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SITTING DAYS—2014

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<tr>
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<td>December</td>
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RADIO BROADCASTS
Broadcasts of proceedings of the Parliament can be heard on ABC NewsRadio in the capital cities on:

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For information regarding frequencies in other locations please visit
http://www.abc.net.au/newsradio/listen/frequencies.htm
FORTY-FOURTH PARLIAMENT
FIRST SESSION—THIRD PERIOD

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

Senate Office holders
President—Senator Hon. Stephen Parry

Temporary Chairs of Committees—Senators Christopher John Back, Cory Bernardi, Sam Dastyari, Sean Edwards, Alexander McEachian Gallacher, Susan Lines, Deborah Mary O'Neill, Nova Maree Peris OAM, Dean Anthony Smith, Zdenko Matthew Seselja, Glenn Sterle, Peter Stuart Whish-Wilson and John Reginald Williams

Leader of the Government in the Senate—Senator Hon. Eric Abetz

Deputy Leader of the Government in the Senate—Senator Hon. George Henry Brandis QC

Leader of the Opposition in the Senate—Senator the Hon Penny Wong

Manager of Government Business in the Senate—Senator Hon. Mitchell Peter Fifield

Manager of Opposition Business in the Senate—Senator Claire Moore

Senate Party Leaders and Whips
Leader of the Liberal Party in the Senate—Senator Hon. Eric Abetz

Deputy Leader of the Liberal Party in the Senate—Senator Hon. George Henry Brandis QC

Leader of The Nationals in the Senate—Senator Hon. Nigel Scullion

Deputy Leader of The Nationals in the Senate—Senator Hon. Fiona Nash

Leader of the Opposition in the Senate—Senator the Hon Penny Wong

Deputy Leader of the Opposition in the Senate—Senator the Hon Stephen Conroy

Leader of the Australian Greens—Senator Christine Anne Milne

Leader of the Palmer United Party in the Senate—Senator Glenn Patrick Lazarus

Deputy Leader of the Palmer United Party in the Senate—Senator Jacqui Lambie

Chief Government Whip—Senator David Christopher Bushby

Deputy Government Whips—Senators David Julian Fawcett and Anne Sowerby Ruston

The Nationals Whip—Senator Barry James O'Sullivan

Chief Opposition Whip—Senator Anne McEwen

Deputy Opposition Whips—Senators Catryna Louise Bilyk and Anne Elizabeth Urquhart

Australian Greens Whip—Senator Rachel Siewert

Palmer United Party Whip—Senator Zhenya Wang

Deputy Palmer United Party Whip—Senator Jacqui Lambie

Printed by authority of the Senate
<table>
<thead>
<tr>
<th>Senator</th>
<th>State or Territory</th>
<th>Term expires</th>
<th>Party</th>
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<tbody>
<tr>
<td>Abetz, Hon. Eric</td>
<td>TAS</td>
<td>30.6.2017</td>
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<tr>
<td>Back, Christopher John</td>
<td>WA</td>
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<tr>
<td>Bernardi, Cory</td>
<td>SA</td>
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<td>LP</td>
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<tr>
<td>Bilyk, Catryna Louise</td>
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<tr>
<td>Birmingham, Hon. Simon John</td>
<td>SA</td>
<td>30.6.2020</td>
<td>LP</td>
</tr>
<tr>
<td>Brandis, Hon. George Henry, QC</td>
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<td>LP</td>
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<td>Bullock, Joseph Warrington</td>
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<tr>
<td>Bushby, David Christopher</td>
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<tr>
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<td>Canavan, Matthew James</td>
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<td>LNP</td>
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<tr>
<td>Carr, Hon. Kim John</td>
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<td>Cash, Hon. Michaelia Clare</td>
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<tr>
<td>Colbeck, Hon. Richard Mansell</td>
<td>TAS</td>
<td>30.6.2020</td>
<td>LP</td>
</tr>
<tr>
<td>Collins, Hon. Jacinta Mary Ann</td>
<td>VIC</td>
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<td>ALP</td>
</tr>
<tr>
<td>Conroy, Hon. Stephen Michael</td>
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<td>Cormann, Hon. Mathias Hubert Paul</td>
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<td>Fawcett, David Julian</td>
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<td>Fierravanti-Wells, Hon. Concetta Anna</td>
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<td>Lines, Susan</td>
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<tr>
<td>Lundy, Kate Alexandra</td>
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<td>Macdonald, Hon. Ian Douglas</td>
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<td>McLucas, Hon. Jan Elizabeth</td>
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<tr>
<td>Muir, Ricky Lee</td>
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<td>Nash, Hon. Fiona Joy</td>
<td>NSW</td>
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Pursuant to section 42 of the Commonwealth Electoral Act 1918, the terms of service of the following senators representing the Australian Capital Territory and the Northern Territory expire at the close of the day immediately before the polling day for the next general election of members of the House of Representatives.

<table>
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<tr>
<th>Territory</th>
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<th>Senator</th>
<th>Party</th>
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<td>Scullion, N. G.</td>
<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.

**PARTY ABBREVIATIONS**

- AG—Australian Greens; ALP—Australian Labor Party;
- AMEP—Australian Motoring Enthusiast Party; CLP—Country Liberal Party;
- DLP—Democratic Labour Party; FFP—Family First Party; IND—Independent;
- LDP—Liberal Democratic Party; LNP—Liberal National Party; LP—Liberal Party of Australia;
- NATS—The Nationals; PUP—Palmer United Party
Heads of Parliamentary Departments
Clerk of the Senate—R Laing
Clerk of the House of Representatives—D Elder
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
<table>
<thead>
<tr>
<th>Title</th>
<th>Minister</th>
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<tbody>
<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon Tony Abbott MP</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon Nigel Scullion</td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister for the Public Service</strong></td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister for Women</strong></td>
<td>Senator the Hon Michaelia Cash</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon Josh Frydenberg MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>The Hon Alan Tudge MP</td>
</tr>
<tr>
<td><strong>Minister for Infrastructure and Regional Development (Deputy Prime Minister)</strong></td>
<td>The Hon Warren Truss MP</td>
</tr>
<tr>
<td>Assistant Minister for Infrastructure and Regional Development</td>
<td>The Hon Jamie Briggs MP</td>
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<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>The Hon Julie Bishop MP</td>
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<tr>
<td><strong>Minister for Trade and Investment</strong></td>
<td>The Hon Andrew Robb AO MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Foreign Affairs</strong></td>
<td>Senator the Hon Brett Mason</td>
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<tr>
<td><strong>Minister for Employment (Leader of the Government in the Senate)</strong></td>
<td>Senator the Hon Eric Abetz</td>
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<tr>
<td>Assistant Minister for Employment (Deputy Leader of the House)</td>
<td>The Hon Luke Hartsuyker MP</td>
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<tr>
<td><strong>Attorney-General</strong></td>
<td>The Hon Michael Keenan MP</td>
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<tr>
<td><strong>Minister for the Arts (Vice-President of the Executive Council)</strong></td>
<td>The Hon George Brandis QC</td>
</tr>
<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
<td>Senator the Hon George Brandis QC</td>
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<tr>
<td><strong>Minister for Justice</strong></td>
<td>The Hon Michael Keenan MP</td>
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<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon Joe Hockey MP</td>
</tr>
<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon Bruce Billson MP</td>
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<tr>
<td>Acting Assistant Treasurer</td>
<td>Senator the Hon Mathias Cormann</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Treasurer</strong></td>
<td>The Hon Steven Ciobo MP</td>
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<tr>
<td><strong>Minister for Agriculture</strong></td>
<td>The Hon Barnaby Joyce MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Agriculture</strong></td>
<td>Senator the Hon Richard Colbeck</td>
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<tr>
<td><strong>Minister for Education (Leader of the House)</strong></td>
<td>The Hon Christopher Pyne MP</td>
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<tr>
<td>Assistant Minister for Education</td>
<td>The Hon Sussan Ley MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Education</strong></td>
<td>Senator the Hon Scott Ryan</td>
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<tr>
<td><strong>Minister for Industry</strong></td>
<td>The Hon Ian Macfarlane MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Industry</strong></td>
<td>The Hon Bob Baldwin MP</td>
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<tr>
<td><strong>Minister for Social Services</strong></td>
<td>The Hon Kevin Andrews MP</td>
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<tr>
<td>Assistant Minister for Social Services (Manager of Government Business in the Senate)</td>
<td>Senator the Hon Mitch Fifield</td>
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<tr>
<td><strong>Minister for Human Services</strong></td>
<td>Senator the Hon Marise Payne</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Social Services</strong></td>
<td>Senator the Hon Concetta Fierravanti-Wells</td>
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<tr>
<td><strong>Minister for Communications</strong></td>
<td>The Hon Malcolm Turnbull MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Minister for Communications</strong></td>
<td>The Hon Paul Fletcher MP</td>
</tr>
<tr>
<td><strong>Minister for Health</strong></td>
<td>The Hon Peter Dutton MP</td>
</tr>
<tr>
<td><strong>Minister for Sport</strong></td>
<td>The Hon Peter Dutton MP</td>
</tr>
<tr>
<td><strong>Assistant Minister for Health</strong></td>
<td>Senator the Hon Fiona Nash</td>
</tr>
<tr>
<td>Title</td>
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<tr>
<td>----------------------------------------------------------------------</td>
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</tr>
<tr>
<td><strong>Minister for Defence</strong></td>
<td>Senator the Hon David Johnston</td>
</tr>
<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
<td><strong>Minister Assisting the Prime Minister for the Centenary of ANZAC</strong></td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
<td>Assistant Minister for Defence</td>
<td>The Hon Stuart Robert MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Minister for Defence</strong></td>
<td>The Hon Darren Chester MP</td>
</tr>
<tr>
<td><strong>Minister for the Environment</strong></td>
<td>The Hon Greg Hunt MP</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Minister for the Environment</strong></td>
<td>Senator the Hon Simon Birmingham</td>
</tr>
<tr>
<td><strong>Minister for Immigration and Border Protection</strong></td>
<td>The Hon Scott Morrison MP</td>
</tr>
<tr>
<td>Assistant Minister for Immigration and Border Protection</td>
<td>Senator the Hon Michaelia Cash</td>
</tr>
<tr>
<td><strong>Minister for Finance</strong></td>
<td>Senator the Hon Mathias Cormann</td>
</tr>
<tr>
<td>Special Minister of State</td>
<td>Senator the Hon Michael Ronaldson</td>
</tr>
<tr>
<td><strong>Parliamentary Secretary to the Minister for Finance</strong></td>
<td>The Hon Michael McCormack MP</td>
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</tbody>
</table>

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
## SHADOW MINISTRY

<table>
<thead>
<tr>
<th>Title</th>
<th>Shadow Minister</th>
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<tbody>
<tr>
<td><strong>Leader of the Opposition Hon David Feeney MP</strong></td>
<td>Hon Bill Shorten MP</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Science</td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Small Business</td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td>Shadow Cabinet Secretary</td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td><strong>Deputy Leader of the Opposition</strong></td>
<td>Hon Tanya Plibersek MP</td>
</tr>
<tr>
<td>Shadow Minister for Foreign Affairs and International Development</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Women</td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Manager of Opposition Business (Senate)</td>
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</tr>
<tr>
<td>Shadow Minister for the Centenary of ANZAC</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Foreign Affairs</td>
<td>Hon Matt Thistlethwaite MP</td>
</tr>
<tr>
<td><strong>Leader of the Opposition in the Senate</strong></td>
<td>Hon Penny Wong</td>
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<tr>
<td>Shadow Minister for Trade and Investment</td>
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<tr>
<td><strong>Deputy Leader of the Opposition in the Senate</strong></td>
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<tr>
<td>Shadow Minister for Defence</td>
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<tr>
<td>Shadow Minister for Veterans’ Affairs</td>
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<tr>
<td>Shadow Parliamentary Secretary for Defence</td>
<td>Gai Brodtmann MP</td>
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<tr>
<td><strong>Shadow Minister for Infrastructure and Transport</strong></td>
<td>Hon Anthony Albanese MP</td>
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<tr>
<td>Shadow Minister for Tourism</td>
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</tr>
<tr>
<td>Shadow Minister for Regional Development and Local Government</td>
<td>Hon Julie Collins MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Development and Infrastructure</td>
<td>Allanah MacTiernan MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Western Australia</td>
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<tr>
<td>Shadow Parliamentary Secretary for External Territories</td>
<td>Hon Warren Snowdon MP</td>
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<tr>
<td><strong>Shadow Treasurer</strong></td>
<td>Hon Chris Bowen MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer</td>
<td>Hon Dr Andrew Leigh MP</td>
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<td>Senator the Hon Doug Cameron</td>
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<td>Hon Shayne Neumann MP</td>
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<td>Shadow Minister for Employment and Workplace Relations</td>
<td>Hon Brendan O’Connor MP</td>
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Wednesday, 9 July 2014

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

PARLIAMENTARY REPRESENTATION

Tasmania

The PRESIDENT (09:30): As Senator Bilyk was absent from the Senate on 7 July 2014, I will now administer the oath of allegiance as required by section 42 of the Constitution. I remind honourable senators that Senator Bilyk’s certificate of election was tabled on 7 July 2014.

Senators Sworn

Senator Bilyk made and subscribed the oath of allegiance.

