (First Principles) Bill 2015

Returned from the House of Representatives

Message received from the House of Representatives returning the bill without amendment.
Crimes Legislation Amendment (Powers, Offences and Other Measures) Bill 2015

Education Legislation Amendment (Overseas Debt Recovery) Bill 2015

Student Loans (Overseas Debtors Repayment Levy) Bill 2015

Fair Work Amendment Bill 2014

Health Legislation Amendment (eHealth) Bill 2015

Social Services Legislation Amendment (No Jab, No Pay) Bill 2015

Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill 2015

Assent

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

Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015

First Reading

Bill received from the House of Representatives.

Senator RUSTON (South Australia—Assistant Minister for Agriculture and Water Resources) (17:17): I move:

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

Question agreed to.

Bill read a first time.

Senator RUSTON (South Australia—Assistant Minister for Agriculture and Water Resources) (17:17): I seek leave to move a motion to exempt this bill from the bills cut-off order.

Leave granted.

Senator RUSTON: I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the bill, allowing it to be considered during this period of sittings.

I 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.

Leave granted.

The statement read as follows—

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2015 SPRING SITTINGS

SOCIAL SERVICES LEGISLATION AMENDMENT (FAMILY PAYMENTS STRUCTURAL REFORM AND PARTICIPATION MEASURES) BILL

Purpose of the Bill

From 1 July 2016, this Bill will remove family tax benefit Part B for couple families (other than grandparents) with a youngest child aged 13 or over.
Reasons for Urgency

Passage in Spring is necessary to allow the significant system and customer communication changes to be completed in time for implementation from 1 July 2016, as intended.

Senator RUSTON: I table a revised explanatory memorandum relating to the bill and move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

SOCIAL SERVICES LEGISLATION AMENDMENT (FAMILY PAYMENTS STRUCTURAL REFORM AND PARTICIPATION MEASURES) BILL 2015

This Bill will introduce a package of new reforms that helps us support families while encouraging parents’ participation in the workforce.

This Bill will supersede measures stalled in the Senate, including:

- Maintaining FTB payment thresholds where savings were estimated at $525m;
- Maintaining FTB payment rates where savings were estimated at $1b;
- Limiting FTB Part B to families with children under six where savings were estimated at $1.8b; and
- Revising the FTB end of year supplements to their original value of $600 and $300 per year, where savings were estimated at $1.3b.

This present Bill anticipates withdrawal of the measures relating to FTB from the 2014-15 Budget and to instead propose changes which focus squarely on the principles of structural reform of the social welfare system by simplifying the payment structure of the FTB system. At the same time, the Bill provides more assistance to families when they need it most, and it is fiscally responsible.

The measures in this Bill have been introduced in order to make sure the Jobs for Families package, introduced in the 2015-16 Budget, is fully paid for. This package contains the required savings to offset the additional investment in the childcare package which, as well as helping families and encouraging workforce participation, also represents substantive reform of a complicated, inflationary child care system.

In this Bill, the government is increasing the fortnightly payment rates of Family Tax Benefit Part A by $10.08 for each FTB child in a family aged up to 19. This has the effect that around 1.2 million lower income families (including income support families) who receive Family Tax Benefit Part A for around 2.2 million children – will now receive higher fortnightly payments from 1 July 2018. The increase in their fortnightly payments will help families better manage their day-to-day budgets by providing them with timely, regularised assistance when they need it the most.

We will also provide an additional $10.44 per fortnight for under-18 year old Youth Allowance recipients who are living at home, bringing the payments to the same standard rate as a Family Tax Benefit Part A child aged between 13 and 19.

Aligning these two rates of payment, is itself a much needed part of the reform process to align the large variety of payment rates where possible. These alignment reforms will avoid confusion for families, and make sure there is no financial incentive for an FTB child to leave full-time secondary study to claim Youth Allowance.

Importantly this alignment reform will also flow on to people who are on a disability support under the age of 18, special benefit and ABSTUDY.
These alignment changes are based squarely on the McClure reform recommendations; they simplify the system making it easier for parents and their older children to navigate the system in order to get the assistance appropriate to their circumstances.

The Bill will introduce a new rate structure for Family Tax Benefit Part B, and make other amendments to the rules for Part B, from 1 July 2016.

Firstly, the maximum standard rate will increase by $1,000.10 per year for families with a youngest child aged under one. This will provide more choice for families when their children are very young.

Family Tax Benefit Part B will be limited where a family's youngest child is aged under 13. This supports the Government's broader participation agenda which is central to the child care reforms introduced in the 2015-16 Budget and strongly supports the policy imperative that families be encouraged and enabled to re-enter the workforce as their children begin secondary school.

A new Family Tax Benefit Part B rate of up to $1,000.10 per year will be available for single parent families and grandparents with a youngest child aged 13 to 16.

The Government also recognises that Grandparent carers take on a big responsibility when caring for their children, yet are less likely to be working and more likely to be retired. Family assistance, it is acknowledged, helps grandparent carers meet the cost of raising their grandchildren. Similarly, we also recognise that sometimes it is difficult for single parents to transition into work even when their youngest children are into secondary school, and this is why we are applying different payment assistance for these categories once the relevant children turn 13, providing them with some additional appropriate assistance while they prepare to re-enter the workforce.

This Bill will also provide for the phase-out of both the Family Tax Benefit Part A supplement and the Family Tax Benefit Part B supplement.

The Part A supplement will reduce to $602.25 a year from 1 July 2016, and to $302.95 a year from 1 July 2017. The Part B supplement will reduce to $302.95 a year from 1 July 2016 and to $153.30 a year from 1 July 2017. Both supplements will then be withdrawn from 1 July 2018.

The Family Tax Benefit Part A and B supplements were introduced at a time when, under the Howard Government, the surplus anticipated in the 2004-05 Budget paper was $13.6 billion and it was contemplated that a substantial use of the supplements would be used to offset potential Family Tax Benefit overpayments arising from underestimation by recipients of FTB of their annual income. In the near future, the Australian Taxation Office is introducing a single-touch payroll system, a system which will allow for accurate fortnightly reporting of income, which measure in 2018-19, will significantly reduce the problem of Family Tax Benefit debts.

The fundamental and critical reform component inherent in the changes now proposed is that the measures reduce the number of supplements in the system. One of the biggest frustrations of the social security system expressed in the report by Patrick McClure, entitled "A New System for Better Employment and Social Outcomes", is that there are far too many payments and supplements – in fact there are some 20 main payment types and 53 supplements (that second figure has been reduced from 55 because the government has already removed the Seniors Supplement and the Low Income Supplement). This measure will further reduce the amount of supplements in the system (as will the associated reform measures in child care).

In summary, this package of Family Tax Benefit and dependent youth measures enhances support for families with their day-to-day living expenses and so helps them support their children from birth through education and the transition to independence. This increase in day to day support has been achieved through reforming the supplements and increasing fortnightly payments including aligning the rates of reduced youth payments.

Together, the revised package demonstrates the Government's commitment to assisting families:

- providing additional assistance to families when they need it most;
supporting family choice to spend more time with their children when they are very young if they wish to do so;

- recognising that families still have caring responsibilities when their children are in secondary schooling and that the most vulnerable families in the secondary schooling years, such as grandparent carers, should receive some additional support during a child’s adolescent years.

At the same time these reforms will improve the sustainability of family payments ensuring we can achieve three important goals:

1. continue to assist families in raising their children over the long-term;

2. fund the Child Care reforms designed to enable and encourage greater workforce participation;

3. continue a deservedly needed process of simplifying FTB, consistent with the recommendations of the McClure review which highlights the unworkability of a system that maintains 20 main payment types with in excess of 50 supplement categories.

**Senator MOORE** (Queensland) (17:18): As we have just heard, the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015 comes back to this chamber in yet another incarnation. As we know, since the budget in 2014 the government has been trying to convince the community and senators that the best way to raise money is to take it off the low income families in this country and to affect family payments. We have had a series of attempts to bring the legislation to this chamber. Only a few weeks ago we had the first incarnation of the family payments structural reform and participation measures bill 2015. The bill that came before us had a range of processes around attacking family tax benefit for low income families.

In terms of the process, it was duly sent off to the Senate Community Affairs Legislation Committee where we had a very short time frame—in fact, in my experience in this place it was one of the shortest time frames—to consider a very detailed piece of legislation. We did so, because that is what committees do in this place. As always, when we go to the community, particularly community organisations, and seek their help when we are considering pieces of legislation in the community affairs area, they respond. Even with the very short time frame we had, 19 submissions came forward, all talking about the bill and all opposing the bill. That is not unusual in that the people who care most about legislation are those who are concerned about it and think it will be negative. But, again, when it comes to the government's proposals on family tax payments and the linking of family tax payments with the child care package, there is a degree of threat that if the family payment legislation is not passed, the child care benefit package will not be able to be introduced. What happens is that people then react. People are concerned about how they will be impacted and how people who are already on fairly limited budgets will react to further reductions in their entitlements.

One thing that was most clear to our committee when we were considering the bill was that we had very little information from the department on which to consider the impact of this legislation. There was no modelling put before us. When we asked for circumstances we were told in the committee process that if we gave the department information on the kinds of families we were concerned about they would give us back information on how they would be impacted. I just want to put it on record that I do not think that is good enough. I have been working on this committee for many years, with other members of the committee, and we have built up great respect for members of the various departments with which we have been
dealing. We have been able to realise the commitment and knowledge that they have on the issues and their real desire to provide information to senators both in the Senate estimates process and in committee inquiries to help us get a full picture of the situations we are considering.

But I am finding that that is not happening as openly as it has in the past—and it is not just me. Sometimes you begin to doubt whether it is only you who is feeling negative or concerned about the process, but I want to put on record the evidence that was given by the CEO of UnitingCare, Ms Lin Hatfield Dodds, when she came to our inquiry. She said:

It is paramount, we think, that the impacts of any reform are thoroughly and transparently assessed prior to changes being implemented that might result in adverse impacts on the most vulnerable members of our community.

It is therefore with concern that we note, in relation to the bill—which was the previous bill—that the government appears not to have released substantive evidence to highlight the impact of its proposed changes on families. It is our view that, in the absence of data sets and evidence to support or explain the measures in the bill, UnitingCare Australia is unable to support the proposed reforms.

That is the reaction that we heard from a number of the organisations who came to our inquiry and it was also the reaction from members of the committee.

This is not a new process. We have been looking at attempts to adapt the family tax benefit program for two years now. As I said, there has been great discussion and debate. We then had the bill come before us and, again, there was not open modelling about what would happen. In fact, we got more information from the Bills Digest from the Parliamentary Library, which did come forward with information on how this bill would operate and some of the impacts. It was not in a submission from the department but, nonetheless, we got the information from the Bills Digest.

I want to put on the record, that whilst this bill has now been split and Labor will be supporting the one element of the bill that is actually the new bill that is front of us, I do think that it is very important that, when discussing where we are this afternoon, we put this in context and explain what the bill was last week before this agreement had been reached. The bill that was before us at that stage—the one that we took to the committee to consider—was looking at significant cuts to family tax benefit A and family tax benefit B for people across a range of different situations. For family tax benefit A there were going to be very major cuts to people's entitlements. In the previous bill, 1.5 million families were scheduled to lose FTB A supplements—a cut of $726 per child every year—and 300,000 of those families would not get the increase to the FTB A per child amount.

I do not like the term 'carrot and stick'—I always think the stick is much bigger than the carrot—but the actual encouragement in that bill was that there was going to be an increase, though we did work out that the balance was not there. Even though the increase of $1,000 had been widely publicised as a positive element, the element had not actually been worked through as to how many people were going to be better off as opposed to those who were not. We were not able to get that data in detail. What we did find, though—and what was particularly worrying in that approach—was that there was a particular focus on sole parents and grandparent carers.
Extraordinarily confronting evidence around FTB cuts was given to the committee by people who come to see us very regularly from the National Council of Single Mothers and their Children. I want to put on record the comments that were made by Ms Terese Edwards, from the National Council of Single Mothers and their Children. She submitted:

What I do know is that it does not make sense to me, or to the sole parents that I am speaking on behalf of, that these two measures are linked.

These two measures are the child-care enhancement measure and the reductions to, particularly, FTB B. Ms Edwards continued:

We know that the families who will be the biggest losers are families who have children who are 13 and older. They will not be accessing child care.

That is because there is no effective child care, except some elements of outside-school care, for children who are over 13. It is one of the big gaps in our system that, for young people over 13, there is no effective process to provide support to those families. I am not saying that that is peculiar to this government; it is just a fact. It has been the case for a long time that, if you have a child over 13, there is no effective care for them, particularly when we are encouraging people to get into the workplace. Ms Edwards went on to say:

So it seems like one group is going to go through an absolute depth of despair and harm to pay for an investment in another group. The first time that this was linked was after a couple of failed attempts to get this measure through. It does not make sense to me for it to be linked at all.

That was certainly the position that Labor senators took.

In the other place, Jenny Macklin, our shadow minister, who has been working in this area for a long time, put some quotes into her contribution around the situation of grandparent carers. This is something that our committee was particularly focused on, because we have done a lot of work in the area of grandparent carers. Grandparent carers had contacted her and the department saying, 'How will I manage if I lose $100 a fortnight?' That was a quote from Marlene Lamb, a constituent from the electorate of Petrie, who contacted Jenny and spoke about her 12-year-old granddaughter who was going to turn 13 very soon. Marlene, the grandmother, had been looking after her granddaughter for a long time, and the proposed cuts at that time were going to have a significant impact on the family and on the way that they were going to be able to survive.

We need to understand that these amounts can be seen to be small when we are talking about the end-of-year bonus payment—which was on the target line before we made the change to the bill this afternoon—but, during the committee's inquiry, it was put on the table that the original reason for the end-of-year bonus was that there were concerns around people being able to fully budget and do the returns that they needed to do with the taxation department. At one stage with the FTB A process debt that could be incurred with the taxation department, and that bonus payment was there to mitigate that process.

The department's evidence was that with the new changes with technology to make it easier for the two systems to operate—the taxation system and the family payments system—there would not be that difficulty in making in sure that you did finalise your accounts in the right way, and that you would be able to know where you were with you family tax payments. We accept that statement. Except that there was absolutely no trust from the community, nor from the committee, that a verbal guarantee that the system would operate well would be able to be fulfilled.
Whilst the academic argument about why there would be no further need for an end-of-year bonus was clearly on the table—that was that—and was accepted, what people like Ms Lamb in Petrie were saying was that the reduction of that amount of money, which was now built into her budget, would have significant impact on the single-parent family’s grandparent parent budget because that money was used immediately to provide the kinds of services in their family that were so important, such as the purchase of school uniforms and the purchase of end-of-year processes—the kinds of things a bonus cash budget payment was very useful for. It was important for those families that their need was identified, and that there was some understanding from their government that we are not talking about people for whom these amounts of money are insignificant. These amounts of money make a real difference in the survival budgets of people raising children.

Through the process of our committee, we took evidence from ACOSS and the welfare rights group as always. ACOSS did raise particular concerns about the impact on parents who were trying to raise children and the costs that do go up. I do not think that there is any doubt that there has been significant evidence over many years that you do not have a reduction in the costs of raising children just because they turn 13. We have significant evidence—and I know the department has significant evidence, which they presented in previous inquiries—that indicates that it is no cheaper to have a child at 13 or 14 than it is to have a child at seven or eight, or even as a newborn.

The reasoning provided by the department and the government was that the FTB payments would be reduced so that there would be a greater incentive for people who are receiving that payment to then go and seek work and go into the workplace. That is the linkage with the argument that was presented to us for why there would be a reduction in the payments. There was some push-back from the evidence that we received, on the day of the committee hearing, about how difficult it is when you are trying to seek work and continue to raise children. And, whilst it may be seen that there would be an extra financial incentive to seek work, because you have had your FTB payments removed, in terms of whether that actually provides you with any greater skill or any greater ability to find work, there was some scepticism in the evidence that we received.

It certainly could be seen that the theory of the evidence is real—the theory that if you remove a payment that will be more than incentive for someone to go out and seek employment. I will not use the standard statement that is made many times in this argument about what the best form of welfare is. Nonetheless, when you are trying to balance the various responsibilities that you have, particularly in the case of children over 13, for whom there is no really firm child care available, it does not seem to add up how it will work if you are going to link these two things.

We had no evidence before us that any element of the previous legislation, or in fact with the current legislation before us, denied the fact that we need to ensure that when people are able to seek work they should be able to do so. There was no organisation or individual who rejected that premise. What they did question was how this particular bill would enhance that opportunity. What they wanted to do was ensure that the element of fairness, which has been quoted significantly by the minister, would be sensed by the people who were most in need of the support of their government—to raise their children and to balance that child-raising responsibility with the need to seek work.
In terms of the new bill—and I am not even sure whether it has an absolutely new title—which is the one that relates particularly to partnered families with children over 13, it has not been an easy decision for the Labor Party to support the recommendation that we would cease the payments of people in that situation. We did have concerns raised by people who came to our inquiry around that element.

It is really very important that as we move forward with the legislation we understand that there needs to be close monitoring of the change that may go forward after the bill is passed and what exactly the impact will be on families, and that there is no automatic assumption that there will be this natural link between the reduction of the payment and the ability to seek work.

I ask that the department provide information to us that would show how they are going to monitor that process; whether we are going to have data that will show the impact; how families who will have their family payments changed will be traced; what support they will receive in returning to the workplace, which is the intent of the legislation; and how the department is going to work with the organisations who are in the field, who are working all the time with families who are finding it tough and who are working with families legislation. We would like to get some information back from the department about how that is going to interact. Where families with children over 13 will lose family tax benefit B, how will that be monitored to see where the link will be with increased employment? And how will we know families in that situation have the support they need to find the work which we all know the government is seeking that they should have?

We will be supporting this new legislation but the new legislation needs to be considered with what has gone before, with the various attempts the government has made to make changes and also to ensure that we know there will not be ongoing attacks on family payments in the system, particularly not when there is put forward this immediate link between having to cut this element of family payments in order to pay for the child care package. That is not being seen by the community or in fact by people on this side of the chamber as an automatic link and the way we should be proceeding in these arguments about true fairness in our community.