BILLS

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

Declaration of Urgency

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (09:32): I move:

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

Senator Wong: Mr President, I seek leave to make a short statement

The PRESIDENT: Leave is granted for five minutes.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (09:34): I thank the Senate. Let us understand what is happening here, senators. We have already had backgrounded to media—to Lateline last night and to Sky today—on what the Senate will be doing. Media have already been told to prepare for the Prime Minister's announcement because a guillotine and gag will be moved in this chamber to get the bills voted on. I want the crossbench to be very clear what you are being asked to do.

Regardless of your views on carbon and—as I said to Senator Lazarus yesterday, I disagreed with his speech but I respect his right to put it—I respect the fact that you have differences of views on the substance of the matter, but I utterly object, as does every senator on this side, to this chamber of the Australian parliament being used as a plaything of the Prime Minister. What an outrage that we would have the Senate being asked to gag and guillotine legislation so that Mr Abbott can do a press conference tomorrow in time for prime time television. That is what is occurring.

Where do senators in this parliament find this out? Do we find this out because the Leader of the Government in the Senate comes in and tells us what they want to do? No, we find out because Lateline was told last night to expect an announcement and we find out because Sky tweets that they have been told by the government to expect the bills to be voted on by 12.45 pm today. Understand what a disgrace this is. It is utterly disgraceful to run the Australian parliament entirely around the Prime Minister's media schedule.

I want everyone in this chamber to understand what the opposition was prepared to put on the table in the interests of proper practice, in the interests of ensuring that this Senate does what Australians expect us to do. We said very clearly, after the meeting that the Leader of the Government in the Senate held yesterday, that we were prepared to give up our time tomorrow when we would debate a Labor bill and our time tomorrow afternoon when we would debate a topic that Labor put to the chamber to ensure a committee stage of the debate in this legislation. And as Senator Xenophon has put—and I trust he will not mind my saying this; I am saying nice things about you, Nick, not bad ones—the committee stage is a very important part of Senate practice. It is where ministers are asked questions. It is where undertakings are given. It is where there is clarification about the interpretation of the application of legislation. It is the only time in this parliament where that is truly able to be done. And I say that as someone who was a minister on that side for a number of years. This is where the real work is done.

I would remind those opposite that, whatever criticisms you might have of us, you are guillotining when you have been offered more time. You are not guillotining and gagging because it is the end of the session and you have to get bills through; you are guillotining now, on a Wednesday, so that Tony Abbott can hold a prime ministerial press conference in time for prime time television tomorrow. That is what is occurring. It is an absolute disgrace and really demonstrates the arrogance of this government. You will not even allow a
committee stage in a debate when you have been given more time. So to be clear: you have been given more time to enable that debate to occur, time that the opposition has given up, in order to ensure that there is a proper process, a committee stage of this debate, and that amendments can be moved by the Palmer United Party, the Labor Party and any other crossbench senator. You have spat in the face of that offer and you have said: 'Do you know what? We don't want a debate. We just want a media conference. We're going to go out and background the media ahead.' What an utter disgrace with respect to how to handle this chamber. I say to the crossbench: do not start this new Senate by supporting such a disgraceful act.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (09:39): I seek leave to make a one-minute statement.

The PRESIDENT: Leave is granted for one minute.

Senator ABETZ: I thank the Senate. For all the hyperbole from the Leader of the Opposition in the Senate, let us just remember that she presided over a government in this place, with the Greens, that guillotined 52 bills through this place without one single syllable having been spoken. Hypocrisy, thy name is Labor and Greens.

Secondly, in relation to gagging and guillotining, this package of bills has had 33 hours and 52 minutes of debate in the Senate and, according to Labor, that is gagging and guillotining. As for the Prime Minister's press conference, as we speak he is flying with the Prime Minister of Japan to the Pilbara, not to have a news conference about this matter but to continue our relationship— (Time expired)

Senator MILNE (Tasmania—Leader of the Australian Greens) (09:40): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator MILNE: Contrary to what Senator Abetz has just said, this is a new Senate, with a number of new senators who have not had the opportunity to go through a committee stage of this legislation. Let me say that the Palmer United Party has put up an amendment that has just been circulated. Nobody has had a chance to actually question anything about that amendment. Labor have got amendments and the Greens have got amendments. We are working to try to save the Australian Renewable Energy Agency, ARENA. This is an attempt to stop the Senate saving ARENA's finance. That is what this is about. As much as anything else, it is about tearing down the capacity of the Senate to actually have a committee stage of this legislation. We have to have a committee stage. This is probably the most important package of bills for Australia's future and we cannot allow this parliament to ram it through because the Prime Minister wants to axe the tax. That is ridiculous. (Time expired)

Senator XENOPHON (South Australia) (09:41): Mr President, I seek leave to make a brief statement for one minute.

The PRESIDENT: Leave is granted for one minute.

Senator XENOPHON: My plea to my colleagues on the crossbench is that we have, at least, another two hours and 20 minutes of debate tomorrow morning so that we can have some semblance of a committee stage. It is not perfect; I hate the guillotine. But we must have
a committee stage for these bills and we must give other senators an opportunity to speak on these bills. All I am saying is that no harm will be done. If the government gets its way—as I expect it will—with this legislation it would still be out of here by tomorrow and into the House of Representatives on Monday morning. There will be no prejudice to the government. This is about the Senate doing its job. My plea to my crossbench colleagues is: do not set a nasty precedent. Whatever has happened in the past has happened.

_Senator Scullion interjecting—_

_Senator XENOPHON:_ It is. Come on, Senator Scullion. This is important. You will not be prejudicing the government’s agenda if we deal with these bills by 11.50 tomorrow morning. That is my plea to my crossbench colleagues.

_The PRESIDENT:_ The question is that the motion moved by Senator Fifield be agreed to.

The Senate divided. [09:47]

(11:15am)

(11:16am)

Ayes ..........36
Noes ...........36
Majority..........0

AYES

Abetz, E
Bernardi, C
Bushby, DC (teller)
Cash, MC
Cormann, M
Edwards, S
Fierravanti-Wells, C
Heffernan, W
Lambie, J
Leyonhjelm, DE
Mason, B
McKenzie, B
O’Sullivan, B
Payne, MA
Ronaldson, M
Scullion, NG
Sinodinos, A
Wang, Z

NOES

Brown, CL
Cameron, DN
Collins, JMA
Dastyari, S
Faulkner, J
Ketter, CR
Ludlam, S
Lundy, KA
Marshall, GM
McLucas, J

Bullock, J.W.
Carr, KJ
Conroy, SM
Di Natale, R
Hanson-Young, SC
Lines, S
Ludwig, JW
Madigan, JJ
McEwen, A (teller)
Milne, C
Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

To which the following amendment was moved:

At the end of the motion, add:

but the Senate notes

(a) the scientific and expert consensus regarding Climate Change;

(b) that in its first year, the Clean Energy Future Package:

(i) drove a 7% reduction in carbon pollution from electricity generation in the National Electricity Market;

(ii) saw renewable energy increase its share of the National Electricity Market by 25%;

(iii) delivered the household assistance package to compensate families and individuals for any impact of carbon pricing; and

(iv) supported continued economic growth, with over 160,000 jobs created in 2012-13 across the economy, including clean energy jobs;

(c) that since the 2013 election Australia's international reputation on climate change action has been damaged by becoming the first nation to move backwards on climate change while the rest of the world, including China and the US, is moving forward; and

(d) the need for the Government to pass an Emissions Trading Scheme to place a cap on carbon pollution and drive a clean energy future for Australia.

Senator SESELJA (Australian Capital Territory) (09:49): I will continue where I was before I was cut off last night. As I was saying last night, the reason this legislation needs to go through is that the carbon tax has not only been about destroying jobs. The carbon tax has also been about pushing up the cost of living for ordinary Australian families—all the while doing nothing for our environment other than shifting emissions offshore. As I said yesterday, this vote will mark a shift. It will mark a shift from the Greens being able to dictate the policy of this nation, as they did under the former Labor government. It will mark a shift from the Greens dictating terms to the Labor Party, telling them what their policy will be on climate change, to a position where the Australian people regain control of the debate on climate
change. Australians want to see action but they do not want to see this carbon tax. It was put to them at the election. It was put to them again at the WA Senate election, where we saw five out of six senators who were elected running against the carbon tax.

The Labor Party may have reneged on their commitment to repeal the carbon tax, but we will not. So I welcome the support of crossbench senators to get this legislation through, because when we pass this bill we will see pressure taken off families as their electricity costs, gas costs and other costs come down. We will see businesses able to thrive without this toxic tax on their businesses, and we will see the Australian people back in control of our response to climate change. I commend these bills to the Senate.

Senator LUNDY (Australian Capital Territory) (09:52): Mr President, congratulations on your appointment. As a senator for the Australian Capital Territory, I have spoken many times in this chamber about the importance of Australia taking meaningful action to combat climate change. I am in the strange position this morning of being grateful that I have been able to speak because of the failed motion on behalf of the government—a pathetic attempt to try to manipulate the operation and function of this chamber to suit the Prime Minister's agenda. I am glad it was defeated, because now we have an opportunity to say a few words about this extremely important matter.

I believe Australia and the world have come to terms with the issue of climate change and the vast majority of Australians understand that action needs to be taken. The debate over whether climate change is a natural or man-made phenomenon has been unequivocally resolved by the scientific community and, as I said, the vast majority of Australians have come to accept the verdict that it is real, it is anthropogenic, or man-made, and we need to do something about it. Policymakers, scientists, economists and community leaders around the world have taken up this challenge by finding ways to reduce global carbon emissions while making our way of living more sustainable. In recent years we have seen the global community rallying to take meaningful action on climate change, with 99 countries, including Australia, having made formal pledges to the United Nations to reduce carbon pollution. Thirty-five countries, including Australia, have a national emissions trading scheme and, collectively, they have a population of some 560 million people. By 2015 that number is expected to grow to two billion people. Just in the last few weeks we have seen the President of the United States, Mr Barack Obama, make a series of announcements demonstrating his administration's commitment to tackling climate change, including his desire for a price on carbon in the United States.

Under the previous Labor government, Australia took some significant steps forward. We implemented an integrated set of policies to drive down Australia's carbon pollution while enabling us to achieve more ambitious targets in the long term. We introduced an emissions trading scheme which put a legal limit on pollution for Australia's 370 largest polluters. This ETS was specifically formulated to cut pollution in the cheapest and most effective way. It was a market solution. It was a solution designed to have the least impact on our economy. In line with this policy, we also gave unprecedented support to the renewable energy sector. Our renewable energy target guaranteed that at least 20 per cent of Australia's electricity would come from renewable sources by the year 2020. We established the $10 billion Clean Energy Finance Corporation, which this government has repeatedly tried to destroy. We implemented these policies on the advice of Australia's leading economists, who still say that a market
based mechanism would be the most effective means of reducing emissions without damaging the national economy. We implemented these policies because Labor respect the scientific consensus that climate change is real, that it is anthropogenic and that it poses a serious threat to our way of life, and these policies have been working.

During our time in office, Australia's capacity to derive energy from wind trebled. More than one million solar panels were installed, compared to only 7,500 under the previous government, and employment doubled in the renewable energy sector. This is an important point: 150,000 jobs were created with the carbon price in place and our economy grew by 2½ per cent, while inflation remained at record lows. Crucially, Australia's pollution in the national electricity market decreased by seven per cent while our renewable energy generation grew by 25 per cent. By any measure, the carbon pricing mechanism was a success. An economic measure, a jobs measure, a reduction-in-pollution measure—a success. Emissions declined in industries targeted by the price, the renewable energy sector grew and the economy remains strong—irrefutable evidence of success of our policies.

When I consider where this debate was in the late 1990s, it is impressive how far forward Australia and the rest of the world have come. Within a decade and a half we have gone from debating the existence of climate change to setting a great example of a Western developed country in our attempt under the previous Labor government to combat the phenomenon. And yet today we have in front of us a package of legislation that, instead of furthering Australia's fight against climate change, intends to take us all and Australia backwards. It not only repeals a piece of legislation that, as I have explained, is working but replaces it with something that even proponents of the coalition's package know will not work. This raises serious doubts over the government's commitment to address the problem of climate change through their flawed package and leaves the Australian people questioning whether the coalition even take this issue seriously. We know that some members of the coalition clearly do not and we know some members of the coalition do, but in the wash-up through their party room we have flawed policies that will not be able to address this issue seriously. As we have heard from the proponents, they will not work.

As we move forward through this period of political debate with the changed Senate, we have a situation where the crossbench have determined, at least in part, as far as we can tell, to support the repeal bill. They do so on the basis that we have unfinished business. We have a population—I believe, a community—that is committed to tackling climate change. We have a market mechanism available and functioning well that is about to be repealed. I certainly represent a community that is both passionate and committed to tackling climate change in the most effective way. It would be a great shame for these bills to pass and I implore my Senate colleagues to reconsider their vote and oppose this package.

**Senator RICE** (Victoria) (09:59): This is not my first speech. I am very grateful for the opportunity to speak on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No.2] and related bills today. I have been in the Senate for three days, and I feel like Alice in Wonderland—in a different world where everything is just turned upside down. I have been listening to the coalition arguing that white is black—that climate change is not happening. I have been listening to the PUP senators arguing that getting rid of the price on carbon will be good for low-income people. And I have been listening to all of them arguing that repealing
the price on carbon will solve all of the problems of the Australian economy and usher in a
new era of prosperity and wellbeing.