Senator SIEWERT (Western Australia—Australian Greens Whip) (17:38): I rise to speak on the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015 in its new form, although I will be referring to elements of the bill considered by the Senate committee which tabled its report 20 minutes ago. The Greens will not be supporting this bill, the same as we would not have supported the previous bill which the Senate committee considered. We will not be supporting another bill when comes in if the government attempts to bring in the measures they cut out of this bill.

The previous unamended version of this bill was simply another attempt at the government's cruel budget cuts to family tax benefits it has been trying to get through in the last two budgets. We opposed those cuts then and, having examined these in detail, we oppose these cuts and the cut in the bill we have just been just talking about and to which Senator Moore was referring in her contribution just then. Many of the points she made apply to the very measure that the ALP are now going to support, it seems, through the chamber. The cuts are still crawl, they are still unfair and they still impact on those who need support the most. Before the Community Affairs Committee had even reported on the previous elements of this
bill, the government and Labor had agreed to a watered-down version of the cuts which focus on couples or partnered families with children over 13. As I said, we will be opposing these cuts.

In the second reading speech in the other place, the Minister for Social Services several times mentioned supporting families. This is typical of the government. They talk about a bill which enhances support but what they are really doing is taking away support and resources from those most vulnerable people in our community, from the families who really do need this support. I cannot see how can call it supporting when they you are taking money out of the pockets of some of the most disadvantaged members of our community.

The bill as originally introduced would have been a $4.8 billion cut to supports that the government provides for the family tax benefits system. Slashing family tax benefit B would have cut support to thousands of Australian families including single parent families, grandparent carers and low-income coupled families who are going to be significantly affected by the agreement that the Labor Party and the government have come to. One of the key features in the original bill was that the government would cut family tax benefit for all carers with children over the age of 13 and then put a little bit back in for single parents and grandparent carers.

The government seems to have learnt little from the last attempt at doing this with cuts to grandparents and single parents. Even so these were supposedly less harsh, it is very clear that they were cuts to vulnerable people who are supporting children. Also they have forgotten that it still damages—and even the current measures agreed to by the government and Labor hurt other carers—grandparents, who are not the only people in this country beside children's' parents who care for children. The government seems to have forgotten that. While I am really pleased that they are finally paying attention to grandparent carers because for so long they have ignored them, they now seem to forget there are foster carers and in particular kinship carers. Grandparent carers are fewer in number than other kinship carers but we do not seem to worry about kinship carers. I will come back to that issue in a moment but I do not want anyone to think for a minute that I am not really pleased that at least grandparent carers are being acknowledged now and that there is a modicum of attention paid to them. But there are a whole lot of other carers who are supporting children in this country.

The government's decision to cut a payment as children grow older runs counter to all the evidence. In our inquiry hearing, departmental officials referred to the cost-of-children table being used to calculate child support. This was brought up by Terese Edwards from the Council for Single Mothers and Their Children, who very clearly said that on one hand the government is implying a child costs less when they are 13 because they are cutting the payments but, on the other hand, through child support, they acknowledge that children cost more once they turn 13. This reflects the fact that children cost more as they grow older. Similarly, the government's own McClure report said:

The costs of children increase markedly at key points in the lifecycle, such as starting primary school, starting secondary school—around 12 and 13—and entering the final two years of secondary school.

The report recommended that a new payment to cover children's' costs should be higher for older children. That is what the experts have told the government, but it does not take an
expert to know. I consider myself an expert. I am a mother of a slightly older child but I was
the mother of a teenager. I can testify to the fact that sometimes they go to sleep one day, but
when they get up the next day you have to buy them a different sized shirt or shoes, not to
mention the fact that you can never keep food in the fridge unless you have put a lock on the
fridge. Their activities are more expensive and again, I am an expert on that. All up, the
evidence clearly shows that children cost more once they turn 13.

The government has argued, wrongly, that part of its goal is to force people into the
workforce. The National Foundation for Australian Women—who were, in fact, emailing
people today—said that the proposed cuts to family tax benefit A and family tax benefit B are
not likely to have any positive impact on female workforce attachment. They will hit hard in
identifiable regions with high concentrations of low-income families and lack of employment
opportunities—outer suburban areas of capital cities and in the regions.

The coalition has form in claiming that cuts will improve workforce participation. That was
the rationale when they were moving people from the parenting payment for single people,
which effectively cut their payments and forced thousands of single parents into poverty by
living on Newstart. The evidence shows that an approach like this will not work, but this
government appear not to care about the evidence or about what their cuts will do to families.
They are continually cutting payments from the most vulnerable. But simply bullying people
will not mean that they can find work; simply cutting out their supports and making it harder
for them to raise children will not mean that the jobs are there for people to be able to find
work. As the National Foundation for Australian Women points out, the areas where this will
hit hardest are, in fact, those where people are less likely to be able to find work.

During our Senate inquiry we heard evidence from a range of groups and organisations
about the impact of this bill. Down Syndrome Australia provided valuable evidence to our
inquiry. They spoke about the challenge that people with an intellectual disability can face in
transitioning from one school environment to another, and the risks involved in cutting
supports to a family during that period. We received submissions from single parents who
have already been impacted by successive cuts by both the Labor government and the Liberal
government, when they were forced from parenting payment single on to Newstart. These
cuts forced thousands of single parents onto Newstart and left many struggling in poverty as
they were trying to look after their children. Cutting family tax benefit B to single parents
would be another cut to an already vulnerable group. As Ms Terese Edwards, on behalf of the
National Council for Single Mothers and their Children, told our inquiry:

Sole parents have borne the brunt of successive cuts. They are completely ill equipped to manage any
further reductions.

I also want to thank Ms Edwards for highlighting how essential family payments can be to
victims of domestic violence, and would like to quote what she said to the inquiry:

With regard to family and domestic violence, our survey of single mothers impacted by family and
domestic violence stated that family payments are essential—not just helpful, not just good but
essential—when they exhausted their savings and borrowed money.

She continued:

We also heard from families about the ongoing cost to protect themselves, the cost of continuously
leaving and running, and the cost of extra medical support, counselling et cetera.
Ms Edwards highlighted very clearly the impact of the cuts to family tax benefits that the government were planning to make, and are still waiting in the wings to make. The cuts the government want to impose have real impacts, and it is incredibly important that we be aware of and recognise what these cuts mean to members of our community.

The government's proposals to cut family tax benefit A and B supplements—which they are still planning to do—will be a massive hit on support for families that rely on them. Again, we received evidence to the inquiry of the value of these supplements. No matter what the government says they were originally intended for, and I will go into the issues around IT in a minute, this money is real money to real families. This is, in fact, something that you could almost think that the government were trying to hide, and I will speak more about that in a minute. But the family tax benefit supplements are a significant amount—$726 on family tax benefit A and $354 for family tax benefit B. When you are only on a little bit of money, that is an awful lot of money, particularly when it comes in as a bulk payment. There are lots of things that you can do with that money.

The minister may have no idea about this, but this is something that makes a real difference to those who are struggling. It is something they can rely on because they know it is coming; they know they can pay those bills that come in at that time. They know they can perhaps pay for that white good that has broken down and has needed repairing for ages, or for the car repairs or the car insurance. We heard in our inquiry about the very practical needs that the supplements are meeting. As I said, some families are able to meet larger expenses like car registration or replacing products that have broken down. These can be major challenges when you are struggling as a family and, as I said, every dollar literally counts.

Another issue in the government's original proposal is that it relies on IT systems that are not yet in place. This is where, in fact, we had another discussion about—surprise, surprise—the ineffectiveness of myGov. The government argued that the Australian Taxation Office's one-touch system would allow people to estimate their income more accurately. They also said that because of that the need for the end-of-year supplements would be removed, but the IT system the government is relying on does not yet exist. After consulting with stakeholders we understand that the government has delayed its rollout because of the practical challenges of implementing the system. We have heard from multiple witnesses in our inquiry about the problems they are encountering with the Department of Human Services' computer system and the myGov site. The government may be delaying the IT system, but they wanted to start these cuts and roll them out, potentially before the IT system was actually up and running. Because of the damage these cuts would do and their impact on the most vulnerable in the community, we oppose these cuts. We opposed them in the bill that we were originally sent and we will oppose them when they come back.

Since the bill was introduced, but before our rapid Senate inquiry—and Senator Moore has highlighted that it was a very rapid Senate inquiry; it was not even a full day—and before that even had time to report, the government had amended their own bill. They negotiated with Labor for a smaller impact, to cut out some of those measures that I have just spoken about, and will cut family tax benefit B to couple families whose children are aged 13 and over.

We know from Senate estimates that there are 76,000 families that would lose family tax benefit B when this measure is legislated. There are about 25,000 families with a family income of less than $40,000. ACOSS estimates the poverty line for a couple with two
children at $840 a week. In annual terms, that figure is around $43,000. This legislation will cut family tax benefit B support to thousands of families, coupled families, who live below the poverty line.

We are also concerned about kinship carers and other groups who may not receive an exemption in the way that grandparents will. Departmental officials told us that where kinship carers receive family tax benefit B but are not grandparents there will be no special consideration. They will simply lose the payment as the child turns 13. These are kinship carers who are in the same place as grandparent carers. The difference is that maybe they think grandparent carers might not go back into the workforce—and there was some discussion about that—but kinship carers will. You have to remember the nature of the care that they provide to the children who are in their care. More often than not, these children will be very damaged, coming from very traumatic circumstances, whether it is because of the outright of their death of their parents or some other reason that children have to go into care.

The inquiry into out-of-home care that the Community Affairs References Committee recently carried out showed really clearly that children are traumatised and damaged by the circumstances which lead to their care. Kinship carers go above and beyond when they are looking after these children, and here is the government saying: 'We don't care. They can have the cuts as well.' Kinship carers face a unique set of circumstances. If the government has the wit to address the issues for grandparent carers, surely they can address the issues around kinship carers. These cuts will hurt the most vulnerable in our community and this is an issue we are deeply concerned about.

I said I would touch on transparency and the impact of these cuts. As was discussed by Senator Moore earlier, the government could not tell us. When we asked for the figures, they said they could do cameos. Those cameos conveniently did not cover all family types and did not cover some of the essential impacts on families. It is unfortunate, to say the least, that the government cannot provide us with the detail. I am particularly concerned that this reflects a failure by government to uphold the standards that are essential to our democracy if it is to function effectively. It is essential in a well-functioning democracy that citizens be able to trust the government and that it be open and honest about its policies, and try not to hide information from citizens or from the institutions that are intended to hold government to account. Where a government tries to hide information, it can have a corrosive effect on the trust that is essential in our society.

I am disappointed that the government have not been fully transparent about the impact of these cuts. In a press release announcing these changes, the government included cameos that were supposed to show the impact of these cuts, but they included the impact of the childcare changes because they are linking the childcare changes to these changes. If you have a child over 13, it is very unlikely that you will be accessing child care. Again, I will speak as a parent of a child who used to be a teenager: you could not get child care for after-school care when a child was in high school.

So the government are taking from this group of parents, as Ms Edwards pointed out, and giving to another group of parents. Do not pretend that the overall benefit is going to be to everybody who will be cut off family tax benefit B because they it will not. The low-income couples are going to be losing money as a result of these cuts that are about to pass this chamber because the government and the opposition are in agreement. They are definitely
going to impact on one group of parents to the benefit of another. Did anybody ask those low-income parents who are going to lose this money whether they think that this a good idea? No, you did not ask them. We asked at the Senate inquiry. Unfortunately, we did not have the time to ask individuals but we certainly asked organisations, and I have had emails about it.

People are clearly very annoyed and concerned that the most vulnerable in our community will, yet again, pay for cuts to the budget where the government are too gutless to face up to big business and properly address tax evasion which is where they could be saving money and where they could be dealing with revenue. Instead, some of the most vulnerable members of our community, those on low incomes, are the people who will bear these cuts.

So it is absolutely fallacious to put out cameos that imply that these families are going to be better off when quite clearly they are not going to be better off. And the government did not include a whole lot of other variables in those cameos. I am sure the government was able to model the impact that this would have because others have managed to do it. Others have managed to work out how much families will lose. It is all very well, sorry, for Labor to say that they want to monitor this. The government cannot even tell us the bottom line when they are actually presenting this. So how can they monitor it when they do not know or will not admit what the baseline data is in the first place? The Greens will not be supporting this bill.

**Senator CANAVAN** (Queensland—Nationals Whip in the Senate) (17:58): I will make a very brief contribution on the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015, as I am a very strong supporter of the need to ensure that our tax system does not reflect the costs of growing and raising a family. The principal way we do that in this country is through the family tax benefit system. However, I am also very much of the view that we have a responsibility to manage our nation's finances in a responsible way. We are far from balancing our budget at this time.

I disagree with Senator Siewert that, somehow, we can simply outsource the budget repair task to some component of the community. It is completely impractical actually that, somehow, big business, in her words, could do that. We all have to tighten our belts to do that. I am prepared, notwithstanding my general support for a supportive family tax benefit system, to support the legislation which responsibly seeks to save money for our budget, for our country, and this bill certainly does that, delivering savings of more than $4½ billion. If we did not do that, that would be a bad thing for Australian families because that would mean our children and our grandchildren would have to pay back the money that we are spending today on parents.

I principally want to say that at the heart of any family tax benefit system, and at the heart of those changes, should be what is best for children. I think the way we can generally get the best outcomes for children is to ensure that parents have the most flexibility in the choices they make for their children, because in the vast majority of cases it is the parents, not government, who are in the best position to decide what is best for their child. My wife and I, I think, are on the same team when it comes to that. I hope my family is on the same team. Sometimes I think my kids are on a different team, but it depends what game we are playing. We try to make decisions together.

One thing I am concerned about—notwithstanding my general support for this bill—is the difference in the relative costs between raising a child yourself and outsourcing at least some of that care to formal childcare or educational means. The budget underlined that relative cost
difference very graphically this year when it produced cameo tables showing that a family on
$100,000 a year with two children and with two people in the workforce—both parents
working—pays a lower amount of tax, to the tune of $23,500, than a family on $100,000 with
two children and with just a single income earner. So for two families with two kids and the
same amount of household income, $100,000, the single-income family ends up taking home
$79,500 and the double-income family actually ends up with $103,500 after tax with family
benefits and child care. So there is a $23,500 difference a year for families with the same
starting point, the same household income. I think that is blatantly unfair. It is a new car a
year for the double-income family, and it has to have, of course, very distorting impacts on
what decisions parents make. I think it is very important, as I said, that we try to let parents
make their decisions, without socially engineering those decisions through the tax system or
otherwise. It is extremely important when children are very young. That is not a view I have
come to only through my personal experience; the evidence is stacked far in favour of
allowing parents to look after their own children, particularly when they are young. The
OECD did a report in 2007 saying:

Taking stock of the evidence … it seems that child development is negatively affected when an
infant does not receive full-time personal care (breast-feeding issues aside …) for at least the first 6 to
12 months of his/her life.

The Productivity Commission in 2009, in its Paid parental leave report, said
Most of the more recent evidence tends to support the view that the use of non-parental care/child care
(usually necessitated by maternal employment) when initiated within the first year of a child's life can
contribute to behavioural problems and, in some contexts, delayed cognitive development …
They have a range of scientific studies showing that. So I think it is very important we
promote parental care at those young ages, and that is why I have been a strong advocate for
ensuring that parents have assistance if they choose to make that decision so there is not this
relative cost difference between the choice to look after your own child and the choice to put
them into child care.

I am proud that the National Party, as part of the coalition agreement with the new Prime
Minister a matter of months ago, succeeded in obtaining an additional $1,000 for families
with a child below the age of one who currently receive family tax benefit B. It certainly does
not completely remove that $23,500 gap, but it is a step in the right direction, the direction of
making sure that this system is based on what is best for the children, not the costs for the
parents involved.

I certainly agree with Senator Siewert that sometimes the older your child gets the more
they cost. I have a child of 10 and also one of one year old, and the one-year-old does not
need cricket pads and does not demand computer games and all these other things that the 10-
year-old does. But I also recognise that the care requirements that the one-year-old places on
us and the opportunity costs of not being able to go into the workforce or do other things with
our lives are much, much greater. The one-year-old cannot look after himself, and that, of
course, comes at a cost to a parent who decides to stay out of the workforce to do that.

So I am very proud that the National Party have stood up for the stay-at-home mums and
dads of this country. They do the most important work in this country. They might not get
paid the most, but I do not define people's contribution to our nation by how much is in their
pay cheque every fortnight. It is my firm view that, while my wife is staying at home looking
after the kids, she does much, much more important work than I do—and it is work. When I have to stay home and look after them, it is much harder work than we do here in Canberra, and we should do as much as we can to support that decision, not to penalise it. I am proud that in this bill we move at least partly in that direction.

Senator O'NEILL (New South Wales) (18:04): I rise to make some remarks on the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015. I just want to take the opportunity, with this piece of legislation before the chamber this afternoon, to indicate that Australians generally understand and appreciate the contribution of those who raise a family. Certainly it does cost. It is a very important contribution to raise a healthy family that is able to participate fully in the community, and it does take money to make that happen.

One of the things that I am very concerned about with this particular government is its entire attitude to the need for families to have some security about the funding that they are going to receive and also the outrageous way in which it has attacked the family tax benefit A and B schemes since it has come to power. We cannot forget that in its first budget, that horror budget of Mr Abbott in 2014, this government, which now claims to articulate a point of fairness as part of its policymaking, started out by wanting to take $8.5 billion from family tax benefits. The reason I really want to participate in this debate is that people might be listening and might pick up different parts of the debate along its journey, and the reality is that that $8.5 billion worth of cuts would already be a reality if it were not for the passion and energy of people on this side of the chamber, with support from the crossbenches, who prevented the worst excesses of what this government wanted to do. So, when government members stand up and start to act like they want to be the friends of families, I think it is important to record in the Hansard, in this speech, that this is a government that cannot be trusted with family benefits A and B, nor can it be trusted when it starts to use the language of fairness, because fairness is simply not a part of its DNA.

Indeed, in her remarks in the other place, Shadow Minister Macklin indicated the only reason that the government were pulling back from cuts of $4.8 billion as recently as just last week. This is how she expressed it:

Today the government are admitting they cannot get these cuts through the parliament. Australian families now want to know what this Liberal government are going to do next. Are they still committed to these cuts or will they be abandoning them forever? It is time … for this Turnbull government to come clean with Australian families. Next week—

she was referring to this week—

is the last week of the parliament before Christmas. It is time for this Prime Minister to give families the certainty that they will not be faced with another round of cuts in 2016.

It is a fact that it is only continued resistance and opposition from the Labor Party that have prevented the whole of the community being incredibly negatively impacted by the values choices of who the government want to support and who they are ready to hurt.

On the other side, in the government, people are more than willing to impact negatively on families. There are large businesses, multinationals, which we know from much evidence before the Senate are avoiding any taxation at all in this country. This government chooses for big businesses to keep their taxation dollars in their corporations and was ready to slug every Australian family across the country and claw back $8.5 billion from families.
Let us talk about the new changes to child care. First of all, child care was taken away from education, its natural place, and put with social security. I can put on the record that I spoke with people in the great state of New South Wales who were subjected to a diatribe from Minister Morrison about his view of child care and the shameful way in which he completely ignored the responsibilities of childcare workers to support families and to engage in education rather than childminding, slowly driven at pushing people to jobs. Can I say that, if you live in regional or rural Australia, finding those jobs that we keep hearing about that people are being pushed towards is a pretty hard thing to do. In addition to that, where those jobs do exist in regional and rural Australia, particularly in the retail and hospitality sector, this government is going after those workers and trying to take money away from them as well, getting rid of penalty rates and imposing terrible restrictions on people in the workplace.

Can I make a couple of remarks also around the argument that is being put by this government in its various iterations, with regard to this particular policy area, that it can only deliver childcare changes if it makes these sorts of cuts. That is a modesty skirt, really, for a shameful attack on families. Labor rejects this entirely. Senator Sinodinos actually said in budget estimates that there is only one reason that this government has decided to link child care with cuts to family tax benefits, and that is for political purposes. Those are his words: 'They're linked for political purposes.' This is what we see from this government all the time: an attempt to pull the wool over the eyes of the Australian people and to damage families, to hurt families, as much as it possibly can while propping up the other end of town.

In terms of child care, let us just get on the record a couple of points that the shadow minister for education, Kate Ellis MP, made today. One is that one in four families stands to be worse off under the government's childcare changes. So here they are saying, 'We're making these changes because we're going to really improve child care,' and the reality is that the impact is that one in four is going to be worse off under the government's childcare changes. I think the shadow minister was right in indicating that a methodology of the government is that they choose sound bites over substance every single day, and they are simply not putting the facts on the table. I was listening to the contribution of Senator Moore, who pointed to some very significant evidence that the committee had acquired and also the importance of the information that was in the Bills Digest about the way in which the piece of legislation that is before us needs to be given very close scrutiny moving forward.

I want to close my remarks by indicating that, if the beneficiaries of these cuts are to be childcare providers and the families who need to seek child care, we have many, many more questions that need answering before we can trust this government. After 21 months of waiting, three different ministers and the rising out-of-pocket fees that have happened on this government's watch, parents still have no idea about how that change is going to impact them. The modelling on that, which the government is not releasing, is akin to the kind of deceptive behaviour, the hiding of information, that so characterises this government at every turn.

In closing, I would like to just indicate that Labor will support this particular piece of legislation. But we will continue to fight for fairness for families and to prevent the worst excesses of a government that pretended to be the best friend of families but continues through its legislation at every turn to demonise families and to make it harder for families to raise children healthily and well. In doing that, it is wasteful in the way that it is distributing the money across the economy and across our community needs.
Senator XENOPHON (South Australia) (18:13): Family payments are a complicated policy area. It is therefore unsurprising that the changes proposed by the government in the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015 have been subject to appropriately intense scrutiny in the media and most particularly by those who would be most deeply affected by them. This particular social services legislation amendment bill contains three schedules. I note that the government has amendments to this bill, which I will address shortly, but for the sake of clarity I will spend a short time going through each of the three schedules.

Schedule 1 of the bill seeks to increase the family tax benefit A fortnightly rate by $10.08 for each family-tax-benefit child aged up to 19. That amounts to an additional $262.80 per child per year for families with children eligible for this payment. It also modifies the methods used to calculate the maximum rates of youth allowance and disability support pension in order to ensure that there is no financial incentive for an FTB child—for want of a better word—to leave full-time secondary study to claim youth allowance. These changes will take effect from 1 July 2018, two years later than the cutbacks proposed by this bill.

Schedule 2 of this bill relates to payment rates for family tax benefit part B. It is also the schedule the government's own amendments relate to. In its original form, schedule 2 provided that from July 2016 a new tax structure will apply to family tax benefit part B. It also makes amendments to the rules relating to part B payments. The explanatory memorandum provides the following summary of the changes to family tax benefit part B proposed by the bill. It will increase the standard FTB B rate by $1,000.10 per year for families with a youngest child aged under one, and introduce a reduced rate of $1,000.10 per year for single-parent families with a youngest child aged 13 to 16. The current FTB part B rate for children in this age range is $2,737.50, so there is a significant difference. Schedule 2 of the bill will also extend the $1,000.10 rate to couple grandparents with an FTB child who is aged between 13 and 16. Finally, schedule 2 will remove family tax benefit part B for couple families other than grandparents when their youngest child is aged 13 or over.

Schedule 3 of the bill relates to the family tax benefit part A and part B supplements. It proposes to reduce the part A supplement from $602.25 a year from 1 July 2016, and $302.95 a year from 1 July 2017. The part A supplement would then be withdrawn completely from 1 July 2018. Schedule 3 also proposes to phase out the family tax benefit part B supplement. It will do this by reducing it to $302.95 a year from 1 July 2016 and to $153.30 a year from 1 July 2017. The part B supplement would then be withdrawn completely from 1 July 2018.

I have set that out, and it is my 'readers digest' version of the bill, because there is a lot of confusion about how these benefits interact and how they will impact on others. I have been getting many calls from constituents in relation to this. The amendments will remove schedules 1 and 3 from the bill. These schedules relate to changes to the family tax benefit part A rates and the phase-out of the family tax benefit part A and B supplements. The government is also amending schedule 2 of the bill to remove the amendments that would increase the standard rate of FTB part B to $1,000.10 for families with a youngest child aged under one. This amendment also removes the changes that would see single-parent families with a youngest child aged between 13 and 16 have their FTB part B payment reduced from $2,737.50 to $1,000.10.
As a result, the bill before us today only deals with the proposal to remove family tax benefit part B for couple families other than grandparents with a youngest child aged 13 or over. The withdrawal of this payment will occur on 1 July 2016. The supplementary explanatory memorandum sets out what that will mean. It also states that the expected savings to government from the measures in this amended bill will be $525.5 million over the forward estimates. The government has amended this bill significantly, and that is welcome. I think that what the government put up last year in the budget was draconian. It was unfair and it would have caused an enormous amount of damage to families. These changes do involve some cuts, and that does concern me. It is, however, positive that approximately 3,900 grandparent carers will continue to access FTB part B when the youngest child in their care is between 13 and 18 years old, and it will help to ease the enormous financial strain facing grandparent carers.

In South Australia, Grandparents for Grandchildren SA is a wonderful community organisation that John and Denise Langton established a number of years ago. I remember it well because I worked with them for the establishment of the organisation when I was a South Australian member of parliament. They have explained to me the additional burdens that grandparents have in relation to this. Without the help of people like John and Denise and many others, thousands of children would be worse off. And I think it is a good amendment in relation to this.

In relation to the bill before us, it is my understanding that the opposition supports this bill in its amended form, and therefore it will pass. I support the measures in this bill as amended. I reserve my position in relation to the measures that have been omitted by the amendment, including the proposed changes to FTB B rates for single-parent families as well as the phase-out of the FTB A and FTB B supplements. I do welcome the government shifting its position from seeking to cut benefits at the age of six, moving it up to 13. I call that the 'Macaulay Culkin' amendment because I feel that it would have meant many kids would have been left home alone because of the severe financial pressures it would have placed on those families. At least that is a small mercy in relation to the scheme of this bill.

So I support the bill and I am looking forward to what the government's position will be in relation to other aspects of this, because I do not want to see single parents, particularly, in effect have to subsidise the government's childcare package. So I think that there is still much work to be done, but this is at least a significant improvement on what was proposed last year.

Senator FIERRAVANTI-WELLS (New South Wales—Assistant Minister for Multicultural Affairs) (18:20): The Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015 will introduce a package of reforms that will assist in supporting families while encouraging parents' participation in the workforce.

Following amendments made in the House, the changes in the bill focus on structural reform of the welfare system by targeting family tax benefit part B payments, which are designed to support families on single incomes, to better balance the work and caring responsibilities of families with the least capacity to increase workforce participation. The bill will remove eligibility to FTB part B for couple families other than grandparents with a youngest child aged 13 or over. This limitation is consistent with this government's broader participation agenda and supports the policy imperative that families be encouraged to enter
or re-enter the workforce when their children begin secondary school and become more independent.

As noted, the remainder of the savings proposals will be reintroduced as part of a new bill. After constructive consultations with the Senate crossbench and senators, the government will ensure that single parents aged over 60 years and grandparent and great-grandparent carers with a youngest child aged 13 to 18 years will be eligible to receive FTB B at the standard rate. However, single-parent families and grandparents with a youngest child aged 13 to 18 years will continue to be eligible for FTB part B. This acknowledges the role of grandparent carers, who are less likely to be in the workforce, and helps with the cost of raising their grandchildren. The bill similarly recognises the difficulties encountered by single parents in transitioning into work and so provides additional, appropriate assistance while they prepare to re-enter the workforce.

The level of financial support provided by FTB part B is higher for families with the youngest child aged four and under, in recognition of the higher need for parental provision of direct care of children, and reduces when the youngest child turns five, moves into compulsory education and gives primary carers greater capacity to move into the workforce or increase their workforce participation. Where a youngest child has reached the age of 13, the government considers it appropriate to expect primary carers to engage in the workforce or increase their workforce participation.

While this measure will reduce the assistance to couple families once their youngest child turns 13, they will retain eligibility for income support or social security payments for themselves and assistance for dependant children through FTB part A or youth income support payments.

In summary, this package supports better targeting of FTB part B to families with one main income that have more limited capacity to enter the workforce or increase workforce participation. The reform demonstrates the government's commitment to families by supporting family choice to spend more time with their children when they are very young if they wish to do so and recognising that some of the most vulnerable families, such as grandparent carers and single-parent families, have limited capacity to increase workforce participation as their children age. They should receive support during the child's adolescent years. At the same time, these reforms will improve the sustainability of the family payments system by ensuring that we can achieve three important goals: (1) continue to assist families in raising their children over the long term, (2) fund the childcare reforms designed to enable and encourage greater workforce participation and (3) better target support to those who need it move. The bill also makes it clear that great-grandparent couple families as well as grandparent couple families will not be affected by the initiative introduced in this bill.

I conclude my comments by noting comments made by Minister Porter today in a media release. He states:

When we first announced the FTB reforms, we said we were willing to listen to sensible observations. I thank the senators for their engagement and we will continue to talk to them to work towards securing the passage of this important bill.

The DEPUTY PRESIDENT: The question is that the bill be now read a second time.
The Senate divided. [18:29]
(The Deputy President—Senator Marshall)

Ayes ...................... 35
Noes ...................... 11
Majority ............. 24

AYES
Abetz, E
Bilyk, CL
Bushby, DC
Canavan, MJ
Fawcett, DJ (teller)
Gallacher, AM
Leyonhjelm, DE
Lines, S
McAllister, J
McKenzie, B
Moore, CM
O’Neill, DM
Peris, N
Reynolds, L
Ryan, SM
Sterle, G
Wang, Z
Xenophon, N

Back, CJ
Bullock, JW
Cameron, DN
Edwards, S
Fierravanti-Wells, C
Ketter, CR
Lindgren, JM
Marshall, GM
McEwen, A
McLucas, J
Nash, F
Payne, MA
Polley, H
Ronaldson, M
Smith, D
Urquhart, AE
Williams, JR

NOES
Hanson-Young, SC
Lazarus, GP
McKim, NJ
Rhiannon, L
Siewert, R (teller)
Whish-Wilson, PS

Lambie, J
Ludlam, S
Muir, R
Rice, J
Simms, RA

Question agreed to.
Bill read a second time.

Third Reading

The DEPUTY PRESIDENT (18:31): 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—Assistant Minister for Multicultural Affairs) (18:31): I move:

That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Sitting suspended from 18:32 to 19:30
BUSINESS
Rearrangement

Senator PAYNE (New South Wales—Minister for Defence) (19:30): I move:

Question agreed to.

BILLS

Veterans' Affairs Legislation Amendment (2015 Budget Measures) Bill 2015
In Committee

Bill—by leave—taken as a whole.

The TEMPORARY CHAIRMAN (Senator Williams): The question is that the bill stand as printed.

Senator PAYNE (New South Wales—Minister for Defence) (19:31): I table a supplementary explanatory memorandum relating to the government amendments to be moved to this bill, which I understand were circulated in the chamber earlier today.

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (19:31): I rise to address Labor's support for schedules 1 and 3 of the bill. Labor also supports the government's proposed amendments that would ensure that schedule 2 of this bill does not proceed at this point in time. In light of the government's decision with respect to schedule 2, the opposition will not be moving the amendments to the bill circulated on sheet 7753 and 7754 at this time.

Schedule 1 of the bill will affect changes that will enhance the Veterans' Vocational Rehabilitation Scheme, or VVRS, and the Veterans' Entitlements Act. This will mean that an amount equivalent to the permissible earnings for special and intermediate recipients will be disregarded for VVRS participants when determining whether the person's reduced daily pension amount should be increased and will give them the same benefit from permissible earnings as is received by a non-participant of the VVRS.

Schedule 2 of the bill was intended to streamline the appeals process into a single pathway for a reconsideration or review of an original determination under chapter 8 of the Military Rehabilitation and Compensation Act.

Schedule 3 of the bill will expand the war graves regulation-making power under the Defence Act 1903 to include graves of service dependants buried in Terendak Military Cemetery in Malaysia.

As we said, Labor supports schedules 1 and 3 as sensible and welcome measures, but it does, however, have concerns with measures proposed in schedule 2. The goal of improving the manner in which determinations of the Department of Veterans' Affairs are managed was identified in an important report undertaken by the previous government—namely, the Review of military compensation arrangements. The review was accepted by Labor's former veterans affairs minister, the honourable Warren Snowdon, in May 2012. While this report was cited by the current government as justification for schedule 2, we would do well to recall the...
report's recommendations. In particular, I draw senators' attention to the following parts of the report:

17.91 If no cost awards are available under the single path, members pursuing claims for peacetime service (who do not have access to merits-based legal aid) are put at a disadvantage. Currently, the availability of the second path allows this to be taken into account.

17.92 Implementation of a single path would therefore require rethinking the current position in relation to costs and legal aid.

17.94 However, the Committee’s preference is to have a full costs jurisdiction for all MRCA applicants at AAT level. This would allow legal and other representatives to assess the merits of cases and pursue them on a ‘no win, no fee’ basis.

Labor’s then Veterans’ Affairs minister, Mr Snowdon, accepted the report’s recommendations as they pertained to establishing a single appeals pathway for our veterans. Labor continues to support the ideal of establishing a single appeals pathway for our veterans, but that single appeal pathway must achieve certain key policy goals. It must be fair. It must present both the DVA and individual veterans with the opportunity of procedural fairness. It must be appealable on fair terms. It must aim to lessen the time that veterans spend bogged down in an appeals process. Labor is not convinced that these important goals have been met in schedule 2, as presently drafted.

We thank the Minister for Veterans’ Affairs for his constructive approach with this bill and willingness to listen to the concerns of Labor, the crossbench and other stakeholders. We commend the course of action to the chamber.

Senator LAMBIE (Tasmania) (19:34): I rise to contribute to the in-committee debate on the Veterans’ Affairs Legislation Amendment (2015 Budget Measures) Bill 2015. When the minister replies, I will seek clarification and confirmation on whether schedule 2, clause 9B has been omitted from the amended version of the legislation. It appears that the contested and controversial schedule 2 will be scrapped by this government. There are many nervous veterans who would like to hear the words from the minister, personally.

I have no objections to schedule 1 and schedule 3 of the proposed government legislation. Schedule 1—$0.7 million over the next four years—will expand the range of services available under the Veterans’ Vocational Rehabilitation Scheme, the VVRS, and make changes to the way certain periods of work undertaken as part of the VVRS, income earned from that work and periods of unemployment affect the rate of disability pension and/or service pension paid to participants. As a matter of fact, I welcome that. I congratulate the government for doing that. That is a wonderful thing. I know that there are a lot of veterans and families who are very appreciative of that.

Schedule 3, relating to the graves of dependants of member of the Defence Force—at a cost of $1.8 million over four years—allows the Minister for Veterans’ Affairs to amend Regulation 31 of the Defence Force Regulations 1952 so as to provide for the repatriation of the remains of service dependants buried in the Terendak Military Cemetery in Malaysia.