I think it is very appropriate that, in my first week here in the Senate, climate has been the
issue that we have been debating, because it was climate change that politicised me. I studied
science at Melbourne university, and I learnt about climate change when I was 20, in 1980,
and I distinctly remember coming out of a lecture thinking: 'This is really serious. The world
needs to be doing something about this.' It motivated me not to go on to a career as a research
scientist but, instead, to become a campaigner, working to protect our world against the
impacts of climate change.

In 1980 the science of modelling the likely impacts of global warming was in its infancy. It
has developed massively since then, but the overall message has stayed the same: that
continuing to pump carbon dioxide into our atmosphere will have major, irreversible and
extremely damaging impacts on our climate, our oceans and our whole way of life. The
impressive thing about the science is how consistent it has been. If you look at the projections
made in the 1990s, they are remarkably consistent with the projections prepared by the IPCC
last year. They have become more detailed and more specific and there have been some minor
changes, but the overall projected impacts are the same: overall increasing global
temperatures, increasing climate variability, increasing rainfall variability, increasing extreme
weather events, increasing sea surface temperatures, sea level rise, increasing acidification of
our oceans, and the melting of glaciers and the ice caps.

The other sobering reflection I have from thinking back to learning about climate change in
1980 is that, at that stage, carbon dioxide was only at 340 parts per million. It is now 400.
That means that, in the intervening years of my adult life, carbon levels have increased as
much as they had in the previous thousand years. Carbon dioxide levels in our atmosphere are
now the highest they have been for the last million years.

The full impact of the consequences of our carbon pollution does not seem to have hit
home for many people in this place, and I do not understand how they cannot understand. For
example, the melting of the West Antarctic Ice Sheet is in the news this week. And babies
born today—you or grandchild or a friend's child born today—will be alive when the
impacts occur. Do we really want to bequeath this to them?

Melting ice sheets are just one of the impacts of climate change, as those of us who
understand the science know. The reality of climate change is a story of big and evolving
impacts on people today and massive impacts on people in the future—and one only needs to
start looking at and thinking about the potential impacts that the Intergovernmental Panel on
Climate Change is projecting for Australia to see that.

We can start with bushfires—their increased frequency and severity, and their increased
spread across the country and across the year, beginning earlier and continuing later. Think of
the likely loss of life that will occur, and the personal losses, the personal costs, and the public
costs of dealing with increased bushfires. Victoria's Black Saturday bushfires of February
2009 cost the community more than $4 billion, according to the subsequent royal
commission, and this does not include the health and social costs and the flow-on costs to
business.
The costs around the world of the extreme weather events that climate change is going to result in will be massive. The global reinsurer Munich Re recently predicted that the cost of all the extreme weather events in Australia is set to soar, from $6.3 billion a year today to about $23 billion a year in 2050. And the frequency and intensity of severe events like bushfires will rise together with our rising population. So I want to do everything in my power—and I feel it is our responsibility to do everything in our power—to stop this awful scenario happening.

There are other impacts. Think of the increased frequency of heatwaves. Those in this chamber who share my concern, and the Greens’ concern, for people on limited incomes and people living in poorly insulated public housing that are heat-boxes in summer, will care about what happens to them in heatwaves. Three hundred and seventy-four people died from the heatwave in Victoria in 2009, in the two weeks prior to Black Saturday—almost twice as many as the 174 people who died in those horrific fires. There are things that we can do to reduce this loss of life: make better insulated housing, make more energy-efficient housing and make better quality housing. These are exactly the sorts of measures that can be funded through revenue from a price on carbon.

I think of the impact on agriculture. I spoke this week to a young woman whose family has a vineyard in South Australia. Her father is despairing. He does not have any superannuation. His whole wealth is based on his vineyard. He can see the value of his vineyard evaporating before his eyes, every year, when the quality of his grape crop crashes because of extreme summer heat or when it is affected by smoke taint from bushfires occurring where bushfires just have not occurred before. She is advising him to sell up now, before it is worth absolutely nothing. He is reluctant, but he is depressed and despairing. This is the cost of climate change.

Think of what a one-metre sea level rise is going to mean to Australian cities. Think of your favourite beach—think of it no longer there; think of a two-metre high seawall instead. Think of suburbs like Altona in Melbourne, where I grew up; it already has a one-metre high seawall. My mother’s house, where she has lived all her life, is a kilometre inland; it is less than half a metre above sea level. Yes, we can build that seawall another two metres higher—but at what cost? At a financial cost, a cultural cost and a cost to our connection with the coast, with the sea, with nature—with our treasured Australian way of life.

It is these impacts and more—many more—that are why the young people of the Australian Youth Climate Coalition were out there on the Parliament House lawns on Monday. These issues are why there are so many people around the world who are passionate about the need for real, urgent action to be reducing our carbon pollution—not just reducing it by five per cent, but getting rid of our carbon pollution so that we will have a future.

What I want to achieve in my time in the Senate is to help us shift towards a 21st century economy that is based on renewable energy, which all of the mainstream economic institutions in the world are now saying is not only possible but makes economic sense. We have the solutions. All we need is the political will to implement those solutions, to challenge the vested interests of the fossil fuel industries and to shift our economy to the bright future that is there with the renewable energy industries—a really caring, sustainable future for us all.

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (10:07): I too stand to speak on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2]
and related bills. Having had the opportunity to listen to 33 hours of debate on this suite of bills and all the things that have been said by those opposite—the Greens and the Labor Party—I am really quite astounded by the contributions we have heard. I did not include the Palmer United Party there because they have only just arrived—and they made a rather sensible and rational contribution to this debate yesterday, so I feel very confident that they get what we are trying to do here.

We seem to be having a debate about whether climate change is real but not about the real issue, which is: how are we as legislators going to deal with the climate challenges that face this country and this world and our place as a player in this world? I would suggest that what we should really be doing today is debating how we deal with climate change. Senator Wong commented this morning that she did not necessarily agree with the comments of Senator Lazarus yesterday in relation to this bill but did respect that he had a position to put—and that is exactly what he did. So I would say to Labor and the Greens: let's just accept the fact that we all believe in the science of climate change and we also believe that we need to do something about it. However, what we do have here is disagreement about how we should address this issue. I can say for myself that I believe we have some climate challenges ahead of us, and I am prepared to play my part and do what I can in supporting the necessary changes and implementing the necessary legislation and associated instruments so that we deal with the issue of climate change.

Senator Ludlam stood here yesterday and said, 'Minister Hunt is deceptive.' I cannot think of anything Minister Hunt has said that is deceptive. He has been quite clear that he believes the best way for us to address the climate challenges we have ahead of us is through his package, of which the Emissions Reduction Fund is the centrepiece. Last week we heard from a number of people in relation to the Carbon Farming Initiative, which has been successfully implemented over the last two years—though some changes need to be made to it to make it more streamlined and obviously to allow there to be a market for carbon. This is an initiative that was put into this place by the Labor Party and the Greens but it seems that, just because the coalition think it is a great idea and would like to continue it, it automatically has to be opposed.

Senator Ludlam said: 'I have nothing but contempt for those opposite.' I am not sure that throwing around comments like that is the best way to get a debate going about something as important as this. Another comment from those at the other end of the chamber yesterday was that the whole process of repealing the carbon tax was because we have an overt desire to bankrupt the clean energy sector. Nothing could be further from the truth, and nothing could be more ridiculous than making those sorts of comments. We really need to get back to the facts of the matter and the basis of the bill.

We universally agree in this place that we have to achieve a five per cent reduction in emissions by 2020 based on 2000 emissions. It has been said in this place that this is pathetic, that Australia is not playing its part and will be left behind by the rest of the world because this is just tokenism.

**Senator Ludlam:** Mr Acting Deputy President, on a point of order: I am certain that Senator Ruston is not intending to mislead the Senate, but I would just ask you to correct the record. There is not universal agreement that a five per cent target is sufficient by any means.
The ACTING DEPUTY PRESIDENT (Senator Gallacher): Senator Ludlam, that is a debating point.

Senator Ludlam: I would just ask Senator Ruston to correct the record.

Senator RUSTON: I am happy to take the interjection. The vote in this place, supported by both the coalition and the Labor Party, was to try to achieve a reduction of five per cent by 2020. I acknowledge that the Greens have always sought to have a much higher target, but I am sure that the Greens would not like to see a target lower than five per cent. So let's just say that we all agree it would be unacceptable to have a target lower than five per cent. I hope that satisfies Senator Ludlam's concerns about what I have just said.

In the context of a balanced economy and ensuring that Australian businesses are not detrimentally impacted, we have to realise that we live in a global economy. I believe the carbon tax did extraordinary damage to Australian businesses, and obviously to the Australian public as well, by increasing the costs of doing business. We need to take those sorts of things into account. I have no problem with moving to a clean energy future and I do not think anybody in Australia would be uncomfortable with us moving to a clean energy future, but we should not move to that future at a more accelerated rate than our competitors around the world. If Australia moves at a far greater rate, all we will do is make our businesses in Australia non-competitive. The ultimate result of that is obviously that we will offshore these businesses to countries that have a much worse record for emissions and that produce products per unit at a far higher rate of emission than we do, because we are actually quite efficient in Australia, despite the information that is being put into this debate.

I draw the chamber's attention to a recent article in relation to our place in the rest of the world. It was written by The Australian’s Greg Sheridan, and it says:

If the Abbott government is successful in reducing Australia's greenhouse gas emissions by 5 per cent based on 2000 levels then Australia will have done more to reduce greenhouse gas emissions than almost any other advanced nation.

I do not believe that that particular sentiment has been expressed at all. Whether it is exactly right or exactly wrong, there is evidence, which he goes on to quote in his article, that Australia is playing its part. There are a number of measures by which this five per cent by 2020 would actually make Australia quite a significant contributor to the reduction. The article stated:

Our per-capita emissions by 2020 will reduce by 32 per cent, a bigger decrease than any of the others considered, which shows Canada with a 29 per cent reduction, the EU less than 26 per cent, the US 27 per cent. Our emissions intensity decreases by 45 per cent, more than any other nation analysed except South Korea.

And compared with business as usual — that is, if we didn't have a target — calculated from last year, our decrease is 19 per cent, significantly bettered only by South Korea.

There are those in this place who have a different agenda and those who think that carbon tax was a great thing. I for one—from the evidence that is being put before me by myriad sources—do not believe that the carbon tax has achieved very much at all, and that cost has been at huge cost to Australian businesses. The $7 billion taken out of Australian businesses for a 0.1 per cent decrease in carbon emissions strikes me as not very well spent money.

We can talk about the compensation that was attached to the increase in household costs and the burden of cost increases by the introduction of the carbon tax. But the cold, hard
reality is that the money that we used to compensate these people still had to come from somewhere. So it goes around and around in a circle. If you just keep on taking money away in some vain attempt to compensate somebody, thinking that it is all going to be okay, there will be consequential impacts on our economy which need to be considered in this space.

I will not go on, because I am sure that there are a number of other people who would like to make a contribution to this debate, but I would like to put on the record that I support the abolition of the carbon tax because I think it has been an abject failure. I look forward to the introduction of the Emissions Reduction Fund and the associated Carbon Farming Initiative. I do not think that we have had the opportunity for either of those particular instruments to be properly debated because we continue to debate whether climate change is real or it is not real.

Senator Wong: You won’t put the details up. What a joke of a contribution! You won’t put the details up—that is why it is not being debated.

The ACTING DEPUTY PRESIDENT (Senator Gallacher): Order! Senator Ruston is entitled to be heard in silence.

Senator RUSTON: In the interest of other people having the opportunity to speak, one would hope that the interjections would cease. However, I will just put on the record that I support the abolition of the carbon tax because I think it has been unsuccessful and has not achieved anything. I put on the record that I am looking forward to seeing the new suite of measures that the coalition is proposing to put forward. I hope that those in the chamber who have got any common sense will actually see the benefits and will try to implement a scheme that is a carrot and not a stick. We look forward to, maybe, moving forward. All of us agree that the best outcome for Australia is to deal with the issue of the climate challenges that we have ahead of us and stop making politics about it just because the carbon tax of those opposite has failed.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (10:19): I rise to speak on the carbon repeal bills. Before I commence my speech, I just want to respond to two points that the previous speaker made. The first point is that, halfway through her 20-minute allocation, she said she would sit down because others wanted to speak and because it was important that we have a debate. I invite her to vote against the guillotine motion that her government will no doubt bring forward again. My second point is that she said: ‘We would like to get on to debating Direct Action.’ Let us understand that this government have hidden as much detail of Direct Action as possible because it is a joke and it is embarrassing and because you know that it will not stand up to scrutiny.

But let me make my contribution. I think I will be the last speaker on the second reading debate for the Labor Party on these bills. We are keen to get in to committee to have a proper committee stage in spite of the government’s intentions to try and guillotine this legislation. I think both the way in which this debate has been undertaken and the content of these bills confirm that this government is arrogant, this government is untruthful and this government is cruel. It is a government which is hurting Australians right now with cruel cuts and tax hikes, and it is a government which will hurt future generations of Australians by its refusal to tackle climate change. It is a government that wants to dismantle carbon pricing and emissions trading. I remind the chamber that putting a price on carbon through an ETS is the most environmentally effective and economically efficient way to reduce greenhouse gas
emissions. This has been supported, not by radical left-wing organisations but by respected economic organisations such as the Australian Treasury, the Productivity Commission, the International Monetary Fund and the OECD. Let us get some rationality into this debate.

I would hope that people in this Senate would stand up for rational and responsible policy rather than irrational, deceptive and destructive politics on this important issue for the future.

This government talks a lot about the future. But with these bills it is a government that is abdicating its responsibility to take action on climate change. This will hurt future generations of Australians, just as the government's cruel budget cuts are hurting Australians today. We have a Prime Minister who is out of touch; he does not understand how his cuts will hurt ordinary people. We have a Prime Minister who does not tell the truth; he came to office on lies and deception. And we have a Prime Minister who does not care about the future; doing nothing about climate change is both irresponsible and irrational. The scientific evidence is clear. We know that we are on a path that will see substantial increases in temperatures by the middle of this century, which will have significant environmental, economic, social and human impacts.

Those opposite like to talk about future generations. They like to talk about intergenerational equity. That is part of their core argument when it comes to the cuts that they are seeking to impose on Australians, the cuts that they did not tell Australians they would put in place—they, in fact, lied to Australians and told them that they would not put them in place. Yet they seem to forget about intergenerational equity and about future generations when it comes to climate change because our failure to act now will only increase the risks and costs for future generations. If we do not act, we will bequeath to our children a world of rising temperatures, high sea levels, acidified ocean salinity, land degradation, and more frequent and extreme weather events.

Labor introduced a comprehensive package of reforms to clean up our economy. Contrary to some of the mistruths which have been put to this chamber, including by the previous speaker, these reforms are already working to reduce emissions and transform Australia's economy to the clean energy sources of the future, and carbon pricing is an essential element of these reforms. I remind the chamber that carbon pricing through an ETS is mainstream economic environmental policy. It is a policy that every living former Liberal leader has supported—Malcolm Fraser, John Hewson, John Howard, Malcolm Turnbull. Even Mr Abbott supported this policy until he decided that throwing in his lot with those who are climate sceptics was his path to the Liberal leadership. He supported this policy until he decided that running an untruthful scare campaign was also his path to the prime ministership.

Our Clean Energy Act, which is sought to be repealed, established an emissions trading scheme starting with a fixed price and then moving to a price determined by the market. The scheme imposes a cap on our pollution. That is so Australia can ensure it meets its targets for reducing greenhouse gas emissions. Of course, the carbon price creates an economic incentive for large polluters to clean up their act. There is a range of additional policies over and above the carbon price which include investments in renewable energy, the Clean Energy Finance Corporation and the independent Climate Change Authority.

Those who say these policies are not working are wrong. In the first year of carbon pricing, emissions from our electricity market fell by almost 12 million tonnes. We are using electricity more efficiently and we have a larger share of generation coming from natural gas,
hydroelectricity and wind power. Wind power capacity trebled under Labor's policies and more than a million households have installed solar panels.

The carbon price has been in place for two years, during that time we have not seen a single one of Mr Abbott's prophecies of doom come true. Yet the government remains addicted to this doomsaying. Just this week—yesterday or the day before—the Leader of the Government in the Senate actually claimed that the carbon price had destroyed jobs and was destroying the Australian economy. It is completely absurd. Since the carbon price started, GDP has grown, more jobs have been recreated, the share market has risen and market capitalisation of our share market has risen. That is not an economy that has been destroyed.

Labor, when it comes to climate change, has a long history of working to address it. We first included climate change in our platform in 1988. The Keating government ratified the United Nations Framework Convention on Climate Change in 1992. The Rudd government ratified the Kyoto protocol in 2007. We adopted an enhanced renewable energy target to ensure that 20 per cent of Australia's electricity comes from renewable sources by 2020. We introduced legislation for a carbon price very similar to what the Greens eventually voted for, with less assistance to electricity polluters than the current scheme. We introduced that legislation in 2009 but, regrettably, it was blocked by the coalition and the Greens. But we did not give up and we successfully introduced a carbon price into our economy from July 2012 along with the other measures I have referenced.

We do stand by our principles and those principles are sound. These policies are in the national interest. I will pause to address one point that is made always. Those opposite say we cannot fix climate change ourselves; everybody has to act. That is true; it is a global problem. It is a global challenge that all nations have to meet. But you do not enable that to happen by not doing anything yourself. You do not enable international action by simply sitting back and saying we are not going to do anything. If every nation did that, if every nation sat back and said they would not do anything until others act, we can be sure that action would not occur. We can be sure that we will be bequeathing risks that we ought not bequeath to our children. It is not a responsible way to act. It is false to assert that no other nation is acting. I invite those who are interested to read what the Climate Change Authority has said—not what I have said but what independent scientists and analysts have said—about the extent of international action. Walking away is an abdication of responsibility, not only to the international community but to our children as well.

On the issue of climate change, Mr Abbott has been a self-confessed weather vane. He changed his position when he found it electorally expedient. He has treated climate change as an opportunity to maximise his own self-interest instead of pursuing policies in the interests of future generations. In fact, if you track through Mr Abbott's comments on climate change, he has really held pretty much every view at every point in the spectrum, from saying climate change is 'absolute crap' to saying that imposing a carbon tax is the best way to go.

Mr Abbott has nominated Margaret Thatcher as one of his political heroes. The late Baroness Thatcher was not only a political leader; she was in fact a scientist by training and background and she was one of the first world leaders to identify the risk and the threat posed by climate change. In 1989 in a speech to the UN, she talked about climate change. She said:

… the evidence is there. The damage is being done. What do we, the International Community, do about it?
Fast forward to this week and we heard an assessment of Mr Abbott’s performance on climate change from one of Mrs Thatcher’s former ministers, Lord Deben. He said on Lateline on Tuesday night:

Well, the fact is almost all the rest of the world is now fighting climate change. … Only Australia and to some extent Canada, but particularly Australia, is actually going backwards.

He went on to say:

… nobody outside [Mr Abbott's] party thinks that his policy is going to deliver and he will not listen to the rest of the world. That seems to me to be very sad, 'cause Australia is a great nation, an English-speaking nation that ought to be leading the world instead of going backwards.

This was said by the Right Honourable John Gummer, Lord Deben, who served 16 years as a minister in Margaret Thatcher's government and John Major's government and as a former chairman of the British Conservative Party.

The fact is mainstream conservatives internationally and mainstream liberals in Australia know that carbon pricing is the lowest-cost way of reducing emissions. In fact, our environment minister, Mr Hunt, has known that since 1990. When he was at university, he wrote a research report, called 'A tax to make the polluter pay: the application of pollution taxes within the Australian legal system'. In that paper he argued that the best way of tackling the problem of industrial pollution was through a market mechanism. The intellectual journey—or, frankly, the craven political path—that Mr Hunt has walked is quite extraordinary. He started out advocating sensible, mature policies, but he grew up and became a crazy. A lot of people might say, 'We are a bit different at university, but we grow up and become more mainstream.' This environment minister has gone the other way.

Australia’s political spectrum on climate change is now not dominated by mainstream liberals; the Liberal Party have gone to the extreme hard right on climate change. The political spectrum in this nation now comprises the Liberal Party which has moved to the hard right and does not care about the environment or the future of the planet.

Senator Edwards: That is not true.

Senator WONG: I will take that interjection. He says, 'That's not true.' He advocates a policy that will cost taxpayers more and will do nothing to address Australia's pollution. The bizarre thing about this debate is that those on the other side are actually advocating a taxpayer funded bureaucracy, while those of us on this side of the chamber are advocating a market mechanism. The Labor Party is advocating a market mechanism, because—guess what?—it is efficient. You want a taxpayer funded series of rorts that will not do anything to ensure Australia reduces its emissions.

Climate change is real and, if not tackled, it will impose substantial economic and social costs on future generations. Ignoring this problem will not make it go away. Direct Action, as I have said, is a con. There is a reason that the government does not want to provide any real detail on how Direct Action will work before this repeal is voted on; and that is that Direct Action does not work and will not work. Labor remain committed to tackling climate change in the most cost-effective way. We support moving from a fixed price on carbon to an emissions trading scheme. That is the policy we took to the last election and that reflects our fundamental values, our determination to protect the natural environment, our commitment to
create jobs and secure economic growth and our pursuit of a fair society—including fairness across the generations. That is why Labor will vote against these bills.

Senator WRIGHT (South Australia) (10:34): I rise to speak against the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013. In 2011 I was extremely proud to stand in this parliament as a South Australian senator with the Australian Greens and vote in favour of a package of 18 clean energy bills. It was a visionary package; it was going to finally establish a framework to begin to tackle the urgent challenge of climate change in a comprehensive and coordinated way. I have been aware of the risks and predictions about climate change since the late 1980s. The issue gained understanding within the community in the early 1990s and it has become increasingly urgent since then. But here we stand in 2014 on the cusp of going backwards.

The clean energy package—which the Australian Greens, the Labor Party and, indeed, the multiparty climate change committee in the previous government was responsible for initiating and introducing—was, and still is, some of the world's best-practice legislation in this area. It was a sophisticated framework to bring about the transition of our Australian economy from an economy that historically has been reliant on an abundant supply of coal and fossil fuels to an economy based on the clean energy sources that are absolutely necessary for a safe climate and a healthy environment over the decades and centuries ahead.

Last year I was again proud to stand in this parliament to defend that framework and to vote against the Abbott government's first spiteful, bloody-minded, irresponsible attempts to tear down the framework. Here we go again. Again we are confronting legislation that will take us backwards, that will remove the structure which has delivered greater-than-expected reductions in carbon emissions and that has encouraged investment in renewable energy in Australia and investment in energy efficient industries. This time the Abbott government will probably succeed with the assistance of other senators in this place, notably Senator Xenophon and the Palmer United Party, some of whom, I believe, do not really understand the acts they are repealing or the true implications of what they are doing. How has it come to this sorry, sorry place? Purely and simply, this is about politics and protecting vested interests—their own and their mates'.

In opposition, Tony Abbott deliberately drummed up fear and confusion about climate change and actively encouraged the public to turn away from science, our scientists and knowledge, towards ignorance and prejudice. What sort of responsible leader does that? And why? Because he saw electoral advantage in it. He also deliberately drummed up confusion and fear about what he called 'a great big tax', making hysterical claims about its effect on electricity prices, predicting that cities like Whyalla in South Australia would be wiped off the map, all of which has come to naught. Why? Because he saw electoral advantage in it. What kind of responsible leader does that? So now we have a slash-and-burn rampage against the suite of climate change measures, not because the policies have no merit but because he staked his political ambition to get into power on opposing the policy.

We are dealing here with a government which is resolved to take our country backwards, even though the legislation that it wants to trash is effective, actually saves money and is demonstrably in the long-term national interest. This particularly offends me because it amounts to what I see as a fundamental breach of the compact that lies at the heart of our democratic system—that people elect governments to govern, in the end, overwhelmingly in
the national interest, not in their own interests and not in the interests of their coalmining, big business mates. The national interest includes the future of our young people—the children, the teenagers and the young adults who will inherit a parched and dangerous future if we do not act to prevent it. I met some of them on Monday—200 young people from across Australia who converged on the parliament to remind us, their parliamentarians, that our decisions determine their future.

The national interest also includes the welfare and livelihood of farmers and people on the land. These are the people that the government, and especially the National Party, constantly claim to represent. It is farmers and rural Australians who will pay the biggest cost and pay soonerest when it comes to climate change. Every year, we know, more records are being broken—droughts, more hot days for longer periods, variations in seasonal temperatures. Who does that affect the most and most immediately? Why is it then that the issues paper delivered to inform the Abbott government's white paper on agricultural competitiveness does not mention climate change? This is totally at odds with most experts in climate and its interaction with production, especially those who are working at the interface of climate and agriculture. It is totally at odds with the approach taken by one of our most important competitors in the global food market, the US. Their Department of Agriculture's 2014 proposed budget includes $98 million earmarked for programs researching interactions between climate change and agriculture. Clearly climate change will have severe and detrimental effects on food production and those who make their living from the land in Australia, so I repeat my question: why are the coalition—and particularly the National Party, which claims to be the party for farmers and rural Australians—not prepared to pay attention to one of the most significant threats coming down the line to their people? And why are their voters and constituents letting them get away with it?

There is a growing global movement for pricing pollution, ideally through an emissions trading scheme, as the most efficient and low-cost way to reduce emissions. It sends a price signal that polluters and polluting activities should pay more. Consumers will vote with their feet. Polluters will change their ways. The IMF and the World Bank are urging mechanisms to price pollution across the globe. While our biggest trading partners and our friends across the globe are jumping on board, we have Prime Minister Tony Abbott and Minister Greg Hunt wanting us to jump ship. If we continue on this way, when the global repugnance for polluting activities that affect everyone across the globe reaches its height, the change will come fast, without much warning, and the huge risk is that Australia will be left with a rust-bucket economy and stranded assets, a destroyed environment and towns without jobs, like we saw with the auto-manufacturing towns in the US that kept making dinosaur gas-guzzling vehicles when the rest of the world had moved on. We ignore these signals, we ignore what is coming, at our peril.

The Australian Greens are long-term advocates of a price on carbon. That is because we are guided by the scientists and we are guided by the economists. We stand for responsible and sensible policy and investment based on established science and established economics. The Australian Greens do not support this legislation, which will take us inexorably backwards at a time when other nations in the world are moving forwards. I know we are on the right side of history. I will finish on this question: when future Australians, potentially our descendants,
look back at this government and this parliament and this period of Australia's history and ask, 'What were they thinking?' what will we tell them?