However, I do have concerns and suggestions for schedule 2 and specifically clause 9B which I strongly oppose. This provision, as it stood in the unamended legislation, undermined and weakened veterans’ fundamental legal rights and decreased their chances of appealing bad decisions made by the Veterans’ Review Board. The provisions, which would have harmed
our veterans, relate to the legal costs, which can be awarded to veterans by the Administrative Appeals Tribunal for successful appeal applications to decisions made in the Veterans' Review Board. Under the current system, costs can be awarded to veterans should their appeal to the higher authority, the AAT, be successful. That right to access costs would be taken away from our veterans should this legislation be passed in its original form, or indeed in an amended form which was leaked to me. It was there in black and white at clause 9B, which read, on the version that found its way into my office somehow:

After subsection 357(6) Insert

(6A) if in any proceedings, the Tribunal varies or sets aside a reviewable determination made by the Board, the Tribunal must not make an order under subsection (2) or (4) in favour of a claimant in relation to the costs of those proceedings if:

(a) In the course of the review by the Tribunal, the claimant provided to the tribunal a document relevant to the review, and

(b) The tribunal is satisfied that, at the time when the Board made the reviewable determination, the Board did not have the document, nor was the document reasonably available to the Board; and

(c) The Tribunal is satisfied that, if the Board had the document at the time when the Board made the reviewable determination, the Board would have made a determination more favourable to the claimant than the reviewable determination.

Translating that legal speech into easily understandable English, it means that, if the veteran introduces to their legal process new information as part of their appeal in the form of a doctor's report, supporting statements from former ADF colleagues, witness statements from family and friends, medical statements from GPs outside the defence system, personnel files from Defence, summons documents or psych documents, then that veteran will have to pay for their legal costs, even if the veteran wins their case before the independent appeals tribunal. This provision was clearly designed to deter veterans from appealing decisions made by the Veterans' Review Board.

Who would appeal a bad decision if you would be forced to pay for the legal costs no matter what the outcome of the legal proceedings? That is exactly where we were heading. Most fair-minded Australians would expect that, if an independent judicial tribunal found in favour of a claim by one of our veterans, that veteran's legal costs would be reimbursed. It was not the veteran's fault that a wrong decision was made in the first place, so why should they be forced to pay extra for what was essentially a government mistake?

Without the amendment, it would have made things significantly harder for the veteran and their personal legal team to subject the Veterans' Review Board decision-making process to independent scrutiny. While the government likes to peddle the mistruth that the Veterans' Review Board is a fair and independent body, the simple fact is: veterans are not allowed to take their solicitors into those hearings, and many of the members of the VRB are legally trained. I do not see where the fair playing ground is in that. We have a situation where, quite often, the veteran and his or her advocate, who do not have official legal training, walk into a room full of government representatives who have official legal training. To rub salt into what has become a gaping wound, the public servants who serve on these government bodies, should they have a grievance and want to appeal before the AAT, will be able to be awarded legal costs should their appeal be upheld. It is a shocking example of where public servants are being treated better and given more legal rights than our veterans.
Before I close, I would like to broadly comment on the state of affairs within Veterans' Affairs. I had high hopes when the old minister, Minister Ronaldson, was replaced with the new minister, Stuart Robert. Those high hopes lasted for about five minutes into my first and likely my only meeting with Minister Robert. It is clear from the tone and attitude of the new Minister for Veterans' Affairs that, despite the fact he is a veteran himself, his loyalty is to the Liberal Party and not his former comrades, certainly not the diggers from non-commissioned ranks. That is for sure. I raised a couple of very important veteran cases with the new minister, and his dismissive and misleading comments shocked me to the core.

The only hope I have for justice to be delivered to veterans who have been betrayed, bullied and ignored by successive governments is for a royal commission to finally be established. We will get there in the end. A royal commission would give thousands of veterans a chance to put their hands on a Bible, tell the truth and lift the lid on the dysfunction, endemic corruption, abuse of office, misconduct and cover-up from the highest levels of Defence and Veterans' Affairs. It will take a massive backlash from the public to force this government into establishing a royal commission, but I am confident that, when the stories of veterans like Marcus Saltmarsh, SAS Trooper Evan Donaldson and Jordan Woodruff, just to name a few, are properly told, the white-hot anger from the Australian people will be felt, even by politicians who think they are untouchable in this reinforced and insulated building.

In closing: when the minister replies, I seek clarification and confirmation from her that schedule 2, clause 9B, has been omitted from this amended version of the legislation.

**Senator WHISH-WILSON** (Tasmania) (19:41): Mr Temporary Chairman, I was going to see if the minister wanted to respond to Senator Lambie with that confirmation. Perhaps you could get her to do that in a second. I will just say a few quick words. The Greens have been working constructively with all parties, especially in recent days, on this legislation. We have met with stakeholders. It does concern me how much influence a couple of legal firms have had in what we are discussing here today. There are other stakeholders, and the Greens have not been lobbied by any veterans' groups around this legislation, which I find quite interesting. Nevertheless, I think there seems to be a unity ticket on the fact that we need a simplified single pathway for veterans' review. That seems to be acceptable to all stakeholders. However, we are not going to be voting on that tonight, I understand. That will come back next year. It has been sent off to committee. I have read those reports. I think it is time to be constructive and actually get an outcome for veterans, rather than just attacking the government, which I see all the time.

We do understand that this is complicated, that there is history and a lot of individual cases, but I do believe the intent of this was to actually make this easier for veterans groups. I am glad that Senator Lambie insisted this went away to committee. The committee certainly made some constructive recommendations, including, as was mentioned earlier, the potential to award legal costs through the AAT stage. That is something the Greens actually approached the government with during the week, about an amendment. I think the government had already prepared amendments to that particular aspect of this bill, but that will be dealt with at some stage in the future. The Greens are quite happy to vote for amendment (3), opposing schedule 2, and to support amendments (1) and (2).
Senator LAMBIE (Tasmania) (19:43): I have got a packet of questions to ask, so, Minister, if you are happy to remove schedule 2 out of the whole mix—I know you have got a lot of legislation you want to get through in the week—I am happy to move it along and we will take the fight up next year. I am happy to do that.

Senator PAYNE (New South Wales—Minister for Defence) (19:44): Let me see what I can do to help. You will see on sheet JC277 government amendments (1), (2) and (3), the result of which will be the removal of schedule 2, in its entirety, from the legislation that we are considering now. I seek leave to move amendments (1) and (2) together.

Leave granted.

Senator PAYNE: I move government amendments (1) and (2) on JC277:
(1) Title, page 1 (lines 2 and 3), omit "military rehabilitation and compensation".
(2) Clause 2, page 2 (table item 3), omit the table item.

Question agreed to.

Senator PAYNE: The government opposes schedule 2 in the following terms:
(3) Schedule 2, page 8 (line 1) to page 9 (line 9), to be opposed.

The TEMPORARY CHAIRMAN (Senator Williams): The question is that schedule 2 stand as printed.

Question negatived.

Senator PAYNE (New South Wales—Minister for Defence) (19:45): Let me make a few remarks in summary and indicate to the chamber, the shadow minister and other representatives in the chamber that the government does intend to come back in 2016 with schedule 2, which will enable further discussion of the issues raised by Senator Lambie, Senator Whish-Wilson and Senator Conroy with respect to the provisions of that schedule. However, they are not part of this discussion tonight in any way, shape or form now that those amendments have been carried.

May I make just a few summing-up remarks. The bill before the chamber gives effect to two veterans affairs' 2015 budget measures that benefit the defence and the ex-service community. These benefits begin with enhancements to the Veterans' Vocational Rehabilitation Scheme operating under the Veterans' Entitlements Act. These enhancements to the scheme will expand the range of services available to include medical management and psychosocial services. These additional services can further assist a participant's recovery through comprehensive, individually tailored rehabilitation interventions that include treatment monitoring and case management, pain management, family education and counselling to assist a participant to adjust to their disability.

Further enhancements to the scheme will result in recipients of the special rate or intermediate rate of disability pension being able to retain more of their pension and a more favourable pension adjustment regime for participants who start the scheme but experience prolonged absences from the workforce. These enhancements to the scheme are designed to encourage participation of more eligible veterans and members so that they are able to benefit from the substantial long-term health benefits that are associated with rejoining or remaining in the workforce.
Finally, the bill will amend the Defence Act to enable the repatriation of the remains of eight service dependants buried in Terendak Military Cemetery in Malaysia if requested to do so by the families of the deceased. A change in government policy in January 1966 meant that, whilst most veterans killed in action in Vietnam were repatriated to Australia for burial, 24 were in fact buried in the Terendak Military Cemetery in Malaysia. On 25 May this year, the former Prime Minister offered to repatriate the remains of these and a number of other Australian servicemen and service dependants buried in the Terendak Military Cemetery. These amendments will enable the War Graves Regulations made under the Defence Act to authorise the repatriation of the eight service dependants if requested to do so by their families.

These 2015 budget measures contribute to this government's commitment to recognising and meeting the needs of current and former members of the Australian Defence Force and their families. I thank members of the chamber for their consideration of this bill and their constructive discussion of those parts of the bill which have currently been excised, and I seek the support of the chamber.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

Senator PAYNE (New South Wales—Minister for Defence) (19:49): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015

Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator CANAVAN (Queensland—Nationals Whip in the Senate) (19:50): While I was finishing my first stint on this bill I believe I was speaking about the Labor Party's opposition to one element of the bill. The bill does a number of things. There are five schedules to the bill. There are a number of component parts to the fifth schedule. The first four schedules simply streamline the regulatory arrangements that cover tertiary education institutions providing services to overseas students. They do so in a way that is consistent with the additional regulation and oversight that has been put in place for institutions providing services to domestic students. The first four schedules to the bill are seemingly non-controversial, and certainly in the Senate committee government and opposition senators agreed with those four elements. The Greens opposed all, and I commented on the Greens' contribution in my earlier remarks.
There are four component parts to the fifth schedule. The fifth schedule is all about saving money for our higher education sector. We estimate that ultimately it will deliver savings of around $76 million a year if this red tape is reduced, including reducing reporting time frames for student default and allowing overseas students to pay more than 50 per cent of their fees up-front—not requiring them to do so. We have to be careful and keep in mind that that cap will still be in place and that an institution can only require 50 per cent of the fees to be paid up-front, but it will give students the choice. Finally, it will remove some of the arbitrary restrictions on the study period for overseas students. Those elements are agreed to, or seemingly broadly agreed to.

The only matter of contention between the government and the opposition at the moment relates to an issue around what is called the designated account. I will quote from the Labor senators' report on this bill, which defines a designated account. It says:

The designated account requirement was one of a range of measures introduced by the former Labor Government following the Baird Review of 2009. Together these measures have been successful in stemming reputational damage that had the potential to severely undermine Australia's international education sector.

The designated account requires institutions to put aside or to hold a certain amount of the funding or fees provided to them by overseas students in case there are allegations of fraud or underperformance. It is held almost in trust, if you like, and provides overseas students with that protection.

What the Labor senators' report fails to take into account—in what is only a few paragraphs of analysis, it must be said—is that since 2009 there has been a whole series of regulations and protections put in place, particularly in the domestic student sector. I did wax lyrical earlier about the Australian Skills Quality Authority and the Tertiary Education Quality and Standards Agency. These new bodies have put in place greater restrictions, greater oversight and greater regulation to cover the standards in place for domestic students. This legislation expands those protections and regulations to overseas students. Therefore, after lengthy consultation and review—a review established by the former Labor government before the 2013 election—the government has concluded that these designated accounts are not needed if we were to apply this whole new regulatory structure to our overseas students market.

Again, it is about protection and reducing red tape. Protections will be in place as a result of this legislation, including the expansion of powers for the Tuition Protection Service director, which provides protection for overseas students specifically. We feel that those protections are sufficient and that the existing arrangements introduce an uneven playing field between private and public operators. It is only private institutions providing services to overseas students that must put aside these designated accounts. That of course increases their costs, because they have the cost of keeping working capital aside that could otherwise be deployed in their business. That holding cost increases their cost of running their business and makes them less competitive relative to public institutions that do not need to hold these designated accounts.

These designated accounts do not specifically provide any protection or oversight to overseas students; they are simply a safety net in case something goes wrong. I am firmly of the view that we should absolutely make sure that institutions that are not providing quality services are penalised and are held to account and, indeed, have to make rectification and
restitution in the case of students not getting a good deal. But these current arrangements are imperfect because they are imposed on the entire education sector, including those institutions that do the right thing and offer high-quality services. Surely, we would not maintain that a majority of Australian education institutions are doing the wrong thing. But that seems to be some of the insinuation from the other side—that they are all suspect and we must have this overbearing and over-burdensome imposition on these institutions. I do not hold that view. I think we have a very high-quality education sector.

The whole purpose and objective of this legislation is to make sure that the sector maintains its competitive and high-quality services, particularly for the growing Asian region. I do not believe that we should tar the entire sector with a brush saying, 'We must impose these onerous obligations on all of you because we suspect that you might be doing the wrong thing.' I think most of them are doing the right thing. Sure we are always going to have bad apples that we need to root out, but this particular approach and this particular regulation is not the way to do that. The way to do that is to have in place proper accountability mechanisms and proper dispute resolution mechanisms—which this bill strengthens as well. We need to focus on bringing costs down and increasing the competitiveness of our sector, so that we can continue to provide a high-quality education sector and expand the exports that our education sector provides.

As I said, while we have a very competitive and very attractive higher education sector right now, we must be alive to the challenges, because there are institutions in other countries becoming better and lifting their standards—and, indeed, possibly doing that from an easier perspective, because they are not at the frontier like our institutions are. So we must always strive in that environment to stay one of the best places for overseas students to get a higher education degree.

**Senator COLBECK** (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (19:57): Firstly, I thank all honourable senators for their contributions to this debate and recognise the common perspective across the chamber on this legislation, regardless of political persuasion, is to ensure that there is a high-quality education system in this country that, as Senator Canavan has quite rightly said, is held to high-quality standards and to ensure that protection for students is maintained as part of that process. That is where this piece of legislation goes to.

The Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and the Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015 amends the Education Services for Overseas Students Act 2000, or ESOS Act. These bills deliver on the government's commitment to cut red tape and free up education institutions to invest in their growth and future success while maintaining Australia's stringent student protections. The bills are an important element of the national strategy for international education currently being finalised by the government. They will further strengthen the fundamentals of our education system by ensuring Australia maintains the highest standards through best practice quality assurance.

As honourable members would be aware, and as a number of senators have acknowledged during this debate, international education is Australia's largest services export. It outstrips personal travel. It is by far our largest non-resources export, directly and indirectly employing over 130,000 people both in our cities and in our regional areas. The latest figures from the
Australian Bureau of Statistics show export income from international education at a record high of $18.8 billion in 2014-15. To support future growth we need to have in place a long-term strategy to build Australia as the world's pre-eminent destination for international students. That means getting the fundamentals right and that is what the government argues these bills do.

The amendments to the ESOS Act through these bills remove unnecessary, and importantly duplicative, regulation to provide significant savings for education institutions, estimated at $75.9 million a year. This will allow education institutions to invest in innovation so they become even more competitive globally. By reducing the complexity in a number of areas, the changes in the bills will free up education institutions to focus on their core business of providing quality teaching and learning, ensuring the future sustainability of this important sector.

The bills have been developed in close collaboration with international education stakeholders over a considerable period of two years, including education institutions and peak bodies across all sectors—international students, national quality assurance agencies, state and territory agencies, the Department of Immigration and Border Protection and the Overseas Students Ombudsman.

Through our consultations on these reforms, stakeholders strongly endorsed a robust ESOS framework. They know that our reputation for quality is critical to the continued success of Australia's international education system. But they also believe some of the regulation we have in place imposes unnecessary costs without effectively addressing risk or benefiting students. This government is committed to upholding world-class standards in international education. We need to target regulation effectively and appropriately so that our quality assurance agencies—the Tertiary Education Quality and Standards Agency, TEQSA, and the Australian Skills Quality Authority, ASQA, can focus on the highest risk practices, and stamp out any poor practices, in the international education sector.

The first key streamlining measure in the bill makes minor amendments to the current restriction on education institutions receiving, or any student from paying, more than 50 per cent of their tuition fees before the course starts. Currently the only exemption from this restriction is for a short course of less than 24 weeks duration. The amendments will provide increased flexibility for students, or the person responsible for paying on their behalf, to manage their fee payments. It will enable them to take advantage of favourable exchange rates and have the convenience of paying only once if they choose. Importantly, students cannot be compelled by these amendments to pay more than 50 per cent of their tuition before their course starts if they do not wish to. The short-course exemption on collecting prepaid tuition fees will be increased slightly to 25 weeks to better reflect enrolment periods and to respond to feedback from education stakeholders. However, the government will retain the 50 per cent restriction on the collection of fees in all other cases so the original important protections remain in place.

The second streamlining measure removes the requirement for certain education institutions to hold all tuition fees paid by students before they start their course in a designated account. Under the current provisions this requirement only applies to private institutions. It is a costly and unfair impost on more than half our international education sector, simply because their main source of funding is not from the government. It limits their
competitiveness and their ability to invest in innovation and focus on their core business of providing education. It does nothing to reward those private institutions who do the right thing and who add so much to Australia's reputation for quality.

By removing the requirement on these providers to hold tuition fees in a designated account, education institutions will have greater operating flexibility. However, they will have the same obligations to protect students and pay the relevant levies through the Tuition Protection Service. The Tuition Protection Service will continue its important role in placing students on alternative courses and provide refunds where a provider ceases to operate, just as it does now. Where the regulators have concern about a provider's financial viability, conditions still may be imposed on the provider's registration at any time.

The third streamlining measure reduces reporting requirements on education institutions relating to information about students who default on their course—commonly referred to as a 'student default'. During consultations, stakeholders told the government these requirements were unnecessarily burdensome, disproportionate to risk and did not allow enough time for students and institutions to resolve issues and confirm that a default had actually taken place. This has the unintended consequence of students being at risk of inadvertently breaching the conditions of their student visa. Consequently, the streamlining regulation in the bill removes the requirement to report a student default and instead relies on other legislative provisions that require reporting of changes to a student's enrolment. However, the amendments retain the shorter reporting time frame of 14 days for certain information relating to students under the age of 18. This is to ensure the safety and wellbeing of this more vulnerable age group.

The fourth streamlining measure removes the concept of a short course as being less than 24 weeks. Again, during consultations stakeholders told the government this requirement was extremely burdensome. Many education institutions were forced to change their course structures and administrative arrangements to accommodate this requirement.