Senator FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (10:43): I too rise to speak on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No.2] and related bills. Can I start my contribution by looking at the hypocrisy of Senator Wong when she speaks about intergenerational burden. This is from a former finance minister whose legacy to this country would have been cumulative deficits of $123 billion and a debt of $667 billion unless remedial action had been taken by this government. So do not come into this place, Senator Wong, with your hypocrisy and tell us about intergenerational burden, when you left our children and our grandchildren with an enormous debt and deficit disaster. This government now has to fix up your mess.

Secondly, she obviously has amnesia because she is not familiar, despite what Senator Abetz pointed out to her the other day, with the pamphlet that the Labor Party went out with at the last federal election. They understood the electoral poison that the carbon tax was, because their pamphlet said Kevin Rudd and Labor removed the carbon tax. That was the lie that they perpetrated at the last federal election by publishing material that actually said 'Carbon tax abolished'. That is what it said—authorised by George Wright. At the last federal election he was their federal general secretary. This is what went out. Everybody did not know it was out there? They were not distributing it? Of course they were distributing it. They realised the electoral poison that the carbon tax was and they were getting on the bandwagon and lying to the Australian public, saying, 'Kevin Rudd and Labor have removed the carbon tax.' They did not remove the carbon tax; they are in here still fighting tooth and nail to retain it.

Can I just say to you, Senator Wright, how absolutely patronising it is of you to come into this chamber and denigrate the crossbenchers. I thought that was absolutely outrageous. This is from a political party that has some of the most wacko policies that we have ever seen in this country. They believe in fairies at the bottom of the garden—these are the Greens of Australian politics.

Let me go on—unless those opposite, the Greens and the Labor Party, did not realise there was an election last year. We went to the election and we said clearly—we said clearly—that we would be abolishing the carbon tax. It would be the first priority of the new government to abolish the carbon tax. That is what we are doing.

Senator Whish-Wilson: What about the by-election in Western Australia?

Senator FIERRAVANTI-WELLS: Senator Whish-Wilson, it was as if the last federal election did not happen even though you stood as a candidate. It was as if it did not actually happen. The Australian public voted for this government. They voted for us to abolish the carbon tax, and here you are continuing your ALP-Greens alliance with schoolkid pranks by not providing a quorum to the Senate committee to consider these bills. What a childish act. What does that say about you and your Labor colleagues that you have to pull this sort of stunt? Typical ALP: when you cannot get your way, you pull a strike, and that is exactly what they did last week. What a crude and infantile act to try and block even consideration of this matter.
Can I just remind the Senate—and it is all very well for you to squeal, 'We don't have enough time'—as Senator Ruston and Senator Abetz correctly pointed out, we have had about 35 hours of debate on this already. This package of bills has already gone through the House of Representatives. It has already gone through the Senate. It has been considered and given scrutiny in this place. It has gone back to the House of Representatives and it is now back again. We have been up-front and said that we want to vote on this package of legislation.

Can I just remind those opposite that they are all standing here now holier than thou saying, 'Oh dear, we should retain this tax,' which we all know has not worked. But let me remind Senator Wong. Obviously, just as she forgot about the material that they took to the last federal election, she has forgotten what she has previously said on the record. On 23 February 2009, she said:

A carbon tax does not guarantee emissions reductions.

That was what she said in 2009. Then, of course, she reiterated that in an article in The Australian on 11 March 2011. She also say a carbon tax is 'not the silver bullet some people would think'. Then, of course, you have other members of the Labor Party and their views. For example, we have Nick Champion making comments to Chris Uhlmann on 11 September 2013. He said:

…I don't see why the Labor Party should necessarily stay wedded to this concept when everybody else has walked away from it in one form or another.

Then, of course, the thing that really is irritating is that anybody who dares to go against this and have a different point of view on the issue of the carbon tax is deemed an extremist—is labelled as an extremist. That would mean—it goes without saying—that all those people who then supported the coalition and our platform to abolish the carbon tax are also extremists, because they supported us.

Here we have on 23 March 2011—and we have had quite a number of these comments; I will just pick two that were made on that day—again, Nick Champion telling us that the protesters are extremists. This was backed up by Michelle Rowland also agreeing that some of these people are extreme. It reflects more on their own myopic prejudices than the views of the majority of the Australian public who voted for a repeal of the carbon tax. Can I just say that those opposite are completely out of touch and not in sync with the majority of the Australian public. Of course, the carbon tax did go up on 1 July.

Before closing, can I make some comments in relation to my own area of the Illawarra. I have spoken at length about this in the past: the impact that the carbon tax has had on an area that was dependent on steel manufacturing and on coal production. The impacts are being felt in the Illawarra due to the downturn of those industries in the Illawarra and the impact that it has had on unemployment. In the interests of allowing more people to speak, I will now conclude my remarks on this matter.

(Quorum formed)

Senator MADIGAN (Victoria) (10:53): Earlier this morning we had a vote regarding the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 and related bills and I would like to explain some of my reasoning. I have never supported a guillotine in the Senate, whether put forward under the previous government or this government. Quite frankly, I am happy to sit
here tonight for extra hours, tomorrow night, Friday and Saturday if need be, because I believe in the right of everybody to express their opinion.

I have heard some people say that we have discussed the carbon tax legislation ad nauseam, until some of our ears have bled, and I have heard people repeat, 'There will be no carbon tax under a government I lead.' I acknowledge that. But we now have new crossbench senators who have come into this place who have a very deciding role in legislation in the Senate. I do not believe in bludgeoning the government and I do not believe in bludgeoning the opposition. As much as I may vehemently disagree with some people in this place on specific issues, I am not the person who is going to take away the right of people to have their say. The situation I have found myself in is that I will not be bludgeoned into a situation where I go away from my ethos of respecting everybody's right to express their opinion.

I believe the government has a right to organise business. I believe the government has a right to put forward and manage government business in the Senate. All I am asking is that you not justify the way you do it on the basis of the bad behaviour of the previous government in the way they did it. It is a matter of principle for me. You cannot justify your bad behaviour at any given time by the bad behaviour of somebody else. I want the Senate to work. My views and that of the DLP on the carbon tax are crystal clear. But I will not be part of a thing that takes away other people's right to express their opinion, because it sets a precedent that can be used against all of us, depending on which way the pendulum may swing.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (10:57): I do not seek to close the debate at this time. I understand that Senator Xenophon would like to make a contribution in this debate, and I believe he is on his way. The newly sworn Senator Bilyk would, I think, love to make a one- or two-minute contribution. Congratulations on being re-sworn this morning, Senator Bilyk.

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (10:57): While we are waiting for Senator Xenophon, I would like to say a few words in this debate on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 and related bills. I thank Senator Abetz for his congratulations on my swearing-in this morning. I am very pleased to be able to spend another six years in this place representing the people of Tasmania.

Labor's position on climate change is very clear. We accept the science of climate change—unlike those on the other side—and we believe we need to do something about it. Mr Abbott obviously does not and those on the other side do not. This is quite a problem. Mr Abbott's policy removes the legal cap on pollution and allows the big polluters absolute open slather. So, instead of polluters paying, Mr Abbott is happy to set up a slush fund worth billions of taxpayers' dollars to hand to the polluters. All the experts agree that this will cost households more while failing to lower the pollution level.

Last year the government defunded the Climate Commission and, in the context of the Australian government's overall spending, the government saved an absolutely paltry amount of money. This was a body to which each Australian was contributing about six cents a year. So why did they do it? It was the action of a government that resembles the flat earth society—a government that does not believe in science. Emissions trading schemes have already been adopted in many, many countries around world, including the UK, France,
Germany, South Korea, Canada and parts of the US and China. Those on the other side really need to stop and think about what they are doing and take note of this.

I have had only a limited amount of time to speak, but I will be speaking later on in committee on this very important issue. I thank the Senate for the few minutes I have had so far today.

Senator XENOPHON (South Australia) (10:59): I propose to be concise because the time for debate and consideration of the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No.2] and related bills is truncated. I do appreciate very much my crossbench colleagues Senators Madigan and Muir for rejecting the proposed guillotine of this debate today. I acknowledge that the numbers are such that the bills will be dealt with by tomorrow, which at least gives more time for debate and for the essential scrutiny of the committee process.

I support the repeal of the carbon tax. I am obliged to do so because it is a position I took as a platform to the people of South Australia at the last election and I will be true to my word to my fellow South Australians. I also have an obligation to explain my position and the context of my decision. Firstly, I strongly support the concept and indeed the science of anthropogenic climate change. We should, as Rupert Murdoch once said, ‘give the planet the benefit of the doubt’ and tackle as effectively as possible the impact of greenhouse gases in the atmosphere and their consequential effect on global warming. Secondly, anthropogenic climate change presents us with the most complex policy problem we have ever faced. I think it is more complex because of what has been named as the Giddens paradox, after Lord Anthony Giddens, who said that often politicians will not take action on a problem when the impact is many years away but when the impact of the problem becomes apparent it is too late to do anything about it. That is the policy paradox we have here, which has so bedevilled the debate in relation to this matter. The Giddens paradox is echoed in the comments made just last week in the New York Times by Henry Paulson, a staunch Republican. As Secretary to the Treasury and the George W Bush administration, he said:

This is a crisis we can’t afford to ignore. I feel as if I’m watching as we fly in slow motion on a collision course toward a giant mountain. We can see the crash coming, and yet we’re sitting on our hands rather than altering course.

Sensibly, Paulson also talks about the need to manage risk. He goes on to say:

When I worry about risks, I worry about the biggest ones, particularly those that are difficult to predict—the ones I call small but deep holes. While odds are you will avoid them, if you do fall in one, it’s a long way down and nearly impossible to claw your way out.

Thirdly, in terms of an effective policy response, I believe the carbon tax has been a failure. It has involved enormous revenue churn, caused businesses to shift jobs overseas to countries with arguably greater emissions because of lower environmental standards. The tax was not high enough to change behaviour but it was high enough to damage jobs. It involved the worst of both worlds.

Back in 2009, then opposition leader Malcolm Turnbull and I jointly commissioned Frontier Economics to model and formulate an alternative intensity based emissions trading scheme. The Frontier scheme could have delivered deeper cuts to emissions at a lower cost than the CPRS and the carbon tax because it avoided the enormous economic costs associated with the revenue churn of the former government scheme. Frontier’s modelling estimated that for every dollar invested in abatement, there is a churn of $5 to $6 through the economy. The
Frontier scheme would have involved a much lower churn. Shortly I will talk about direct action which I believe will involve even less churn.

An intensity based scheme by contrast sets emissions targets for industries, particularly the stationary energy sector, and avoids that level of churn and with it distortions of loss of economic activity. Frontier also calculated that it would be relatively simple to amend the CPRS legislation at the time to make it one-third cheaper and twice as effective by introducing intensity based elements. Warnings were given at that time by Frontier of the potential for a budget black hole and they used the same economic modellers that the then government used, out of Monash. The Frontier scheme was dismissed by Senator Wong. At the time she called it, 'a mongrel scheme'. I think she said that more with hyperbole then with any malice. I have to say that every dog has its day because Frontier has been proved correct in terms of its economic analysis.

It warned the Rudd government back in 2009 of the budgetary black hole created by the decline in revenues from permit sales. The government ignored this and the black hole turned out to be about $5 billion a year. It also warned that one group that would see the upside of the abolition of the price floor announced in September a couple of years ago would be the private brown coal generators in Victoria and South Australia. These are important issues.

Something that Treasury has also ignored over the past years in the context of carbon policy, which must be tackled now, is a tax interaction effect associated with different mechanisms for producing emissions. Frontier's proposed amendments of CPRS would have substantially reduced the economic distortions that the proposed CPRS or carbon tax would create as a direct result of savings due to a reduction in the inefficiencies of this tax interaction effect on current policies.

As Frontier puts it, pre-existing taxes already create economic distortions that discourage investment, consumption and labour. When a carbon price tax is imposed in addition to these existing taxes, the resulting economic costs are multiplicative not additive. That means that the revenue churn of the CPRS and carbon tax has a disproportionate drag on the economy as well as leading to much higher abatement costs, but in the context of this vote to repeal the carbon tax there ought to be, at the very least, a bipartisan commitment that there needs to be a minimum five per cent reduction, which is very conservative, on 2000 levels by 2020. I hear what Senator Whish-Wilson is saying but its appears to be a bipartisan commitment of the major parties in respect of this. Although, on ABC’s Lateline said last night, in a feisty interview between Emma Alberici and Lord Deben, the chairman of the UK Committee on Climate Change, the assertion made by Ms Alberici was that this target needs to be considered in the context of the 2005 baseline that other countries have adopted, so that a five per cent reaction in Australia comes up to 12 per cent on a 2005 baseline, which compares quite favourably to international comparisons, to the US with 17 per cent and even to the EU where there is a variable degree of between 13 per cent and 24 per cent.

I want to speak very briefly on some of the elements of this bill and to acknowledge Senator Muir's amendment to keep ARENA, the Renewable Energy Agency, something the Australian Greens have long campaigned for. I support this amendment. I believe if you want to wean yourself off carbon then you need to support those nascent emergent technologies such as baseload geothermal in my home state of South Australia where they just need to get to critical mass, where they need to overcome technical issues and difficulties so that there is
real hope. I also support the Clean Energy Finance Corporation. If it is not costing money in the budget we should keep it.

I have an issue with an overreliance on wind energy because I believe we have put too many eggs in the wind farm basket for a range of other reasons. I support retention of the Climate Change Authority because it is important to have an independent watchdog to monitor what the government of the day is doing. We will have an opportunity to debate that next week.

I have had extensive discussions with the Minister for the Environment, Greg Hunt, on this matter. I actually believe he wants to do the right thing by the environment. He wants to achieve these targets. I believe that Direct Action must be modified and changed so that there is a base, there are adequate penalties and safeguard mechanisms, and adequate long-term contracts to deliver the best, lowest cost abatement possible. There needs to be modifications to the scheme and, with the best endeavours and in good faith, I am working with the environment minister in respect of that. I hope to be able to table and circulate amendments to that by the end of this week, if not early next week.

The point is that I believe there is, at least, a transitional alternative to deal with these issues. Not to have any form of carbon abatement would be wrong. I believe that there are some potential safeguards. I believe that having a reverse option scheme, as proposed by Direct Action, can actually work. When others are criticised for saying it will cost taxpayers money, the alternative is that consumers will end up paying much more by way of electricity prices. That brings me to my second reading amendment, which I now move, Mr Acting Deputy President—

**The ACTING DEPUTY PRESIDENT (Senator Bernardi)**: Senator Xenophon, you just have to foreshadow it. There is already an amendment before the chair.

**Senator XENOPHON**: Mr Acting Deputy President, I foreshadow that I will be moving a second reading amendment. I would urge honourable senators on both sides of the chamber and also my crossbench colleagues to support the amendment for this reason. The carbon tax of course is a factor in electricity price rises. But with all the hyperbole of the debate you would think it was the only cause. We know from independent analysis that, for instance, in the past six years New South Wales households have seen a doubling of household electricity prices and that two-thirds of that increase has been due to network charges. Some of these power companies are making an absolute killing out of consumers and that is why my second reading amendment is simply asking the government to show a leadership role in the Council of Australian Governments to ensure that the national electricity rules are modified and that we give the Australian Energy Regulator sufficient teeth to tackle these network charges. That has been an unnecessary impost on consumers. If we can bring down those prices, it means that we will have more latitude in tackling greenhouse gases and any price effects of that. We should not be handing over windfall profits to power companies if we can have a more efficient mechanism operating in the market.

I have indicated my position. I hope that we can at least have a semblance of a decent committee stage in respect of these bills. I am quietly confident that we will, at least, be able to have a credible alternative that will deliver that conservative approach to greenhouse gases. But we need to have the mechanisms of the CEFC, ARENA and the Climate Change Authority in place to provide an effective bulwark for climate change policies.
Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (11:10): This package of bills, the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] and related bills, which will repeal the carbon tax, is vitally important for the welfare of our nation. This package of bills will repeal the toxic carbon tax. This package of bills will reduce the cost-of-living pressure on all Australians, especially those on welfare and pensions, as they will see the cost of their power and energy bills reduced.

The Palmer United Party's amendments, to be moved by Senator Lazarus, will lock that in place and the government will be supporting those amendments. We believe that there was a mechanism in place, and I will describe it: we provided the belt but the PUP provided braces as well. So we have a belt-and-braces position to absolutely lock in the reduction of power prices for the Australian community, especially those on lower incomes.

This package of bills will not only reduce the cost of living for all Australians; it will also remove the blot from our economic landscape—a blot which has destroyed thousands of jobs. From closures to offshore investments and expansion plans being put on hold the carbon tax has, without doubt, been a job destroyer.

Australian-made motor vehicles, for example, had an impost of an extra $400 on each unit, courtesy of the carbon tax, which will be removed, unfortunately, too late. We have the example of smelters and sectors in the manufacturing arena closing because of energy costs. And we have the example of Coogee Chemicals, which wanted to establish in Australia but decided not to because of the cost of energy and the carbon tax. They went to China to establish and, as a result, denied the investment and the jobs in Australia and are now emitting more carbon dioxide into the atmosphere in China than they would have done in a pre carbon tax Australia. Just keep that in mind.

Dairy farmers have experienced an impost of an extra $10,000 or thereabouts per dairy farm. That $10,000 comes out of the pocket of the family that runs the dairy farm—a direct impost on their costs. So we will see the removal of this impost on jobs and on business which, of course, will assist in jobs. There are many other examples I could provide. But, most perversely of all, the carbon tax is destructive to the environment. With the highest carbon tax anywhere in the world, we have seen the export of production from Australia to countries whose regime of environmental protection is nowhere near the Australian pre carbon tax standard. We were therefore exporting jobs, wealth and emissions to elsewhere in the world.

Keep in mind that this carbon tax was so good that, in 2010, we were promised there would be no carbon tax. Labor then said they were forced into a deal with the Australian Greens to keep government. Well, I do not believe former senator Bob Brown of the Greens would have joined with the coalition to form government and I do not think it was a concession that was needed. Nevertheless, let us accept that to be the case, that they needed to do so. Might I add, Labor and the Greens then combined to guillotine that legislation, against their mandate, through this place. But now, regrettably, the Labor Party are still in lock step with the Australian Greens, keeping the carbon tax on life support day after day, despite having gone to the 2013 election with this brochure, amongst others, which reads, 'Kevin Rudd and Labor removed the carbon tax'. It was such a good idea that Labor went to the 2010 election promising there would be no carbon tax and then went to the 2013 election promising that
they had removed the carbon tax. Nothing could be further from the truth and, as we sit here today, the carbon tax remains an impost on Australians' cost of living whilst destroying jobs. Might I add for those sitting opposite, especially those in the Australian Labor Party, that each one of those Labor senators, whether they were elected at the 2010 election or the 2013 election, were elected on a promise of no carbon tax. And yet we see the Labor senators continuing to vote with the Australian Greens.

Earlier today we heard a plea from Senator Wong—the architect of Labor's debacle of an emissions trading scheme and the budget blow-out—complaining about the proposed time management for this debate. I accept the principled positions of some senators but I cannot accept it as a principled position from Labor and Greens senators, when they voted together to gag 52 bills through this Senate when they had the majority. When I say 'gag', not one single syllable was able to be spoken by any senator on any of those 52 bills. They were just rammed through. And they have the audacity to say that this government sought this morning—and yes, we did try—to truncate the debate. But we tried to truncate the debate after 33 hours and 52 minutes of debate on these measures. By any standard, that is indicative of a very patient government that has allowed this debate—or, more correctly, suffered this debate—to go on for 33 hours and 52 minutes, and now we are being accused by Senator Wong and the Greens of gagging debate on this in circumstances where those parties combined to ensure that 52 bills were rammed through this place without a single syllable being spoken on any of those 52 bills.

I remind senators that these bills have been around for nine months. Why the urgency? We went to the last election, in opposition, promising—

Senator Whish-Wilson: What about the new senators? How long have they been around?

Senator ABETZ: It is interesting that the new senators were, apart from one, the ones who voted with us to truncate the debate. It is senators like Senator Whish-Wilson and others, who have been around the track time and time again, repeating their arguments time and time again, who want to have even further time to debate. It confirms to me and the government that this is a Greens-Labor strategy to deliberately delay the demise of the carbon tax—a policy we went to the election on, promising that if we were elected it would be the first item of business to be considered by the new parliament. And it was. The House of Representatives had as its first item of business the repeal of the carbon tax. It then came to the Senate and, hour after tedious hour, this debate has kept on for nine months—over 33 hours. We believe it is time for the matter to come to a conclusion.

I invite the Senate to vote to support these bills. In doing so, I acknowledge the speeches of Senators Lazarus, Lambie and Fox and thank all other senators for their contributions. In short, removal of this tax will lift a millstone from the neck—

Senator Milne: Mr Acting Deputy President, I rise on a point of order. I do not know who Senator Fox is. I think he was referring to Senator Rice, perhaps.

Senator ABETZ: My absolute apology and no offence meant at all. I do not know why I said 'Fox' instead of 'Rice' and I thank the leader of the Australian Greens for correcting me.

The removal of this tax will lift a millstone from the neck of Australians' cost of living pressures. These bills will remove the dead hand of an oppressive tax from Australian job providers in manufacturing, tourism and agriculture. These bills will help the environment by
ensuring businesses are more viable in the Australian economy, with its more environmentally-friendly regime, rather than seeing production go offshore, where the carbon emissions will be so much greater. I commend the bills to the Senate.

The ACTING DEPUTY PRESIDENT (Senator Bernardi): The question before the Senate is that the second reading amendment moved by Senator Singh be agreed to.

The Senate divided. [11:25]

(The President—Senator Parry)

Ayes .................34
Noes .................40
Majority .............6

AYES

Bilyk, CL (teller)  
Bullock, J.W.  
Carr, KJ  
Dastyari, S  
Faulkner, J  
Hanson-Young, SC  
Lines, S  
Ludwig, JW  
Marshall, GM  
McLucas, J  
Moore, CM  
Peris, N  
Rhiannon, L  
Siewert, R  
Sterle, G  
Waters, LJ  
Wong, P  

Brow, CL  
Cameron, DN  
Collins, JMA  
Di Natale, R  
Gallacher, AM  
Ketter, CR  
Ludlam, S  
Lundy, KA  
McEwen, A  
Milne, C  
O'Neill, DM  
Polley, H  
Rice, J  
Singh, LM  
Urquhart, AE  
Whish-Wilson, PS  
Wright, PL  

NOES

Abetz, E  
Bernardi, C  
Bushby, DC  
Cash, MC  
Cormann, M  
Edwards, S  
Fierravanti-Wells, C  
Heffernan, W  
Lambie, J  
Leyonhjelm, DE  
Madigan, JJ  
McGrath, J  
Muir, R  
O'Sullivan, B  
Payne, MA  
Ronaldson, M  
Ryan, SM  

Back, CJ  
Birmingham, SJ  
Canavan, M.J.  
Colbeck, R  
Day, R.J.  
Fawcett, DJ (teller)  
Fifield, MP  
Johnston, D  
Lazarus, GP  
Macdonald, ID  
Mason, B  
Parry, S  
Reynolds, L  
Ruston, A  
Scullion, NG  

CHAMBER
I move:
At the end of the motion, add:

but the Senate:
(a) rejects this Bill and the related Bills;
(b) recognises that:
   (i) the world is on track for 4 degrees of warming; and
   (ii) warming of less than 1 degree is already intensifying extreme weather events in Australia
        and around the world with enormous costs to life and property;
(c) calls on the government to:
   (i) protect the Australian people and environment from climate change by approving no new coal
       mines or extensions of existing mines, or new coal export terminals; and
   (ii) adopt a trajectory of 40-60% below 2000 levels by 2030 and net carbon zero by 2050
       emissions reduction target in global negotiations for a 2015 treaty.

The PRESIDENT (11:28): The question is that the second reading amendment moved by
Senator Milne be agreed to.

The Senate divided. [11:29]

Ayes .....................10
Noes .....................63
Majority..................53

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

NOES
Abetz, E
Bernardi, C
Birmingham, SJ
Bullock, J.W.
Cameron, DN
Carr, KJ
Colbeck, R

Back, CJ
Bilyk, CL (teller)
Brown, CL
Bushby, DC
Canavan, M.J.
Cash, MC
Collins, JMA
The PRESIDENT (11:37): I advise senators that there may be further divisions. Senator Xenophon, do you want to move your amendment?

Senator XENOPHON (South Australia) (11:37): I move:

At the end of the motion, add:

but the Senate:

(a) notes that

(i) over the past six year electricity prices have more than doubled for average households, with the carbon tax being one of the elements of that price increase;

(ii) network charges have been responsible for approximately two thirds of this rise in power prices; and

(b) calls on the Government to urgently review the National Electricity Rules governing the setting of network prices by taking a leadership role in COAG to ensure a review of the rules by the Australian Energy Market Commission.

The PRESIDENT (11:37): The question is that the second reading amendment moved by Senator Xenophon be agreed to.
The Senate divided. [11:39]
(The President—Senator Parry)

Ayes .................37
Noes .................37
Majority .............0

AYES

Bilyk, CL (teller)  Brown, CL
Bullock, J.W.  Cameron, DN
Carr, KJ  Collins, JMA
Dastyari, S  Di Natale, R
Faulkner, J  Gallacher, AM
Hanson-Young, SC  Ketter, CR
Lines, S  Ludlam, S
Ludwig, JW  Lundy, KA
Macdonald, ID  Madigan, J
Marshall, GM  McIvor, A
McLucas, J  Milne, C
Moore, CM  O’Neill, DM
Peris, N  Polley, H
Rhiannon, L  Rice, J
Siewert, R  Singh, LM
Sterle, G  Urquhart, AE
Waters, LJ  Whish-Wilson, PS
Wong, P  Wright, PL
Xenophon, N

NOES

Abetz, E  Back, CJ
Bernardi, C  Birmingham, SJ
Bushby, DC  Canavan, M.J.
Cash, MC  Colbeck, R
Cormann, M  Day, R.J.
Edwards, S  Fawcett, DJ (teller)
FERRAVANTI-WELLS, C  Fifield, MP
Heffernan, W  Johnston, D
Lambie, J  Lazarus, GP
LEYONHJELM, DE  Mason, B
McGrath, J  McKenzie, B
Muir, R  Nash, F
O’Sullivan, B  Parry, S
Payne, MA  Reynolds, L
Ronaldson, M  Ruston, A
Ryan, SM  Scullion, NG
Seselja, Z  Sinodinos, A
Smith, D  Wang, Z
Williams, JR

PAIRS

Conroy, SM  Brandis, GH
Question negatived.