Other elements of the legislative framework already require a study period of up to six months and require providers to have a written agreement with each international student. The written agreement must set out the student's course details, tuition fees and conditions of refunds. These requirements protect students by preventing any unilateral changes by institutions to a student's study periods.

These reforms do not water down protections for international students or compromise our quality assurance settings; they improve quality by ensuring regulation is clear, importantly that it is targeted and is appropriate. This is central to ensuring the global competitiveness of Australia's educational institutions.

Today the Senate Education and Employment Legislation Committee handed down its report into the ESOS bills and the majority committee confirmed the government's position. The amendments do not water down regulation; they target it more effectively. I note the Greens' recommendation that the Senate reject these bills and claims that they unwind many of the protections of the Tuition Protection Service. I want to say quite clearly that this is not the case. I believe that has been reflected in my presentation today. These bills have the support of stakeholders and, most importantly, they have the support of international students.

I welcome the Labor senator's recommendation in support of streamlining reporting and regulatory requirements, which ease the red tape burden on educational institutions and assist
the regulators to target any poor practices. In noting the Labor senator's recommendation not to support the removal of the designated account, I reiterate that this proposal does nothing to weaken protections for international students. Students will continue to be protected by the Tuition Protection Service, arguably the world's best student protections in international education, and I pay credit to the opposition who established the process when they were in government in 2011-12.

Private providers already pay a higher premium under the tuition protection service. All providers' financial viability is assessed by the regulators ASQA and TESQA. The regulators can impose conditions on a provider at any time when they have concerns about financial viability. In the Senate committee majority report 'International Students and Stakeholders', the majority all support this amendment to ensure regulation is effective and well targeted.

The measures in these bills align the ESOS Act with the domestic quality assurance frameworks. Most significantly, they remove the previous reliance on government delegations for regulation which stems from the time when states and territories performed the quality assurance roles now largely performed by our national regulators. The ESOS Act will now ensure that ESOS agencies, TESQA and ASQA, and the Department of Education and Training have direct and clear responsibilities. The bills also ensure the states and territories retain their important role of assessing and recommending schools for registration by the Commonwealth under the ESOS Act. The result will be less administrative complexity and more emphasis on getting the regulation right as ESOS agencies TESQA and ASQA will have more time to focus on targeting poor practices in international education and take action against high-risk education institutions.

Institutions will benefit from streamlined administrative processes, saving them time and money. To ensure the appropriate oversight of TESQA and ASQA responsibility as ESOS agencies, the bills will now allow the minister to direct an ESOS agency in the performance of its functions under the ESOS Act. Stakeholder consultations on the bills identified the need to align the ability of ASQA and TESQA to take equivalent action under the ESOS Act. Consequently, where an institution's registration or course accreditation under domestic framework ceases, the ESOS agency will now be able to cancel, suspend or otherwise impose a condition on that institution's registration under the ESOS Act. This will ensure that regulatory action is robust and consistent between the ESOS and the domestic frameworks and improved transparency and equity for the institution against which the action is being taken.

Other measures will strengthen the operation of the Tuition Protection Service by enhancing the powers of its director and ensuring it has a more direct role in supporting the quality and integrity of international education. Powers will be vested directly in the Tuition Protection Service director to allow him or her to issue production notices to obtain information about education institutions suspected of being unable to meet their obligations to international students. The TPS director will also be able to make a recommendation to an ESOS agency about enforcement action that should be taken against an educational institution and this must be considered by the ESOS agency. These changes are all about supporting quality unambiguously to allow regulators to take action quickly against poor practices in international education.
The changes to the ESOS Act significantly reduce complexity and cut red tape without compromising Australia's strong student protections or our reputation as a world-class destination for international students.

Extensive consultation on these reforms, as I indicated earlier, over a period of two years has reiterated the strong support they have from the international education sector and the benefits that will flow to providers and students. I thank the international education sector for their genuine and constructive commitment to improving the ESOS framework and for supporting quality. I also thank members who have spoken in the debate and support the government's ambition for Australia to lead the world in international education. I commend the bills to the Senate.

Bills read a second time.

In Committee

Bills—by leave—taken as a whole.

Senator KIM CARR (Victoria) (20:14): by leave—I move:
1. Schedule 5, item 3, page 78 (line 15), after "the course.", insert "The provider must keep those fees in a separate account."
2. Schedule 5, item 9, page 79 (lines 13 and 14), to be opposed.
3. Schedule 5, item 13, page 80 (lines 4 and 5), to be opposed.
4. Schedule 5, item 15, page 80 (lines 8 and 9), to be opposed.
5. Schedule 5, item 18, page 80 (lines 21 and 22), to be opposed.

Could I indicate that in voting for these positions, if senators wish to support these amendments, they will be voting 'yes' for the first amendment and voting 'no' for amendments (2) to (5). I will put them as two separate blocks.

First of all, could I ask the minister a simple question: you mentioned that the savings for these measures for colleges will be $75 million. Is that per year or over the forward estimates?

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (20:15): That is per year.

Senator KIM CARR (Victoria) (20:15): In speaking to my amendments, can I indicate that savings of $75 million in an industry worth $18 billion per annum are quite small—quite small indeed—and the costs of getting this wrong may well be considerably more than $75 million to the affected colleges, particularly in the private industry operating within the international community.

In speaking to support these proposals I think it is worth reminding the government that its rhetoric about regulators operating in a robust manner—being able to act quickly to stamp out poor behaviour—flies in the face of lived experience. I am very concerned about the fitness for purpose of our regulators in higher education. I am very concerned as a result of the direct evidence that is presented to us almost on a daily basis.

Today, Vocation has announced that this college is closing up shop. There is no money in the bank and students are being sent on their way. How long has the government known how serious a situation Vocation was in? How many hundreds of millions of dollars have been paid to Vocation and its various subsidiary arms? Why did it take so long for the government's regulators to see the problem that the Senate committee managed to identify
quite quickly, and that newspaper columnists seemed to be able to identify quite quickly? Our regulators, the minister says, acting in a 'robust' manner, can act quickly—but, of course, that is certainly not the case.

If you take the situation with regard to the Australia Post example, the principals of two of the international colleges directly involved with that have now been charged with fraud. One of them had a streamlined visa approval—a streamlined visa approval—to channel people directly into these rorts, while the other college recently had its accreditation re-established without a site visit from the regulator. So it is a bit hard to have confidence in the regulators, given the evidence that we see before us on a regular basis. When the government says: 'We are moving these measures to deregulate this industry still further' then, faced with the evidence that is before us, I am always going to be concerned. This is particularly so when we are looking at a measure that was only introduced three years ago by the previous government to secure the moneys that students paid in advance of starting their course.

I will go through the detail of that in a moment, but I remind the minister as to why that fund was established. In principle, it was established to weed out the fly-by-night operators in international education—those colleges that did not have the resources to be able to fund a proper program; those colleges that lived from hand to mouth and had to use the deposits of students to fund their operating expenses. They are the people we do not want to see operating in this industry.

Let me go through the detail. The Tuition Protection Service and the OSTF only came into existence on 1 July 2012 to assist and support international students on student visas whose education providers were unable to complete the delivery of their course of study. The creation of this body and the Overseas Student Tuition Fund was a direct outcome of the Baird review. The Baird review arose because of the widespread malfeasance in this industry. The review said:

Adequately and appropriately supporting students in Australia is at the heart of the sustainability of the sector.

Further, the review found:

The recent dramatic growth in students coming to Australia, alongside the increase in vocational education and training (VET) providers offering a narrow range of courses linked to migration outcomes and sourcing students from a limited number of countries, has increased the risk of closures. This has put considerable pressure on the current tuition protection framework, with fears it is unsustainable. Consultation with key stakeholders and independent actuarial advice has informed the recommendation to replace the current arrangements with a single tuition protection service.

The review noted the inadequacies of the previous arrangements:

Recent provider closures and a lower rate of TAS placements have resulted in increasing calls upon the Fund with the potential to deplete the Fund's reserves, thereby diminishing the Fund's capacity to respond to future provider default events as required.

But when the TPS was set up by the Labor government of the day, the government said:

The centrepiece of the Amendment Bills is reform to strengthen tuition protection to ensure students receive tuition they have paid for or, as a last resort, a refund.

It is important to note, I might say, Minister, because it is so easy to forget just three years on. The explanatory memorandum said:
To further protect students, the pre-paid fees amendment is proposed to require all providers who do not receive a recurrent government funding to place pre-paid course fees for the first study period into a designated account. This account can only be drawn down when the student's first study period begins. By keeping pre-paid fees separate to day-to-day operating expense accounts, refunds will be more accessible before the student commences.

The minister introducing this legislation, the former member for Kingsford Smith, the Hon. Peter Garrett, said:

This will stop providers from using pre-paid fees for operating expenses … and encourage more sustainable business models.

Together with limiting refunds, this will mean providers are better able to meet their student refund obligations and there is less recourse to the TPS.

The defenders of abolition suggest that it is not needed, and as the minister stated in his summing up remarks, because the overseas student tuition fund fulfils the role of the designated accounts. That is simply not the way in which the designated accounts were designed to operate nor is it the way in which the overseas student fund was designed to operate. It is envisaged as a last resort not as a right. I repeat the point that I made in the second reading debate: if it operated in that way then the crisis that engulfed the industry between 2008 and 2011 would have seen the funds completely depleted.

So the evidence is really clear here of what happens if you are negligent in this regard. The designated account was intended to be the first level of protection for students in the event of provider closure. I want to repeat this: we simply cannot afford an industry that has operators in it that live hand to mouth, that have to dip in to the deposits of students to maintain their operations. That cannot be the way in which we encourage this industry to prosper. I am sure the sector understands the implications of this. If you say to most of these private providers, 'Would you like access to the students' money ahead of time?' of course they are going to jump at it, they are going to jump all over it. They are the same people who jumped all over this government for the last two years when it came to VET FEE-HELP. They are the same people who rip off students and undermine all the good providers.

The Tuition Protection Service in its statement, while acknowledging there will be those who want to remove the designated accounts obligation, argue it remains 'an area of potential risk for the TPS'. These are the people you are relying upon who are telling the Senate that this is an area of potential risk. The Tuition Protection Service say that they would prefer the retention of this integrity measure. I trust senators will note the opinion of the Tuition Protection Service. Their submission noted that the worst outcome would be the abolition of the designated funds obligation together with the removal of existing limits on prepaid fees. That, of course, is precisely what this bill is doing. While we have deep reservations about this, we are not moving an amendment on that but we do say to the government very bluntly that we are awake to this and are very anxious about how that will operate.

In its submission, the TAFE Directors told us:

In the current environment where there is so much public concern surrounding the actions of some less reputable private education providers, TDA feels it imperative that the requirement for retaining pre-paid student fees in a ‘designated account’ remains.

The NTEU said:
Supporters of the proposal to remove the designated account and 50% rules as a way of reducing provider compliance costs and red tape argue that it is justified as the international sector is more stable—

We have seen the evidence of that. That is just not the case that the sector is stable. Yes, it might be more stable than the crisis of 2009, but I would have thought most earthquakes would be than those events. I do not want to see those events ever return.

The NTEU went on to say:

While we acknowledge that there have certainly been improvements, supporters of the changes argue that the Regulatory Impact Statement (RIS) is premised on the assumption that the risk of the circumstances (that is, the turmoil the sector experienced over the period 2008 to 2011) which was the catalyst for these and other changes is now very low or non-existent. However, given the recent evidence of widespread problems within the private vocational sector … we are concerned that both the Government and the sector are seriously underestimating the current levels of provider risk. As such, the assumption that it is fine to pull back on regulatory protections is being made under a false premise.

Ged Kearney, President of the ACTU, advised the committee:

We oppose the removal of these provisions because they unnecessarily weaken protections for overseas students studying in Australia and threaten to undermine the international reputation of Australia’s tertiary education sector.

In light of the continuing evidence of predatory behaviour and exploitation of vulnerable students in the private for-profit vocational training sector, as documented in the recent Senate Committee report into this subject, now is not the time to be complacent about the need for such protections.

Even the Tasmanian Department of Education, the Liberal Tasmanian government, a government to which you are related, Minister Colbeck, as I understand, told us:

The designated accounts ensures that private providers are able to guarantee consumer rights of students and times of provider failure … The designated account should remain to provide this protection in the more viable Private sector.

So Labor maintain that the abolition of the designated account requirement is, in fact, dangerous. It has only been in operation for three years. It is the interaction of the designated account in the ESOS Act and the OSTF which has yet to be tested. The removal that this government is pursuing is blind ideology. Their assumption that the private sector should be treated the same as the public sector is wrong given the long and repeated history of failure by the shonky providers within the vocational education system.

This measure is grossly premature and grossly irresponsible. We would urge the Senate to support the propositions I have moved today to vote 'yes' to the first amendment and 'no' to the second block of amendments that I have proposed.

**Senator SIMMS** (South Australia) (20:29): The Australian Greens support the amendments proposed by the Labor Party because they are an improvement on what is bad legislation being proposed by the government. However, it does not change our view on the bill that the government has put before us today, and Labor's amendments fall short of addressing the issues with this bill. They do not stop the removal of the 50 per cent cap on up-front costs, for instance. They do not deal with the issue of weakening reporting obligations, and so they still expose students to risk.

The government have said that they have reason to be confident that the sector is in a good position and that somehow the sector is addressing the issues that have plagued it over the last
few years. Well, let's be very clear on this: the evidence certainly does not support that view. There is barely a day that goes by when there is not another humiliating scandal plaguing the VET sector in this country. There is not a day that goes by when there is not more news of students being exploited and ripped off.

The government talks about wanting to remove the red tape. Well, it is removing the red tape and rolling out the red carpet for shonks and rip-off merchants. That is what is going to happen if the government goes down this path. It is absurd to be going down the path of removing protections for students when the government has not got its house in order in terms of ensuring that there is quality for students and that students are going to be protected.

I have heard a bit of discussion during this debate about the idea of Australia relying on international students and building a reputation for excellence within the field of international students. Obviously Australia has some terrific education institutions, and we are competing internationally, but one sure way for us to damage our reputation on an international level is to remove the protections that ensure that students get a quality product here in this country. We do not want to see a situation where students are buying an expensive lemon and they are being ripped off and that is the product that they take back to their home country. We do not want to see that model, yet that is the path that the government are taking us down if they remove these protections.

I think Senator Carr is right when he talks about this government's ideological obsession with deregulation and what that means. We need only look at what it has been doing to the higher education sector over the last several decades. I recall all too well the Howard government's deregulation efforts when the Liberals were last in power and, of course, the deregulation agenda that they have been pursuing in this term of government, which they have put on ice but intend to revive after the next election should they be returned. All of this is part of an ideological obsession with this idea of leaving students at the mercy of the market and letting the market decide. That is the Liberal Party's agenda: using education as a means to make profit and wealth for big business and big providers and selling out the interests of students and, all too often, the most vulnerable members of our community. In this instance, we are talking about international students, people who come to this country often lacking resources and sometimes language skills. These are the people who are going to be ripped off by some of the shonky operators. It is integral that we have protections in place, and the Greens are always going to continue to advocate for those.

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (20:34): I thank Senator Carr for his amendments, and I indicate up front that the government will not be supporting them. I think Senator Carr actually belled the cat on his own amendments when he started talking about a business by the name of Vocation that has just gone belly up. The point that he made in talking about that business was that it had no money in the bank. This is one of the problems: it had no money in the bank. That means no money in its designated account, so where is the protection? That is one of the issues with the designated account process. I might add for completeness that Vocation did not have any international students, which is a good thing in this circumstance under this piece of legislation.

Senator Kim Carr: So it didn't need a designated account is the point you're making, is it?
Senator COLBECK: If it did, it would have needed to have one, but the fact that it had no money in the bank would have meant that the designated account would have effectively been useless. On the point made by the Greens in their discussion about some ideological process around deregulation, the point is that we want to see the appropriate regulation but we do not need to see duplication of regulation.

I paid credit in my contribution earlier to the previous government for the establishment of the Tuition Protection Service, because it is actually a good system. It is a world-leading system. The important thing to understand about where it sits now is that, as Senator Carr indicated in his speech this morning, it started with a relatively small amount of money: it started with a $5 million injection from government. I agree with Senator Carr's comment this morning when he indicated that he did not want government—we should say 'taxpayers'—to be propping up shonky operators, but in the context of the Tuition Protection Service that is not what is happening. That $5 million that was put in by government when the Tuition Protection Service was first set up is now three-quarters paid back, so that is being returned to government at an appropriate rate as the Tuition Protection Service grows, and the rest will follow. So the Tuition Protection Service is effectively industry funds paid by industry into a fund to provide protection against any failure from industry. So it is actually doing what Senator Carr wants it to do by the growth of the fund.

At this point in time, based on the latest information that I have available, the Tuition Protection Service has some $19.296 million in it—plus, to provide additional capacity should it be required, a $30 million insurance policy that sits on the back. The premium for that insurance policy is also paid out of receipts that are taken from education providers. So what we actually have and we will have once the $5 million is fully paid is a service and a system where education providers are providing the guarantee for any failures within the system. I think that is a good system. Rather than rely on the taxpayer, which I agree with Senator Carr that neither of us wants to do, we have a system where, through risk ranking of premiums or payments into the Tuition Protection Service—and I noted in my contribution earlier that private providers already pay more than public providers—there is also the capacity within that process to risk-rank providers. Where the Tuition Protection Service believes that there is a greater level of risk with one provider than another, they can be charged a higher amount for input into the service.

So I think that what we have in the TPS at this point in time is a very good system. Rather than bringing everybody in the system down to the lowest common denominator—the amendment that Senator Carr wants the chamber to agree to brings everybody down to the lowest common denominator, particularly the private providers, and, as Senator Carr indicates, there are very many good private providers—it provides the capacity for the system to provide a risk ranking against those who might present more risk to the system, charge them a higher amount and therefore reward the good behaviour of the good providers. By retaining the designated account, everybody in the system, regardless of whether they are good or bad, has to retain the additional expense of having that account. Worse, if they are a bad provider and if they are in financial stress, there may not be anything in the account, so you end up having to call on the TPS anyway. So you end up with a duplicating system, one that applies additional cost into the overall education provision service.
Senator Carr, you might think that $75-odd million is not a lot of money. In the context of $18 billion, it might not be seen as that. But this is a competitive international market. There is no question about that. It is a competitive international market, and making our businesses, our industry and our education providers, whether they be public or private, as competitive as possible in that international market does matter. It does matter. Education is now a global industry, and we are playing a very important part in that. As you indicate, Senator Carr, we have a very good reputation in that space. And the government, despite what you might like to say, want to ensure that we maintain that. But we want to maintain that with sensible regulation. We want to retain that with regulation that does not produce duplication. We want to maintain that with a regulatory framework that supports and rewards good behaviour.

We have, in the Tuition Protection Service, a system that can do that. We can raise or lower the amount of funding that we require to go into that system to ensure that there is an appropriate sum to provide the protections required. If you look at the amount of money, even with the concerns and the problems that have occurred over recent years and that have been taken out of the TPS so far, it amounted in 2012-13 to $649,941 and, under default funds before 1 July 2012 and under section 50B of the ESOS Act, $358,005, so in 2012 it was $1.07 million. In 2013-14, there was a total of $187,000; in 2014, $121,288; and, to 30 September 2015, $833. That is a total of $1.317 million.

So we have, as I said during my presentation, a balance of just over $19 million in there. There is the capacity to manage that and of course, as I indicated, a $30 million insurance scheme that sits over the top of it. So at the moment we have in the system a capacity of $50 million. That is being funded by the providers. I think that is the appropriate way to do that. They cannot escape it. They have to put their money in. There is no question about the designated account, because this is something that the TPS has control over.

I urge the crossbenchers to consider this quite carefully. This is part of a well-considered, well-consulted-on package of reforms. We think that there is the basis to go down this track because of the way that the TPS has been set up, because of the protections that it provides and because of the one example that Senator Carr gave about a business that went broke and had nothing in the bank. Had they done that as a provider of international education services there would have been nothing in the bank in the context of the designated account, so the TPS would have had to have been used in any circumstance. We do not believe that it is necessary to have both. We think that the structure and mechanisms of the TPS provide the protection that is required. As I said, I congratulate the previous government for the way they established the service.

Senator KIM CARR (Victoria) (20:45): The minister has misrepresented what I am saying about Vocation. I was saying that Vocation today announced that it was closing its doors and sending students on their way with no money in the account. Yet the government claimed they have robust regulatory supervision, and clearly they did not when it came to Vocation. And, as you have said, Vocation did not have any international students. That was not the point I was making. You are grossly misrepresenting my position. I am saying that you are relying upon regulatory authorities which have yet to demonstrate to my mind and to many others that they are indeed fit for purpose.

Let me refer specifically to the risk factor here. The explanatory memorandum notes:

While the designated account requirement was introduced to reduce risk to the TPS …
The Parliamentary Library points out:

While the ESOS agency can choose to impose additional safeguards in relation to providers considered to be a high risk, the ultimate effect of ... these provisions may be that the TPS is required to step in more often where providers fail to ... refund those fees ...

I am quoting from the Bills Digest, page 12. The issue here is that we have narrowed down our amendment to this particular issue around the designated funds. We have concerns about other aspects of this bill, this deregulation push, but this issue here stands to be a matter on which the Senate can make a judgement.

This is not the creation of a new fund; this is a protection of an existing fund. These amendments have the effect of keeping the fund that has only been in operation since 2012 in place, because the measures the government is proposing, I am suggesting, are premature. And in light of the evidence of the failure of our regulators to be able to deal effectively with the vocational educational system then it is indeed reckless.

The CHAIRMAN: The question is that amendment (1) on sheet 7801 be agreed to.

The committee divided. [20:52]

(The Chairman—Senator Marshall)

Ayes .................. 33
Noes .................. 30
Majority ............. 3

AYES

Bilyk, CL (teller)          Brown, CL
Bullock, JW                Cameron, DN
Carr, KJ                   Di Natale, R
Gallacher, AM              Gallagher, KR
Hanson-Young, SC           Ketter, CR
Lambie, J                  Lazarus, GP
Lines, S                   Ludlam, S
Ludwig, JW                 Marshall, GM
McAllister, J              McEwen, A
McKim, NJ                  McLucas, J
Muir, R                    Murdoch, NJ
O'Neil, DM                 Peris, N
Rhiannon, LJ               Rice, J
Siewert, R                 Simms, RA
Singh, LM                  Sterle, G
Urquhart, AE               Whish-Wilson, PS
Xenophon, N

NOES

Abetz, E                   Back, CJ
Bernardi, C                Bushby, DC
Canavan, MJ                Cash, MC
Colbeck, R                 Day, RJ
Edwards, S                 Fawcett, DJ (teller)
Fierravanti-Wells, C       Heffernan, W
Johnston, D                Leyonhjelm, DE
Lindgren, JM               Macdonald, ID
Question agreed to.

The CHAIRMAN (20:54): The question now is that items (9), (13), (15) and (18) in schedule 5 stand as printed.

The committee divided. [20:56]

(The Chairman—Senator Marshall)

Ayes ....................30
Noes ....................32
Majority ..............2

AYES
Abetz, E
Bernardi, C
Canavan, MJ
Colbeck, R
Edwards, S
Fierravanti-Wells, C
Johnston, D
Lindgren, JM
Madigan, JJ
Nash, F
Payne, MA
Ronaldson, M
Ryan, SM
Sinodinos, A
Wang, Z

NOES
Bilyk, CL (teller)
Bullock, JW
Carr, KJ
Gallacher, AM

Brown, CL
Cameron, DN
Di Natale, R
Gallagher, KR

CHAMBER
Question negatived.

Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 agreed to with amendments; Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015 agreed to.

Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 reported with amendments; Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015 reported without amendments; report adopted.

Third Reading

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (20:59): I move:

That these bills be now read a third time.

The PRESIDENT: The question is that these bills be read a third time.

The committee divided. [21:00]

(The Chairman—Senator Marshall)

Ayes .................51
Noes .................9
Majority ..............42

AYES

Back, CJ
Bilyk, CL
Bullock, JW

Bernardi, C
Brown, CL
Bushby, DC

CHAIRMEN

JOHN PACELLA (Chairman)

QUALITY ASSURANCE STAFF

JELISA MILLER
Question agreed to.
Bills read a third time.

**Australian Citizenship Amendment (Allegiance to Australia) Bill 2015**

**First Reading**

Bill received from the House of Representatives.

**Senator COLBECK** (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (21:04): I move:

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

**Senator McKim:** Mr President, can I speak to this motion?

**The PRESIDENT:** You cannot speak to this motion, but I am sure you can speak to a motion shortly.

Question agreed to.
Bill read a first time.
Senator COLBECK (Tasmania—Minister for Tourism and International Education and
Minister Assisting the Minister for Trade and Investment) (21:04): by leave—I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the bill, allowing it to
be considered during this period of sittings.

I 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 into Hansard.

Leave granted.

The statement read as follows—

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2015 SPRING
SITTINGS
AUSTRALIAN CITIZENSHIP AMENDMENT (ALLEGIANCE TO AUSTRALIA) Bill 2015

Purpose of the Bill

The Bill amends the Australian Citizenship Act 2007 (Citizenship Act) to broaden the powers
relating to the cessation of Australian citizenship for those persons who are dual nationals who engage
in terrorism and who are a serious threat to Australia and Australia’s interests.

In particular, the Bill:

- inserts a ‘purpose clause’ setting out the fundamental principles upon which the amendments are
  based;
- outlines the circumstances in which a dual citizen ceases to be an Australian citizen through their
  engagement in terrorism-related activities;
- outlines the circumstances in which the Minister may exempt a person from the operation of the
  amended Bill;
- provides for reporting on and monitoring of the operation of the arrangements in the amended Bill;
- provides for the protection of sensitive or prejudicial information in relation to that reporting and
  monitoring.

Reasons for Urgency

The Bill implements, in part, the Government’s response to the Review of Australia’s Counter-
Terrorism Machinery for a Safer Australia, to introduce initiatives to counter violent extremism and
manage the return of foreign fighters.

The existing revocation powers in the Citizenship Act are inadequate to address the Government’s
concerns in relation to persons who have acted contrary to their allegiance to Australia by engaging in
terrorist-related conduct. The amendments contained in the Bill are therefore necessary to provide
explicit powers for the cessation of Australian citizenship in specified circumstances where a dual
citizen repudiates their allegiance to Australia by engaging in terrorism-related conduct and to ensure
the safety and security of Australia and its people.

In their report on the Bill, the Parliamentary Joint Committee on Intelligence and Security made 27
recommendations.

The PRESIDENT: Senator McKim, you can speak to this motion!

Senator McKIM (Tasmania) (21:05): I do appreciate your counsel and advice, Mr
President. I would like to make it very clear to the Senate that, from go to whoa, this bill has
been an absolute bloody shambles. It started because it was floated by extreme right-wingers
in the Abbott government. It was floated by extreme right-wingers, like the member for Bass,
Mr Nikolic. It was taken to Cabinet and then unceremoniously leaked from Cabinet as soon as it got there by a cohort of people who did not like the approach that was taken by the former Prime Minister on the advice of Mr Nikolic and his colleagues. And, of course, that advice was to not only allow for the stripping of citizenship from dual nationals in this country but to allow for the stripping of citizenship from sole Australian citizens, who might have had an opportunity to apply for citizenship in another jurisdiction in the world. That of course would have rendered those people, at least temporarily and possibly permanently, as stateless people and would have contravened any number of international human rights treaties and protocols.

Then it was introduced in the House of Representatives in such a shabby way that there were actually typographical errors in the legislation. It was basically unreadable when it was tabled in the House of Representatives. Then it went into the closed-shop Parliamentary Joint Committee on Intelligence and Security, the bipartisan secret committee which has Labor and Liberal members in it. It was found by that committee to be manifestly inadequate, and it recommended a number of changes—27 in total. Then Labor fell in a screaming heap, as they so often do on national security measures, and fell into zombie lock-step behind the coalition government. Eyes glazed over, arms outstretched, Labor just joined in the zombie shuffle here.

Then, to make matters worse, today in the House of Representatives, bang, down comes another series of amendments, purportedly on the advice of the Solicitor-General, who has presumably awoken from a slumber and decided that there were constitutional issues with this legislation, notwithstanding the fact that Professor George Williams has pointed out on many, many occasions that there are significant constitutional implications with this legislation and that it is quite possibly unconstitutional and it quite possibly may be found to be unconstitutional by the High Court.

The first that we heard of these amendments was in the House of Representatives when the minister was on his feet debating this very bill this afternoon. But, interestingly, as our colleague in the House of Reps, Adam Bandt, was saying, in the revised legislation that contains the amendments, the revised schedule 1, headed 'Revised EH190', it makes it clear that they were actually completed and printed out on Friday last week. So these amendments have been kept secret by the Labor Party and the coalition parties in this Senate since Friday last week, and now the government has got the gall to come into this place and seek leave and move to have this legislation debated forthwith, when it only arrived in the Senate 10 short minutes ago.

This is a disgraceful abuse of parliamentary process, an outrageous collusion between the government and their mates on national security in the Labor Party. They are treating this parliament with utter contempt, and I say to the crossbenchers and I say to good longstanding senators in this place: you should stand up for the Senate here. You should vote against the motion that is currently before the Senate and give us all a chance to actually get our heads around the amendments that have been put through the House of Representatives and that appeared in the Senate only moments ago this evening.

This legislation covers an extraordinarily serious issue. We are talking about, by administrative action, taking Australian citizenship away from people. It ought not be a gift that a government or a minister can give and take, but that is what this legislation proposes to do. Interestingly and outrageously, not only are the government, with the cooperation of the
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Labor Party, proposing that; they are proposing to try and sneak it through in the dead of night this evening, with legislation heavily amended in the Reps that arrived in the Senate only moments ago, with amendments that nobody in the country, outside the closed shop of Labor and Liberal, had seen until this afternoon when they were tabled in the House of Representatives.

We want the opportunity to consult these amendments out. We want the opportunity to talk to people who are expert in this field and to understand their views. We want the opportunity to properly consider whether or not this legislation is likely to be struck down by the High Court, because I strongly believe that it is going to end up in the High Court. We want the opportunity to understand whether or not the High Court would be likely to strike this legislation down. The amendments that were moved in the House today, according to the government, were specifically concerned with trying to make sure this legislation could survive a challenge in the High Court. They were specifically concerned with that, and yet the Senate is proposing to roll over here this evening, like a dog that wants its tummy tickled, Senator Heffernan—and you are going to be part of it, someone who has been in here long enough to know better. You are going to be part of this collusion tonight. That is what is going to happen here tonight. The Senate deserves to be treated better than Labor and Liberal are proposing to treat the Senate this evening.

I remind members again: the first that anyone outside the closed Labor-coalition shop knew of the amendments that were tabled in the House was when they were tabled this afternoon, but we know, from the date on the footer of 'Revised EH90' of the Australian Citizenship Amendment (Allegiance to Australia) Bill 2015 schedule 1 main amendments, that these were completed at the latest at 5.12 pm on 27 November, which was last Friday. So where have these legislative amendments been for the last 72 hours? Where have they been? They have been kept secret from the Senate. They have been kept secret from the Australian people. That is what we are debating here—whether we should allow the government to get away with secrecy in the Australian parliament, with this utter lack of transparency in the Australian parliament. That is what we are being asked to vote on here.

It ought not occur like this. There is no need for this legislation to be brought on this evening—no need whatsoever. There is ample government time this week in the Senate to have this legislation debated. So you have got to ask: what is so urgent about bringing this legislation on tonight? I have a theory about that, and that is, Labor want this passed in the dead of night because they are ashamed of the position that they have taken on this. They are ashamed that you have got a Prime Minister in Canada in Justin Trudeau who is going to repeal legislation similar to this legislation which we are now being asked to pass. I think Labor are ashamed that a Liberal politician in Canada—a Prime Minister, I might add, who puts our Prime Minister in the absolute shade in the way he has embraced the responsibilities of his role—intends to repeal very similar legislation. I think Labor are embarrassed by what they are proposing to do here, which is to fall into lockstep with the government, as they always do on issues that are within the national security ambit.

What we are seeing in Canada is a very welcome return to sanity in that country, a very welcome acknowledgement from the Prime Minister, Mr Trudeau, that in fact citizenship ought not be the gift of a minister or a government to give or take. It ought not be able to be removed by the signature of a minister.
Senator Heffernan interjecting—

Senator McKIM: I will take the interjection because what Senator Heffernan is arguing for us to do is to export people who are labelled as terrorists into a global marketplace of violent, disenfranchised, radicalised people. In the view of the Greens, the best place for somebody who is a violent extremist, having been charged and convicted, is locked up in Australian prisons where they can do no further harm. But what do the government want to do and what are Labor going to support them doing? Buying them a plane ticket back to where they can pick up guns, pick up bombs and potentially harm or kill Australians. That is exactly what we will be debating when this legislation comes on today. That is going to be the question before the chamber either tonight or tomorrow when this legislation passes.

I am yet to hear a single argument as to how this legislation makes Australia or Australians safer; I am yet to hear it. This legislation owes far more to the government wanting to be seen to be doing something than it does to a coherent response to violent extremism. This government has no coherency when it comes to its response to violent extremism. We saw a tragic shooting in Parramatta only a number of weeks ago and within days the government was in here talking about reducing the age to which people can have control orders applied to them down to the age of 14. That was a completely political, knee-jerk response to that tragedy in Parramatta when, to the best of anyone's knowledge, the child accused of perpetrating that act was not on the police's radar or on the radar of the intelligence services anyway. But, still, in it comes because it wants to be seen to be doing something. As usual, Labor does not want to fight it on national security so it abandons principles like natural justice and the rule of law. It abandons coherence in its policy making and falls into a zombie shuffle behind the government.

The Greens will not be falling into a zombie shuffle behind the government. We will be standing up for the rule of law and we will be standing up for natural justice. We will be standing up in order to make Australians as safe as we can make them. One thing we do agree on is that one of the primary roles of government is to make Australia and Australians as safe as we can possibly make them. We absolutely agree with that. But where the government's logic and Labor's logic, by extension, is falling down is that they have made no argument as to how exporting violent extremists back into the global melting pots of violence, radicalisation and extremism makes us safer. We are basically saying to them: 'Go back over there and continue your radicalisation.' Should we not be locking them up in Australian prisons is the question I ask.

Senator Whish-Wilson: They're criminals and they should be—

Senator McKIM: They are criminals, as Senator Whish-Wilson says, and they should be locked up in secure Australian prisons where they can do no further harm to Australia and Australians.

Senator Heffernan interjecting—

Senator McKIM: What the government is prepared to do, including Senator Heffernan—

Senator Heffernan interjecting—

Senator McKIM: What? Buy them a plane ticket and send them back to Syria? Is that really the best we can do? I think we can do better than this legislation. The Greens and I think that we can do better than bringing this legislation on in the dead of night for a debate in
this place only scant minutes after the legislation arrived here and only scant hours after
crucial amendments were tabled in the House of Representatives while the minister was on
his feet. That was the first the broader Australian people, and certainly the Greens, had seen
of those amendments. Those amendments, as I said, according to the government, go directly
to the issue of whether or not this legislation is likely to be struck down in the High Court. I
saw the debate in another place today. Labor has not even seen the Solicitor-General's
advice—

Senator Heffernan: On a point of order: Bob just rang and said if you can't get him to go
and have a smoke, I might as well go and have one. May I leave the chamber?

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

Senator McKIM: Ta-ta, Senator Heffernan. I note for the record that Senator Heffernan is
fleeing the chamber because he has not got a logical leg to stand on in this debate. As I was
saying, according to the government, the amendments that the Australian people effectively
only saw for the first time a few short hours ago go directly to the question of whether this
legislation is likely to be struck down by the High Court. Labor have not even seen the
Solicitor-General's advice. They have taken the government on face value. That was made
very clear in another place by at least one Labor speaker earlier this afternoon. They have
taken the government on face value—again abrogating their responsibilities to this parliame
and to the Australian people.