The PRESIDENT (11:42): The question now is that the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] and related bills be read a second time. Senators, could I just have your attention. Before I put this motion and ask you to divide, I understand that there may be a senator or senators who wish to have these bills put separately.

Senator LEYONHJELM (New South Wales) (11:44): Mr President, I ask that the bills be separated to enable me to vote against the Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No. 2].

The PRESIDENT (11:44): That certainly can be done. Ideally, it should have been done before the division was called for, but I am sure that, with the leave of the Senate, senators are very happy to deal with it in this way. Senator Leyonhjelm wishes to divide separately on that one bill. We will do the other eight bills together. I will put the question again so that people are very clear in their positions. The question is that the eight bills, excluding the Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No. 2], be read a second time.

The Senate divided. [11:46]

(The President—Senator Parry)

Ayes .................63
Noes ...................10
Majority .............53

AYES

Abetz, E  Back, CJ
Bernardi, C  Bilyk, CL
Birmingham, SJ  Brown, CL
Bullock, J.W.  Bushby, DC
Cameron, DN  Canavan, M.J.
Carr, KJ  Cash, MC
Colbeck, R  Collins, JMA
Cormann, M  Dastyari, S
Day, R.J.  Edwards, S
Faulkner, J  Fawcett, DJ (teller)
Fierravanti-Wells, C  Fifield, MP
Gallacher, AM  Heffernan, W
Johnston, D  Ketter, CR
Lambie, J  Lazarus, GP
Leyonhjelm, DE  Lines, S
Ludwig, JW  Lundy, KA
Macdonald, ID  Madigan, JJ
Marshall, GM  Mason, B
McEwen, A  McGrath, J
McKenzie, B  McLucas, J
Moore, CM  Muir, R
Nash, F  O'Neill, DM
O'Sullivan, B  Parry, S
Payne, MA  Peris, N
Polley, H  Reynolds, L
Ronaldson, M  Ruston, A
Ryan, SM  Scullion, NG
Seselja, Z  Singh, LM
Sinodinos, A  Smith, D

CHAMBER
Question agreed to.

Bills read a second time

The PRESIDENT (11:51): The question now is that the Clean Energy (Income Tax Rates and Other Amendments) Bill 2013 [No.2] be read a second time.

The Senate divided. [11:51]

(The President—Senator Parry)

Ayes .................33
Noes .................40
Majority ............7

AYES

Abetz, E
Bernardi, C
Bushby, DC
Cash, MC
Cormann, M
Fawcett, DJ (teller)
Fifield, MP
Johnston, D
Madigan, JJ
McGrath, J
Nash, F
Parry, S
Reynolds, L
Ruston, A
Scullion, NG
Sinodinos, A
Williams, JR

NOES

Bilyk, CL (teller)
Bullock, J.W.
Carr, KJ
Dastyari, S
Di Natale, R

Back, CJ
Birmingham, SJ
Canavan, M.J.
Colbeck, R
Edwards, S
Ferravanti-Wells, C
Heffernan, W
Macdonald, ID
Mason, B
McKenzie, B
O’Sullivan, B
Payne, MA
Ronaldson, M
Ryan, SM
Seselja, Z
Smith, D

Brown, CL
Cameron, DN
Collins, JMA
Day, R.J.
Faulkner, J
Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (General) (Carbon Tax Repeal) Bill 2013 [No. 2]
True-up Shortfall Levy (Excise) (Carbon Tax Repeal) Bill 2013 [No. 2]
Customs Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Excise Tariff Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]
Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Carbon Tax Repeal) Bill 2013 [No. 2]

In Committee

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


(3) Schedule 1, page 4 (line 1) to page 70 (line 21), omit the Schedule, substitute:

Schedule 1—Amendments

Australian National Registry of Emissions Units Act 2011

1 Subsection 66F(2) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Omit “31 July 2014”, substitute “31 October 2014”.
2 Subsection 66F(2) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Repeal the paragraph.

3 Subsection 66F(4) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Omit "31 July 2014", substitute "31 October 2014".

4 Subsection 66F(4) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)

Repeal the paragraph.

Clean Energy Act 2011

5 Section 4

Omit ", 1 July 2013 and 1 July 2014", substitute "and 1 July 2013".

6 Section 4

Before "1 July 2015", insert "1 July 2014,".

7 Section 5 (definition of fixed charge year)

Repeal the definition, substitute:

`fixed charge year` means:

(a) the eligible financial year beginning on 1 July 2012; or
(b) the eligible financial year beginning on 1 July 2013.

For the purposes of paragraph (b), the months of July, August and September 2014 are taken to be part of the financial year beginning on 1 July 2013.

8 Section 5 (definition of flexible charge year)

Repeal the definition, substitute:

`flexible charge year` means:

(a) the eligible financial year beginning on 1 July 2014; or
(b) a later eligible financial year.

For the purposes of paragraph (a), the months of October, November and December 2014, and January, February, March, April, May and June 2015, are taken to be the financial year beginning on 1 July 2014.

9 After paragraph 14(2)(b)

Insert:

(ba) if the regulations declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014—must have regard to any report that:

(i) was given to the Minister by the Climate Change Authority under section 60 of the Climate Change Authority Act 2011; and

(ii) dealt with the carbon pollution cap for that year; and

10 At the end of subsection 15(1)

Add "(other than regulations that declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014)".
11 After section 15
Insert:

15A When regulations must be tabled—2014-15 flexible charge year

Scope

(1) This section applies to regulations that declare the carbon pollution cap, and the carbon pollution cap number, for the flexible charge year beginning on 1 July 2014.

When regulations must be tabled

(2) The Minister must take all reasonable steps to ensure that the regulations are tabled in each House of the Parliament under section 38 of the Legislative Instruments Act 2003 not later than 31 August 2014.

(3) The regulations must not be made, or tabled in a House of the Parliament, after 31 August 2014.

Reasons must be tabled

(4) If, on a particular day (the tabling day), a copy of the regulations is tabled in a House of the Parliament under section 38 of the Legislative Instruments Act 2003, the Minister must:

(a) cause to be tabled in that House a written statement setting out the Minister's reasons for making the recommendation to the Governor-General about the regulations; and

(b) do so on, or as soon as practicable after, the tabling day.

12 Section 16 (at the end of the heading)
Add "—later flexible charge years".

13 Subsections 16(1) and (2)
Omit "31 May 2014", substitute "30 November 2014".

14 Subsection 16(3)
Omit "of May that is 14 months before the start of a particular flexible charge year beginning on or after 1 July 2016, no regulations made for the purposes of section 14", substitute "of November that is 8 months before the start of a particular flexible charge year beginning on or after 1 July 2016, no regulations to which section 15 applies".

15 Subsection 16(3)
Omit "that May", substitute "that November".

16 Subsection 16(4)
Omit "the May", substitute "the November".

17 Section 17 (heading)
Omit "2015-16", substitute "2014-15".

18 Subsection 17(1)
Omit "1 July 2015", substitute "1 July 2014".

19 Subsection 17(2) (formula)
Repeal the formula, substitute:

Total emissions numbers for the eligible financial year beginning on 1 July 2012 – 25,000,000

20 Subsection 18(1)
Omit "1 July 2016", substitute "1 July 2015".

21 Section 93
Before "1 July 2015", insert "1 July 2014.".
### 22 Subsection 100(1)
After "following table", insert "(other than an exempt item)".

### 23 Subsection 100(1) (table items 5 and 6)
Repeal the items.

### 24 Subsection 100(1) (table items 7, 8 and 9)
Repeal the items, substitute:

<table>
<thead>
<tr>
<th>Subsection</th>
<th>The period:</th>
<th>the eligible financial year</th>
<th>the amount obtained by the regulations for the purposes of this table item</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>(a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2014; and (b) ending at the end of 1 February 2016.</td>
<td>the eligible financial year beginning on 1 July 2014</td>
<td>the amount prescribed by the regulations for the purposes of this table item</td>
</tr>
<tr>
<td>8</td>
<td>(a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2015; and (b) ending at the end of 1 February 2017.</td>
<td>the eligible financial year beginning on 1 July 2015</td>
<td>the amount obtained by multiplying the per unit charge applicable under item 7 by: (a) 1.07625; or (b) if another number is specified in the regulations—that other number</td>
</tr>
<tr>
<td>9</td>
<td>(a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2016; and (b) ending at the end of 1 February 2018.</td>
<td>the eligible financial year beginning on 1 July 2016</td>
<td>the amount obtained by multiplying the per unit charge applicable under item 8 by: (a) 1.07625; or (b) if another number is specified in the regulations—that other number</td>
</tr>
<tr>
<td>10</td>
<td>(a) beginning at the emissions number publication time of the person for the eligible financial year beginning on 1 July 2017; and (b) ending at the end of 1 February 2019.</td>
<td>the eligible financial year beginning on 1 July 2017</td>
<td>the amount obtained by multiplying the per unit charge applicable under item 9 by: (a) 1.07625; or (b) if another number is specified in the regulations—that other number</td>
</tr>
</tbody>
</table>

### 25 Subsection 100(1) (note)
Omit "Note", substitute "Note 1".

### 26 At the end of subsection 100(1) (after the note)
Add:

Note 2: For exempt item, see subsections (13A), (13B) and (13C).
27 Subsection 100(2)
Omit "item 7, 8 or 9", substitute "item 7, 8, 9 or 10".

28 Subsection 100(3) (heading)
Omit "items 1, 3 and 5", substitute "items 1 and 3".

29 Subsection 100(3)
Omit "item 1, 3 or 5", substitute "item 1 or 3".

30 Subsection 100(4) (heading)
Omit "6, 7, 8 and 9", substitute "7, 8, 9 and 10".

31 Subsection 100(4)
Omit "item 2, 4, 6, 7, 8 or 9", substitute "item 2, 4, 7, 8, 9 or 10".

32 Subsection 100(6)
After "subsection (1)", insert "(other than an exempt item)".

33 At the end of subsection 100(6)
Add:
Note: For exempt item, see subsections (13A), (13B) and (13C).

34 Before paragraph 100(9)(a)
Insert:
(aa) the eligible financial year beginning on 1 July 2014;

35 After subsection 100(13)
Insert:
Exempt item

(13A) The regulations may declare that item 8 of the table in subsection (1) is an exempt item for the purposes of this section.

(13B) The regulations may declare that item 9 of the table in subsection (1) is an exempt item for the purposes of this section.

(13C) The regulations may declare that item 10 of the table in subsection (1) is an exempt item for the purposes of this section.

36 Subsection 100(14)
Omit "31 May 2014", substitute "31 August 2014".

37 Subsection 100(15)
Repeal the subsection.

38 Before subsection 101(1A)
Insert:
(1AA) Subsection (1) does not apply to carbon units with the vintage year beginning on 1 July 2014 that are issued as a result of auctions that are conducted by the Regulator during the financial year beginning on 1 July 2013.

(1AB) The Regulator must ensure that not more than 40 million carbon units with the vintage year beginning on 1 July 2014 are issued as a result of auctions that were conducted by the Regulator during the financial year beginning on 1 July 2013 if there are no regulations in effect that declare the carbon pollution cap, and the carbon pollution cap number, for the vintage year.
39 At the end of subsection 111(3)
Add "However, for the eligible financial year beginning on 1 July 2014, the charge for the issue of a carbon unit may not be more than $25.40.".

40 Subsection 121
Omit "first 5 flexible charge years", substitute "first 6 flexible charge years".

41 Subsection 123A(3)
Omit "1 July 2015", substitute "1 July 2014".

42 Subparagraph 123A(6)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

43 Subparagraphs 123A(6)(b)(i) and (ii)
Repeal the subparagraphs, substitute:
(i) if the eligible financial year begins on 1 July 2014—6.25%; or
(ii) if the eligible financial year begins on 1 July 2015, 1 July 2016, 1 July 2017, 1 July 2018 or 1 July 2019—12.5%; or
(iii) if the eligible financial year begins on or after 1 July 2020, and the regulations do not specify a percentage for that year—12.5%; or
(iv) if the eligible financial year begins on or after 1 July 2020, and the regulations specify a percentage for that year—that percentage; and

44 Subsection 123A(7)
Omit "(6)(b)(ii)", substitute "(6)(b)(iv)".

45 Subparagraphs 133(7)(a)(i) and (7A)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

46 Subparagraph 133(7A)(a)(ii)
Omit "4", substitute "5".

47 Subparagraph 133(7E)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

48 Subparagraph 133(7E)(a)(ii)
Omit "4", substitute "5".

49 Subparagraph 133(7F)(a)(i)
Omit "1 July 2015", substitute "1 July 2014".

50 Section 160
Omit "each of the next 3 financial years", substitute "the financial year beginning on 1 July 2014".

51 Subsection 161(2)
Omit all the words from and including "On each" to and including "the following formula", substitute "On 1 September in the eligible financial year beginning on 1 July 2013, the Regulator must issue a number of free carbon units equal to the number worked out using the following formula".

52 Subsection 161(3) (formula)
Repeal the formula, substitute:
Annual assistance factor specified in the certificate X 125,115,000 A B

53 Subsection 196(1AA) (heading)
Omit "11 months", substitute "8 months".

54 Subsection 196(1AA) (definition of number of units issued as the result of auctions)
Omit "11-month period", substitute "8-month period".