As I said at the start of this contribution, this has been an absolute shambles from start to
finish. This is no way to make legislation in this place. I am actually shocked. I have only
been in this place a few short months, and I am shocked that I am having to stand here today
and defend proper parliamentary process against a gaggle of senators who should all know
better—and all have been in this place for a lot longer than I have. I am shocked that the
newbie has to stand up and give you guys a very well-deserved lecture about parliamentary
process here this evening. It has been an absolute shambles. This is a Tony Abbott driven bill
that he brought in at the whim of a few radical right wingers in his party, like Andrew
Nikolic—

Senator Rice interjecting—

Senator McKIM: They are extremists, Senator Rice; I could not agree more. It has been
unceremoniously leaked out of a cabinet process on more than one occasion. We have
basically had a public debate, with government ministers publicly and vehemently disagreeing
with each other, while the legislation was still in cabinet, I might add. I have to say, having
been a member of the Tasmanian cabinet for 3½ years and having had to put up with the
Liberal Party down there saying all kinds of things about our process, that it never happened
in the 3½ years I was in Tasmania that ministers went out and violently disagreed on matters
that were still subject to cabinet confidentiality. It never happened there, but it happened up
here in relation to this legislation.

We saw introduced into the House of Representatives legislation that was riddled with
typographical errors and, presumably, this legislation was still found to be likely to be
unconstitutional by the Solicitor-General as late as last week. As I mentioned earlier, we have
now had more amendments passed in the House of Representatives today, but we know that
those amendments were completed on Friday of last week, because that is the date on the footer of schedule 1, headed 'revised EH190'.

So let’s be very clear about this: Labor and the coalition are just making this stuff up as they go along. That has been the categorical out-take from this shambolic process over the last couple of months. You have been making it up as you go along, all the way through, and you have come in here tonight and are making it up as you go along in this place. We do not believe that is an appropriate way to make law in this country. We do not believe it is appropriate that the Senate be ambushed in such a way as Labor and the coalition are proposing to tonight, and we will not be supporting this motion.

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (21:26): A simple lesson for the newbie: this is the next piece of legislation on the Notice Paper. I am sorry, Senator, but, despite that 20 minutes of Greens' conspiracy—which is all very nice and we are all quite used to it; we have heard it any amount of times before—the way that the legislative process generally runs is that you work down the Red, and this is the next piece of legislation on the Notice Paper. That is why we have brought it on for debate now.

You have had a lovely vent for 20 minutes, and we have all sat here and enjoyed it. You have had an opportunity to have a crack at the opposition and have a crack at the government and to suggest that there is some dark and mysterious conspiracy theory around this whole legislation. That is complete bunkum. This is the next piece of legislation on the Notice Paper. Therefore, when we finished the last piece of legislation, we moved to this piece of legislation as it came up from the House of Representatives. It is not that complicated. So, despite all of the conspiracy theories—

Senator McKim: It is not complicated; it is wrong.

Senator COLBECK: We know that the Greens do not want to pass this piece of legislation. So I am not surprised at the stunt. We know that they oppose the legislation. We know that they want to do anything they can to stop it coming on. But the simple fact—the very, very simple fact—is that there is no conspiracy; this is the next piece of legislation on the Notice Paper and, therefore, when we finished the last piece of legislation, we brought on this one. It is not that complicated.

Senator Hanson-Young: I wish to speak to this motion introducing this bill, and I must say that I concur with absolutely everything that my colleague has mentioned.

The ACTING DEPUTY PRESIDENT (Senator Peris): I am sorry, Senator Hanson-Young, but the minister has closed this debate.

Senator Hanson-Young: I was just being polite letting him speak.

The ACTING DEPUTY PRESIDENT: The mover of the motion has closed the debate.

Senator Hanson-Young: I will add my contribution tomorrow.

The ACTING DEPUTY PRESIDENT (Senator Peris): The question is that the motion put by Senator Colbeck be agreed to.

The Senate divided. [21:33]

(The Acting Deputy President—Senator Peris)

Ayes .................40
Question agreed to.

**Second Reading**

Senator COLBECK (Tasmania—Minister for Tourism and International Education and Minister Assisting the Minister for Trade and Investment) (21:35): I move:

That this bill now be read a second time.

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

Leave granted.

*The speech read as follows—*

AUSTRALIAN CITIZENSHIP AMENDMENT (ALLEGIANCE TO AUSTRALIA) BILL 2015

I move that this Bill be now read a second time.

The *Australian Citizenship Amendment (Allegiance to Australia) Bill 2015* implements the commitment made by the Prime Minister, myself and the Australian Government to address the challenges posed by dual citizens who betray Australia by participating in serious terrorism-related...
activities. This Bill emphasises the central importance of allegiance to Australia in the concept of citizenship.

Australian citizenship is something to be treasured. It is a common bond which unites us all, whether we were born here or chose to make Australia our home. Australian citizenship involves a commitment to this country, its people and its democratic rights and privileges. Australian citizenship should not be taken lightly.

We face a heightened and complex security environment. Regrettably, some of the most pressing threats to the security of the nation and the safety of the Australian community come from citizens engaged in terrorism. It is now appropriate to modernise provisions concerning loss of citizenship to respond to current terrorist threats. The world has changed so our laws should change accordingly.

To ensure clarity of these necessary changes, a purpose clause has been inserted into the Bill. It states that by these amendments, the Parliament recognises that Australian citizenship is a common bond, involving reciprocal rights and obligations, and that citizens may, through certain conduct incompatible with the safety and shared values of the Australian community, demonstrate that they have severed that bond and renounced their allegiance to Australia. The intention of the changes is the protection of the community and the upholding of its values, rather than punishing people for terrorist or hostile acts. The purpose clause uses concepts from the existing Preamble in the Citizenship Act.

Allegiance is a duty owed by all citizens to their sovereign or state. A citizen's duty of allegiance to Australia is not created by the Citizenship Act, but is recognised by it.

The concept of allegiance is central to the constitutional term "alien" and to this Bill's reliance upon the aliens power in the Constitution. The High Court has found that an alien is a person who does not owe allegiance to Australia. By acting in a manner contrary to their allegiance, the person has chosen to step outside of the formal Australian community.

The Bill proposes three mechanisms for automatic loss of citizenship:

First, a new provision where a person renounces their citizenship if they act inconsistently with their allegiance to Australia by engaging in certain terrorist conduct.

Second, an extension to the current loss of citizenship provision for a person fighting in the armed forces of the country at war with Australia. The extension provides that a person ceases to be a citizen if they fight for, or are in the service of, a specified terrorist organisation overseas.

Third, a new loss of citizenship provision if the person has been convicted of a specified terrorism offence by an Australian court.

In accordance with Australia's international law obligations, no one will lose citizenship under any of these provisions unless they are a national of another country.

I now turn to examine the Bill in more detail.

New section 33AA is an extension of the current provision which allows a person to renounce their citizenship. The new section provides that a person who is a national or citizen of a country other than Australia renounces their Australian citizenship if they act inconsistently with their allegiance to Australia by engaging in specified conduct.

The relevant conduct is:
engaging in international terrorist activities using explosive or lethal devices;
engaging in a terrorist act;
providing or receiving training connected with preparation for, engagement in, or assistance in a terrorist act;
directing the activities of a terrorist organisation;
recruiting for a terrorist organisation;
financing terrorism;
financing a terrorist; and
engaging in foreign incursions and recruitment.

Automatic loss of citizenship will be triggered whether the conduct takes place inside or outside Australia.

The loss of citizenship will be immediate upon the person engaging in the relevant conduct. The Minister must give notice that a person has ceased to be an Australian citizen once the Minister becomes aware of the person's conduct giving rise to that outcome, but this notice does not affect when the loss of citizenship takes place. The Bill makes clear that this notice may be given at such time and to such persons as the Minister considers appropriate.

New section 35 provides for automatic cessation of citizenship if a person is a citizen of another country, is overseas and fights on behalf of, or serves, a declared terrorist organisation. A declared terrorist organisation will be a subset of those which are prescribed for the purposes of the Criminal Code. The Minister will declare those organisations that are opposed to Australia or Australia's values, democratic beliefs, rights and liberties.

New section 35A provides that a person automatically ceases to be a citizen if they are convicted of a specified offence. This provision relies on a court having determined criminal guilt. The relevant offences include treason, espionage, terrorism and foreign incursions.

The Bill provides the Minister with a personal power to rescind a notice advising a person that they ceased to be an Australian citizen and exempt a person from loss of citizenship under these provisions if the Minister considers it appropriate to do so in the public interest. If the Minister rescinds a notice and exempts the person then they do not lose their citizenship. The Minister does not have a duty to consider whether to rescind a notice and exempt the person from the loss of citizenship.

The Bill makes it clear that the new loss provisions apply to all Australian citizens, regardless of how they acquired that citizenship. There is no concept of "constitutional citizenship" in Australia and legislation has long provided that Australian citizens by birth can lose their citizenship in certain circumstances, such as fighting a war against Australia or, prior to 2002, becoming a citizen of another country.

The Bill also limits section 39 of the Australian Security Intelligence Organisation Act 1979 in relation to these provisions, such as giving notice of a loss of citizenship or rescinding a notice and exempting a person from loss. This means that the Minister may rely on any information provided by ASIO, whether it is preliminary information or whether it amounts to a security assessment or qualified security assessment.

It is intended to rely on the common law doctrine of Public Interest Immunity and the National Security Information (Criminal and Civil Proceedings) Act 2004 (known as the NSI Act) Act to protect such national security information in any subsequent litigation. The NSI Act protects information whose disclosure is likely to prejudice Australia's defence, security, international relations, law enforcement interests or national interests. The compromise of this information could possibly affect the security of the nation.

The Bill provides that a person who loses their citizenship for terrorist-related activities which demonstrate a breach of allegiance is not able to reacquire Australian citizenship in the future. This is entirely appropriate because such a person has shown that they are not capable of upholding their commitment to Australia and are not worthy of the honour of Australian citizenship.

I now turn to the issue of review rights. These provisions operate automatically, without a decision from the Minister. A person who loses their citizenship under these provisions would be able to seek a declaration from a court that they have not in fact lost their citizenship. Members would be aware that
there is no need to mention this explicitly in the Bill because the Federal Court and High Court both have original jurisdiction over such matters.

The loss of citizenship provisions in the Bill will not be retrospective. However, the Parliamentary Joint Committee on Intelligence and Security will inquire into this and other aspects of the Bill. The renunciation provision in section 33AA and the fighting or serving a terrorist organisation provision in section 35 will only apply to conduct after the Bill commences. The loss of citizenship following a conviction in section 35A will apply to convictions after commencement, although the conduct which forms the basis of the conviction could have occurred before commencement.

Conclusion

In conclusion, this Bill deals with the threat caused by those who have engaged in terrorist-related conduct that is contrary to their allegiance to Australia. It formally removes a person from the Australian community when they themselves have breached their allegiance to Australia.

I commend this Bill to the Senate.

Senator KIM CARR (Victoria) (21:36): Senators will be aware that this bill is one of the most controversial items of legislation to have arisen from the current concerns about global terrorism and the potential involvement of Australians in it, and that is as it should be. Citizenship is a cherished status which is about much more than the possession of a set of legal rights and obligations. Citizenship is what defines us. Our citizenship is at its core a statement of our identity, of our sense of belonging to a place and to other people who share that place with us.

Citizenship is not something that should be surrendered lightly and no-one should lightly be deprived of their citizenship. This bill contains many provisions intended to ensure that people cannot easily forfeit their citizenship and the right to call themselves Australian. This is important, particularly given what we have just heard: in respect of this bill, it is in a form, which has been introduced to the Senate today, which is vastly different from the original bill introduced in the other place in June. The bill we are now presented with was substantially amended in response to the recommendations of the Joint Committee on Intelligence and Security. It is because of those changes, which greatly constrained the power of the Minister for Immigration and Border Protection to deprive a person of citizenship, that Labor is willing to support the bill. We would not have supported a bill that allowed the loss of citizenship on trivial grounds, as this legislation certainly would have done in its original form. We would not have supported a bill that effectively created two classes of citizens and we would not have supported a bill whose provisions were open to manipulation by a government intent on exploiting fear in times of crisis. We are satisfied that those dangers have been considerably reduced by the diligent work of the joint committee and I acknowledge its contribution. There remains, however, a considerable cause of unease about this bill, which unfortunately the government has done very little to allay.

Many eminent constitutional lawyers who have examined the bill and in submissions to the joint committee and in the media commentary are of the opinion that it will be declared unconstitutional in any test case brought before the High Court. They argue even the amended form of the bill infringes the principles of the separation of powers by granting to the executive government prerogatives that properly belong to the courts. The government has insisted that its own legal advice from the Solicitor-General is that these objections are unfounded. It is curious then that the government refuses to release the Solicitor-General's
advice except with respect to one minor matter that resulted in a late amendment to the bill. I have a lot more to say in this matter in regard to the changes to the bill.

What I am talking about is a more fundamental question. If the government is confident that its legislation will stand, what possible justification could there be for withholding its advice? We have been left with no alternative but to take the government's assurance at face value. This is the government's legislation. This is the government's legislation and we have no option but to accept the government's assurance at face value that this will withstand a challenge. A consequence of that is, if the legislation is overturned by the High Court, the government must accept responsibility. I warn the government that challenges to the legislation are almost inevitable. The loss of Australian citizenship and of all the rights and protections that flow from it is an extraordinary sanction. No-one who believes that they have been unfairly or arbitrarily deprived of their citizenship is likely to let the matter rest.

The fundamental principle of this bill—that there are circumstances in which someone might deservedly lose Australian citizenship—is not, of course, a novelty. That principle has been enshrined in Australian law since the inception of the Citizenship Act in 1948. It has always been a provision of the act that dual nationals who fight in the service of enemy states thereby forfeit their Australian citizenship, but the world has changed considerably since 1948. Wars now are rarely declared and, more importantly, non-state actors such as Al Qaeda and IS have emerged as belligerents. It is no longer only by fighting on behalf of an enemy nation that someone can act in ways inconsistent with allegiance to Australia. It is appropriate that these changed circumstances should be reflected in a change in Australian law and that has consistently been Labor's position.

The need for change was never a matter of contention. What was in contention was the scope of the original bill. It potentially affected millions of Australians who were born overseas or are eligible to hold a second passport. And it did so without respect for their rights. The bill conjured up a nightmare vision in which people would notionally exclude themselves from the roll of Australian citizenry, with the minister acting as a kind of combined judge and jury to register their misdeeds. He or she would simply notify them that they had forfeited their citizenship for conduct that might be as trivial as damaging Commonwealth property or it might be that they posted a comment on social media that was constructed to incite violence. A more serious matter is that the reality was the intent of the comment and that the offence was proven in court. But it is deeply disturbing that this might have been considered grounds for the automatic revocation of citizenship. The amended bill will affect very few people—probably dozens but not the millions, the original intent.

The Australians who are most likely to be affected by this bill are those who fight for and otherwise directly contribute to the support of organisations such as IS. The amended bill applies only to perpetrators of serious terrorist offences or the most serious national security offences. The bill does not only provide for removal of citizenship after a conviction for a specific criminal offence and, unlike the original bill, the amended bill only allows removal of citizenship without conviction in the case of people who are outside Australia. In such circumstances, insisting on a trial and conviction would be impractical and most of those who would be deprived of their citizenship because of this bill will already have left Australia's jurisdiction.
I notice the context in which the government, on the Solicitor-General's advice, inserted a late amendment to the bill.

Before that amendment, the bill required the minister to consider whether to use his or her discretion to exempt a person from the automatic renunciation of citizenship that follows from engaging in terrorist activity outside of Australia. The Solicitor-General advised that this provision made the minister the 'effective decision-maker', thus violating the self-executing character of the scheme.

Labor does not regard this late amendment as a reason for altering our support for the bill. The essential change had already been made. The original bill allowed for the removal of citizenship when a person was in Australia and available for prosecution. That is no longer so. It is important that such people be brought before a court before any penalty is imposed—especially a penalty as severe as revoking citizenship. Our citizenship as Australians means that we live in a country that upholds the rule of law as a fundamental value. The rule of law and the protection of judicial processes should not be denied to citizens in normal circumstances, even when the matter is as serious as their allegiance to Australia. On the contrary, the more serious the accusation the more important it is that judicial protections be upheld.

When the bill was first mooted by the government it caused considerable apprehension in migrant communities. As I have noted, the scope of the original bill potentially affected millions, because so many Australians either are dual citizens or could become dual citizens. I remind senators why it is only dual citizens who can be affected by this bill. The UN Universal Declaration of Human Rights, to which Australia was a founding signatory and which was promulgated in the same year as the Australian Citizenship Act, guarantees everyone the right to a nationality. To be consistent with our international obligations, we cannot enact laws that would leave someone stateless. That fact, combined with the bizarre array of possible triggers for the revocation of citizenship in the original bill, raised the threat that a consequence would be the creation of two classes of Australians: real Australians, who hold no other citizenship, and others who hold dual nationality and could be deprived of their Australian identity.

There was an insidious message in the original bill. It implied that some people were not quite as Australian as others, because their legal bond with the nation could be severed. It is astonishing that the government could have allowed such a proposition to arise, even unwittingly. Perhaps it was not quite so unwitting. The Abbott-Turnbull government would not be the first in history to have seen divisions in the nation as a great political opportunity. But, however common the temptation to exploit such divisions might be—and however readily available they are for governments to grab hold of—succumbing to that temptation is extraordinarily dangerous. It risks provoking greater and more damaging divisions. At a time when the world is preoccupied with the threat of Islamist-inspired terrorism, nothing could have been more divisive than treating citizenship in the way that the original bill did.

As the member for Greenway pointed out during the debate on this bill in the other place, the public discussion paper the government circulated when the bill was first introduced repeatedly spoke of citizenship as a privilege. Of course, in some senses this is true. I have described citizenship as a cherished status—as a bond that unites us. But 'privilege' also means something that a person does not possess by right, because it can be conferred and
taken away. We are on a very slippery slope if we routinely start talking about citizenship in this way, if we use language that suggests people might be deprived of their shared identity with other Australians for anything less than the most serious offences that sever allegiance itself.

I emphasise this point because we should recognise that the work that had to be done to produce the amended form of this bill gives us another opportunity—an opportunity to reflect more deeply about what it is that unites us as Australians. If we truly want people to cherish their citizenship, we should never countenance the prospect of an Australia in which one group of citizens is allowed to feel that they are only part of the nation on sufferance. We should all recognise that the first form of the bill came very close to sending that implied message to a great many people. This nation has fortunately escaped that prospect. Let us resolve never to go down that path again.

Debate interrupted.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Peris) (21:49): Order! It being 9:50 pm I propose the question:
That the Senate do now adjourn.

Tom Uren Memorial Fund

Senator SINGH (Tasmania) (21:49): I rise to share with the Senate the recent launch at Parliament House of the Tom Uren Memorial Fund, which I was delighted to attend with so many of my Labor colleagues. I joined a number of Labor MPs and senators, including shadow ministers Anthony Albanese and Tanya Plibersek, to support and listen to Tom's dear wife, Christine Logan, to discuss Tom's legacy, his long campaign against nuclear weapons, and the memorial fund itself, which honours the life and work of this champion of the anti-war and anti-nuclear movements. The Tom Uren Memorial Fund was established by Christine Logan and Tom's close friends to support the important work of the International Campaign to Abolish Nuclear Weapons—ICAN—in Australia, raising public awareness about nuclear dangers and building support for disarmament.

In the final month of World War II, Tom Uren witnessed the second atomic bombing of Japan, on the city of Nagasaki, on 9 August 1945. He described it later:
It reminded me of those beautiful crimson skies of sunsets in Central Australia, but magnified about ten times stronger ... It's never left me.

It was a crimson sunset, Tom learned later, that obliterated between 40,000 and 80,000 human lives, with thousands more to die later from burns and radiation poisoning, and it left horrific scars in the flesh of many survivors. It was a sunset of unimaginable death and destruction that would have been far worse, as Professor Fred Mendelsohn put it during the fund's launch, 'but for the bad weather and winds which caused the nuclear bomb to miss its planned target in the middle of Nagasaki by 3 kilometres'. This truth becomes even starker when we realise the nuclear bomb that had previously destroyed around 80,000 lives in Hiroshima was also considered very inefficient because it only fissioned about 1.4 per cent of its nuclear material.

According to ICAN, today nine countries together possess more than 15,000 nuclear weapons. And most of those weapons are many times more efficient, effective and powerful than the atomic bombs dropped on Japan in 1945. With the detrimental effect of nuclear
weapons on humanity, who would not want their children and grandchildren growing up in a nuclear-free world? People like Tom Uren knew this before anyone else. For Tom, it was paramount. I quote him:

The struggle for nuclear disarmament is the most important struggle in the human race.

He later told a journalist:

I really do think that the dropping of a nuclear bomb on human beings, generally, was a crime against humanity …

I could not agree more.

The vast majority of Australians want their country to help end the age of nuclear weapons because, in Fred Mendelsohn's words, 'they recognise that there are no scientific barriers to eliminating nuclear weapons, only political barriers'. Labor is fully committed to pursuing this goal as an urgent humanitarian initiative of the highest order. Indeed, it was the Keating government that established the Canberra Commission on the Elimination of Nuclear Weapons 20 years ago this month to deliberate on issues of nuclear proliferation and how to rid the world of nuclear weapons. It is also worth reflecting on the fact that this year marks 70 years since the US atomic bombing of Hiroshima and Nagasaki, which claimed more than 200,000 lives. And so, with that fact in mind, Labor's new national platform, adopted at our national conference this year, confirms our party's unequivocal support for the negotiation of a global treaty banning nuclear weapons. And we welcome the growing momentum for a treaty as a significant first step towards eliminating the ultimate menace.

Last December, the Austrian government issued a historic pledge to fill the legal gap for the prohibition and elimination of nuclear weapons—and 120 nations have so far endorsed the landmark document, signalling their readiness and determination to start negotiations on a ban. And 135 nations supported the next step—that is, a UN working group to start discussing elements for a treaty banning nuclear weapons. But Australia, I regret to say, was not one of them. In fact, according to ICAN, over the past two years Australia has been among the most vocal and active opponents of the fast-growing international movement to prohibit the use, production and stockpiling of nuclear weapons. At this year's UN General Assembly Disarmament and National Security Committee, Australia voted against, or abstained from voting on, all significant proposals to advance nuclear disarmament. Australia has refused to accept the view expressed by four-fifths of the UN membership that any use of nuclear weapons would be unacceptable on humanitarian grounds. Indeed, Australia has sought to establish a counter-narrative that humanitarian concerns must be balanced against the supposed security benefits derived from nuclear weapons.

And whilst Australia does not itself possess nuclear weapons, and never has, successive Australian governments have claimed that Australia is protected by the so-called US nuclear umbrella. But the United States has never publicly affirmed this policy. The late Malcolm Fraser described it as total fantasy. But claiming its existence, no matter how absurd, has profound implications. It says to the world that Australia considers nuclear weapons to be militarily useful, strategically necessary and morally acceptable, that Australia believes nuclear weapons are legitimate instruments of war and that, in extreme circumstances, it would be reasonable to use such weapons for military gain, to extinguish hundreds of thousands of lives. This is simply not acceptable. It is not an acceptable proposition for Australia to have.
Professor Mendelsohn said:
The leaders of nuclear-armed nations argue that they, unlike others, are responsible and can be trusted to wield these nuclear weapons. But who is to decide if one is trustworthy or not? How can a country such as the United States, which clings firmly to an arsenal of several thousand nuclear weapons, expect to persuade others, such as North Korea and Iran, to abandon their nuclear ambitions?
Rejecting the bomb is by no means a radical proposition. In the words of United Nations Secretary-General Ban Ki-moon, 'There are no right hands for wrong weapons.' Australia has rejected and banned other inherently inhumane and indiscriminate weapons such as antipersonnel mines, cluster munitions and chemical and biological weapons long before the United States has been willing to do so. Australia rejected these weapons categorically by joining conventions that outlaw them. Indeed, we helped pioneer the chemical weapons convention. If Australia wants to deal with the issue of nuclear proliferation as a key priority for our national security, Australia must pursue disarmament.
I urge my parliamentary colleagues who have not yet done so to sign ICAN's global parliamentary appeal for a nuclear weapons ban and join the 804 parliamentarians in 42 countries who have already done so. The only way to liberate the world from the terrible potential of nuclear conflict is to disarm, reduce and, eventually, abolish nuclear weapons. And that is why I commend wholeheartedly Christine Logan and Tom Uren's friends for establishing the Tom Uren Memorial Fund to continue Tom Uren's legacy of peace and disarmament in the hope that one day we will indeed live in a nuclear-free world.

International Development Assistance

Senator DAY (South Australia) (21:59): Australia's aid budget for 2015-16 suffered a $1 billion reduction—part of a planned total of $11.3 billion in cuts over the forward estimates. If fully implemented, this would, by 2018-19, demote Australia to the lower echelons of OECD aid contributors. In terms of our official development assistance, ODA, to gross national income, GNI, ratio, at just 0.2 per cent, in real terms, or one per cent of total government expenditure, Australia would be the least generous it has been in more than 40 years of its overseas development assistance.

Family First opposes further cuts in Australia's aid budget, currently about $4.3 billion. We are committed to a target of 0.7 per cent of our GNI or about three per cent of total government expenditure and, once reached, to stick to that level. This should be achieved well in advance of the 2030 target year. Over the coming parliamentary term, 2016-19, our aid budget should be restored to at least $5 billion or about 0.3 per cent of our GNI to be on track towards the 0.7 per cent target. I have spoken with the foreign minister and the finance minister and will be speaking further with the government about this aim.

I recently met with three volunteers, from the Campaign for Australian Aid, giving up their time and efforts to generate the public and political commitment to a higher level of development aid funding, particularly in the Indo-Pacific region. The Australian aid budget has suffered a disproportionate share of recent cuts, some 30 per cent. For this, I do not blame the minister. I do not blame anyone. We have to take collective responsibility for the state of the budget and vote to get it in order so we can restore our aid spending. My point is, if we increase our aid spending we will see an improvement in the budget. As lowering tax rates does not decrease but increase tax revenue, so an increase in aid spending would improve the budget.
Here are some of the achievements of Australia's aid program, for one year alone, from the Department of Foreign Affairs and Trade's annual report: 400,000 third-world farmers to gain access to better technology; almost 900,000 women to give birth with the assistance of a skilled attendant; one million people to access basic sanitation; 2.9 million people to gain access to safe drinking water; 1.3 million children to enrol in primary school; more than 2.3 million children to be vaccinated against killer diseases; plus emergency assistance to millions of people, in 24 countries, affected by natural disasters.

The world is on the cusp of eliminating extreme poverty within a generation. The Millennium Development Goals were negotiated in 2000. Their aim was to achieve, among other things, a world that banished extreme poverty by the year 2030. The proportion of people living in extreme poverty—that is, on less than the equivalent of US$ 1.90 per day—halved between 1990 and 2010. New infections and deaths from malaria, TB and HIV-AIDS have been substantially reduced, and attendances in primary schools are now running, on average, above 90 per cent in developing countries. In 1990, at the time of the UN World Summit for Children, more than 35,000 children under five were dying, each day, from easily-preventable causes. Now, that figure is around 16,000 per day—still far too many but well down on the 35,000 in 1990.

We are, clearly, on our way towards eliminating extreme poverty, but the need is still great. Tuberculosis, TB, is a disease that still kills around 1.5 million people annually, mainly young adults in their most productive years, and is therefore a major drain on the resources of developing nations. This is especially true for our region, with its prevalence of multi-drug-resistant forms, which are much more difficult, hence expensive to treat. Diagnostic tools and treatments for TB are decades old, and we have not yet developed an effective vaccine against the disease. More than three million children are still dying, each year, as a direct or indirect result of under-nutrition. In East Timor, for example, more than 50 per cent of children are permanently stunted, physically and cognitively, due to under-nutrition. Child deaths from diseases are still alarmingly high.

Medical research funding in Australia's aid budget has prioritised TB and malaria. Vaccines are the best value in development, and potential malaria vaccines are currently undergoing clinical trials. However, in order to maintain progress towards combating or even in eliminating some communicable diseases—for example, polio—replenishments for these very cost-effective and accountable private-public partnerships need to be increased, in the near future. This commitment to positive change must be maintained, and we cannot have effective Australian government involvement in the regional or global development aid effort without a sustained, workable level of funding for our aid budget.

December's Mid-Year Economic and Fiscal Outlook, MYEFO, is now almost upon us, and there are rumours of further cuts to Australia's aid budget. My premise, consistent with what I have said for many years, is that we should make Australian aid the first item in the budget, not the last. Giving your first dollar brings many rewards, and Australia will benefit greatly from an increase in aid.

United States: Planned Parenthood Clinic Shootings

Senator RHIANNON (New South Wales) (22:06): On Saturday, 28 November, Robert Dear shot dead three people at the Planned Parenthood clinic in Colorado Springs in the United States. Planned Parenthood is a non-profit organisation which provides reproductive
health services and education. Vicki Cowart, the president and CEO of Planned Parenthood Rocky Mountains, said the shooting was:

... an appalling act of violence targeting access to health care and terrorizing skilled and dedicated health care professionals.

She also said:

... eyewitnesses confirm that the man who will be charged with the tragic and senseless shooting ... was motivated by opposition to safe and legal abortion.

Some have refused to describe the murders as the actions of an extremist. One Republican presidential candidate insists on describing the murderer as a 'protester'. It was an act of terrorism. These killers are not without motivation, politics or ideology. They are routinely produced by, and respond to, a deeply entrenched culture of patriarchy. Their actions are acts of patriarchal violence, motivated by a desire to control women and their bodies. Antichoice movements, which dedicate themselves to crusading against those providing and accessing reproductive health services, enable and incite acts of aggression and violence against women. Their violent antichoice rhetoric cultivates violent actions, which, in this instance, has moved a man to kill three people and wound nine.

To our great advantage, we do not have the same lax gun laws that the US does. But some members of our community, some groups and some politicians, do have the same commitment to campaigning against reproductive rights. And, to the surprise of many, abortion law in some states in Australia is still antiquated.

For decades, anti-abortion protesters have harassed, intimidated and abused patients and staff outside clinics offering abortions. These protester heckle, threaten, follow and intimidate people walking into these clinics. Some anti-abortionists have followed women when they leave the clinics, yelling out to passers-by that the woman has had an abortion, and making intimidating remarks. Some film the women and post the films online. At times they have obstructed people from accessing the clinics. They carry signs with graphic images and violent words. Some have physically struck women.

In 2001, Steve Rogers, a clinic security guard and father of seven, was murdered by Peter Knight. Knight started by demonstrating outside the East Melbourne Fertility Control Clinic against the promotion of abortion. Then, in July 2001, he went to the clinic with two bags. One contained a variety of potential weapons, including 16 litres of kerosene, rounds of ammunition, cigarette lighters, torches that could be soaked in kerosene, ropes and gags. The second bag hid the high-powered Winchester rifle he had modified. The court heard evidence that Knight was ready to massacre the 15 staff and 26 patients, all of whom he insisted were part of the abortion racket. When security guard Steve Rogers moved towards Knight, Knight shot him. He then aimed at Lilian Kitanov, but was disarmed by her boyfriend and a second man. Dr G. Davidson Smith, who is a counter-terrorism specialist with the Canadian Security Intelligence Service, has described such acts as 'single issue terrorism'.

Individuals and groups opposed to abortion are entitled to protest. But they should not be at the clinic doors, attempting to bully women out of seeking a legitimate medical procedure via incessant abuse. Women seeking access to an abortion, or to other reproductive health services, should not be subject to their verbal and psychological abuse. The protesters should not be in the immediate vicinity of these patients.
Some of these women feel vulnerable and nervous; some do not. It is not necessarily a difficult decision for every person, though for many it is. But it should be a safe one for every person.

Last week, a safe access zone bill passed the Victorian upper house. From now on, there will be 150 metre exclusion zones around Victorian health services providing abortions. I hope that one day that is the case across Australia. New South Wales certainly needs to follow suit.

At the moment in New South Wales, abortion is still covered by the Crimes Act. Sections 82, 83 and 84 of the Crimes Act criminalise abortions. Women can have abortions in New South Wales, based on a common law interpretation of the Crimes Act. Abortions are considered 'lawful' if a doctor determines that the procedure is necessary for their patient to avoid serious mental and physical danger—that is the only way to have an abortion in New South Wales, because it is still under the Crimes Act. People accessing abortions and other reproductive health services should be afforded dignity, medical privacy and safety under the law. The Crimes Act should have no role in this medical procedure.

My colleague in the New South Wales parliament Greens MP Dr Mehreen Faruqi has introduced the Abortion Law Reform (Miscellaneous Acts Amendment) Bill 2015. It will repeal sections 82 to 84 of the New South Wales Crimes Act and would require doctors to disclose if they have a conscientious objection to abortion and refer the patient to their local New South Wales women's health centre. Importantly, the bill will also provide a 50 metre exclusion zone around abortion clinics to ensure women and staff are free from harassment and intimidation. This bill urgently needs to pass.

Near Central Station in Sydney, one can regularly see these people intimidating people who are accessing abortion or just inquiring about it. In 2015, this should not happen.

The changes set out in Dr Mehreen Faruqi's bill will make a meaningful difference to women in New South Wales. It will also challenge the culture of patriarchy which contributed to this latest act of gendered terrorism at Colorado Springs. I extend my condolences to the families of those who were killed and to those who are recovering.

**Senate adjourned at 22:14**

**DOCUMENTS**

**Tabling**

The following documents were 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.]

* Aged Care Act 1997—Subsidy Amendment Principles 2015 (No. 1) [F2015L01841].
* Carbon Credits (Carbon Farming Initiative—High Efficiency Commercial Appliances) Methodology Determination 2015 [F2015L01839].

**Corporations Act 2001**—Amendments to Australian Accounting Standards—Effective Date of AASB 15—October 2015—AASB 2015-8 [F2015L01840].

**Environment Protection and Biodiversity Conservation Act 1999**—
Amendment of List of Exempt Native Specimens—Aquaculture (13 November 2015)—EPBC303DC/SFS/2015/42 [F2015L01838].


Amendment of List of Exempt Native Specimens—Northern Territory Demersal Fishery and South Australian Sardine Fishery (20 November 2015)—EPBC303DC/SFS/2015/44 [F2015L01842].

**Health Insurance Act 1973**—Health Insurance (Diabetes Testing in Aboriginal and Torres Strait Islander Primary Health Care Sites) Determination 2015 [F2015L01837].

**Low Aromatic Fuel Act 2013**—Low Aromatic Fuel (Designated Area) (Great Palm Island) Instrument 2015 [F2015L01844].

**Migration Act 1958**—
Directions under section 499—Priority for considering and disposing of applications for specified visas made by persons who reside, or have resided, in an Ebola Virus Disease affected country—IMMI 15/142.


**Tabling**

The following documents were tabled pursuant to standing order 61(1)(b):


Australian Human Rights Commission—


Report no. 96—LA and LB v Commonwealth of Australia (Department of Immigration and Border Protection).

Report no. 97—AV v DIAL-AN-ANGEL Pty Ltd.


Environment—Marine reserves—Letter to the President of the Senate from the Minister for the Environment (Mr Hunt), dated 26 November 2015, responding to the resolution of the Senate of 9 November 2015.
Foreign affairs—Funding for nutrition—Letter to the President of the Senate from the Minister for Foreign Affairs (Ms Bishop), dated 23 November 2015, responding to the resolution of the Senate of 15 October 2015.


Subsection 54(1).