55 Subsection 196(1AA) (definition of total auction proceeds)
Omit "11-month period", substitute "8-month period".

56 Paragraph 196(1)(a)
Omit "May 2016", substitute "May 2015".

57 Paragraph 196(2)(a)
Omit "November 2015", substitute "November 2014".

58 Paragraph 196(3)(a)
Omit "1 July 2015", substitute "1 July 2014".

59 Subsection 196A(18) (paragraph (c) of the definition of designated 6-month period)
Omit "November 2015", substitute "November 2014".

60 Subsection 212(2) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Omit "31 July 2014", substitute "31 October 2014".

61 Subsection 212(2) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Repeal the paragraph.

62 Subsection 212(3) (paragraph (b) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Omit "31 July 2014", substitute "31 October 2014".

63 Subsection 212(3) (paragraph (c) of the definition of prescribed amount for the financial year in which the compliance deadline occurs)
Repeal the paragraph.

64 Subsection 289(8)
Repeal the subsection, substitute:

Report
(8) The report of the first review must set out recommendations relating to the level of carbon pollution caps for each of the following flexible charge years:
(a) the eligible financial year beginning on 1 July 2015;
(b) the eligible financial year beginning on 1 July 2016;
(c) the eligible financial year beginning on 1 July 2017;
(d) the eligible financial year beginning on 1 July 2018;
(e) the eligible financial year beginning on 1 July 2019.
This is the main body of Labor's amendments, which brings forward an emissions trading scheme. The amendment I am moving introducing an emissions trading scheme will ensure a cap on pollution and ensure that Australia moves towards a clean energy future.

The introduction of an emissions trading scheme in Australia has been a longstanding policy of the Labor Party, along with policies to drive the expansion in renewable energy. There is now a point of agreement between Australia's two major parties that the carbon tax should be terminated as soon as practicable but—and I stress the 'but'—there is a profound disagreement about what should replace the centrepiece of Australia's action on climate change. An emissions trading scheme is Labor's policy. It is what creates a genuine market. The ability to trade pollution permits mean that businesses work out the cheapest way to operate within the national pollution cap.

One of the most recent of a long list of falsehoods argued by the Liberal Party is that an emissions trading scheme and a carbon tax are the same thing. They are not the same thing; that is far from the truth. Those arguing that case are either deliberately trying to mislead the community or simply do not understand the basic economics of these two models. Let me make the difference between the two very clear: a carbon tax seeks to change behaviour by imposing a price signal without any other legal discipline on that behaviour—in this case, carbon pollution; an emissions trading scheme changes behaviour through the discipline of a legislative cap on pollution and then lets business work out how to operate within that cap.

The effective price on a tonne of carbon pollution under the emissions trading scheme would only be one-quarter—and I stress 'one-quarter'—of the current carbon tax. So the different paths before us are: on the one hand, an emissions trading scheme; and, on the other hand, the vacuous policy of the Liberal Party's so-called Direct Action.

I would like to stress that I have not been able to find any economists that support Direct Action. But it is regarded by economists as not the cheapest and most efficient way to reduce carbon pollution—far from it. In fact, we saw just this week—from the conservatives' own side of politics—Lord Deben from the UK slam the backward action of this government on climate change. Lord Deben is a conservative. He is from the conservatives' own side. He is not from the Greens; he is not from the left side of politics; he is a conservative. He has laughed out the government's actions on climate policy. I ask the government: how can it justify its current inactivity on climate change when all the world is taking action and when one from its own side is deploring its actions?

Senator CORMANN (Western Australia—Minister for Finance) (12:00): Thank you, Chair, and congratulations on your elevation to that august position. The government does not support this amendment. We have a clear commitment and mandate to scrap the carbon tax—not to modify or rebadge it. This amendment is in fact a carbon copy of an amendment that was proposed by the member for Port Adelaide, Mr Butler, in the House of Representatives, and it was rejected there. The opposition's amendments mean that we would not be abolishing the carbon tax, but rather rebadging and modifying it. We have made it very clear that we are committed to repealing the carbon tax in full. It is in the best interests of families, pensioners and businesses across Australia, because it will bring down the cost of electricity; it will bring down the cost of living; it will bring down the cost of doing business in Australia; and it will help us to build a stronger and more prosperous economy and create more jobs.
Senator MILNE (Tasmania—Leader of the Australian Greens) (12:01): I am standing today to discuss the opposition’s amendment to effectively move to flexible pricing of an emissions trading scheme and to do so as soon as possible. The Greens are going to support this amendment, and I want to explain to the Senate why that is. The first thing is that we already have an emissions trading scheme in legislation, and that is why it is possible to change dates and so on as this amendment suggests. We have one now. Unfortunately, Australians thought that we had a tax and, unfortunately, that is because the coalition told that lie for long enough and because former Prime Minister Julia Gillard conceded on a television program something she should never have conceded—that it was a tax. It never was a tax; it was a fixed price. However, we should have been able to go to flexible pricing on 1 July next year, but now it is quite clear that the numbers no longer exist for transitioning from a fixed price to a flexible price next year.

More recently we have had the Palmer United Party say that they support an emissions trading scheme. We had Mr Palmer stand up with Al Gore and say that he supports an emissions trading scheme. Well, we have one, and so this is really to test whether the Palmer United Party is really committed to emissions trading or not. We have a scheme; it is in the law; and, if we were to vote for this amendment, it would mean we would abandon the fixed price and transition immediately to a flexible price. That is possible; we could do it. It means the price would go from $25.40 to around $8, which is the European price—because we are currently linked to the European Union scheme.

Mr Palmer said he supported emissions trading and the Palmer United Party supports linking with our trading partners. This will really test whether that is fact or fiction—whether they support it or not. If they do not support this amendment, then they do not support an emissions trading scheme. Otherwise, they only support it as a notional view some time into the future. That would be giving up an effective framework of legislation now for something which may or may not ever happen. Given that the Abbott government has said they would never accept an emissions trading scheme or a carbon tax—if indeed it was a tax—that means it will not happen. This is the opportunity for the Palmer United Party to deliver on what Mr Palmer told Al Gore he believed in—an emissions trading scheme.

On 31 May this year the default setting kicked in, meaning that we now have in Australia an emissions reduction target of around 18 per cent. That is effectively what the Climate Change Authority recommended in their report in February. If we were now to move to allow that emissions trading scheme to operate as a flexible price, we would have a default cap set at 18 per cent and we would have a price of around $8—depending on what the European union price is at any time. If the Palmer United Party supports that, it would mean that we would have an effective, legislated emissions trading scheme that would go immediately from a fixed price to a flexible price—reducing the carbon price from $25 to $8.

I do not like doing that because I want an effective carbon price in Australia—a price that will drive transformation. If you are serious about bringing down emissions, you need to maintain or increase the price. We are now at the point where we keep the scheme or we do not. That is why I am calling on the Palmer United Party to put legislation where their mouths have been, as evidenced by the stand up with Al Gore and Mr Palmer in this parliament only a fortnight or so ago. That is the opportunity. It would effectively mean an end to a fixed price and the immediate start of flexible pricing. I have taken advice on this, and it could be done
very quickly. There is a cap in place; previously we had no cap in place; we only had a default but it did not kick in until 31 May. Now that the default has kicked in, everything is ready to go. It would only take us a week or two at the longest to make it happen. I am calling on the Palmer United Party to explain why, if they believe in an emissions trading scheme, they would not support this amendment and make it happen.

On another matter, we have ARENA, the Australian Renewable Energy Agency, to be considered here today. The Greens want to keep the Renewable Energy Agency. We were part of setting it up, through the clean energy package. It is a statutory authority and it is supporting early research and development in Australia in renewable energy and energy efficiency technologies. It is doing a fantastic job, together with the Clean Energy Finance Corporation, in supporting early research and development projects. For the benefit of the Senate: already, with a $673 million contribution from ARENA, we have supported a total project value of $2 billion for 186 projects around the country. There are 152 projects in the pipeline, with $26 million being sought from ARENA but $5.6 billion in total investment for those projects. It would make no sense whatsoever for the government to gut ARENA, which is what they are trying to do. They are trying to do it before the legislation to abolish ARENA comes through the House, because they are trying to remove the funding from ARENA. That is what the government are doing in this schedule. That is why we should be getting rid of schedule 5 of the legislation, so that ARENA can continue.

On the subject of ARENA, I have written to the minister, and I would seek the support of the Senate to make sure that the government does not proceed with winding up ARENA, effectively. Two of the board members lost their positions on 30 June, and the final two are to go on 15 July. So, before we have even had the legislation, the government is going to allow this to happen to the people who know what is going on with all the 186 projects that have already been approved. They are the ones that especially need to be looked at, and we need to keep the existing expertise. We need to keep the money for ARENA, and the minister needs to make sure that the term of those existing personnel is extended until the parliament determines the future of ARENA.

I will be interested to hear the specifics from the Palmer United Party about their amendment. I will get to questions on that in a moment, but the main point here today is to say that we have an emissions trading scheme and it is operating. It can go to flexible pricing, with a target of 18 per cent reduction of greenhouse gas emissions by 2020. And it can drop the price. I do not like that, but nevertheless that is the effect it would have. It would go from $25 to $8. I put to the Palmer United Party: are you serious about keeping an emissions trading scheme or is the amendment to the Clean Energy Act just cover—putting it off till some time in the future? That is in fact what the Abbott government argues: that, at the point when the rest of the world acts—and they will determine when that is, and it is never—they will act. Are we just seeing this put off until next week to give cover to voting down the only effective policy framework for bringing down emissions we have got in Australia, the legislation that is here before us? I want to put very firmly on the record: this is the opportunity for the Palmer United Party to show us, once and for all. Since Al Gore has put himself on the line around the world in support of emissions trading, let us see it.

Senator SINGH (Tasmania) (12:11): I want to make some comments firstly in relation to the Greens' support for Labor's amendment. I have to say, with all honesty, it is five years too
late. The Greens had the opportunity to do this five years ago, when we were debating this through the CPRS legislation. If they had supported Labor then, we would not be here today. It seems to me that it is only now, when Australia is becoming the only country in the world to go backwards on climate change policy, that the Greens are starting to actually back down from their approach of all care and no responsibility. That is good, and I am pleased that the Greens are supporting Labor's amendment to implement an emissions trading scheme, but we were debating this very same amendment only a few months ago in this place, in March, and the Greens did not support it then. They did not support it then. They did not support the CPRS. But today they are supporting it, when the chips are really down, because we know that, in the next little while, unless we get the support of three more senators in this place other than the Greens and Labor, we will no longer have anything in this country when it comes to tackling carbon pollution. We will not have an emissions trading scheme. All we will have, going forward, is a policy that has been laughed out by every scientist and economist, and even conservatives, across the globe. So I am pleased the Greens are supporting an effective price on carbon in Australia, but I do make that point that it is a little bit too little, too late.

Having said that, I hope the Palmer United Party do listen to the comments of Senator Milne and the comments from Labor about the importance of this amendment. They have made it very clear that they are supportive of some sort of emissions trading scheme. It may not be exactly the one that Labor has brought forward today, but there is an opportunity for them right now to join with those senators that are supporting this amendment to actually save the baby, so to speak, and ensure that Australia can have a legal cap on pollution going forward, something that Clive Palmer has said that he does support in some way, shape or form. So I urge Palmer United Party senators to support this amendment. We know that, if this amendment is not passed in this place, an emissions trading scheme in Australia will disappear. That will be it. With that, the Prime Minister would truly be throwing the baby out with the bathwater.

The obvious way forward, we know, for business and for households, is for the Prime Minister to swallow his pride and the parliament to work together for an emissions trading scheme—to put politics aside for once and recognise the importance of putting a price on carbon pollution in this country for our children and our children's children.

This is about things beyond our time in this place. The history books will go back and see the way people voted: who voted in support of reducing carbon pollution; who voted to do something about global warming; and who voted to look at the fact that the scientific evidence is paramount when it comes to climate change and global warming.

I urge all senators in this place to support this amendment but, in saying that, I want to look slightly towards what happens if this amendment is not passed and to ask the government about their Direct Action policy. I am unaware of what modelling the government has done to explain to the Senate, the community and industry how their ERF, Emissions Reduction Fund—or, as some may call it, a dressed-up sludge fund—will achieve Australia's five per cent targets. I understand there has been some modelling done on the ERF by the Monash University Centre of Policy Studies as well as SKM-MMA. Firstly, is the coalition aware of the negative findings of this modelling that was done by the Monash University Centre of
Policy Studies on the ERF; and, if they are aware of it, why are they pressing ahead with this negative policy?

Senator CORMANN (Western Australia—Minister for Finance) (12:16): This is actually not a question that relates to the amendments strictly speaking but, with an abundance of helpfulness, I will just say that the government is of course aware that there has been a lot of debate for a very long time about the alternative merits of a series of potential policy approaches to address climate change in the world and here in Australia.

The Australian people at the last election very clearly voted in favour of getting rid of the carbon tax, in favour of getting rid of the Labor-Greens failed approach, which is pushing up the cost of electricity, pushing up the cost of gas, pushing up the cost of living and pushing up the cost of doing business, which is making it harder for manufacturing businesses across Australia in particular to compete globally and costing jobs across Australia.

We have right now, as a result of the mismanagement of the previous government, an economy which is still growing below trend. We inherited a situation from the previous government with rising unemployment. We are working very hard to turn that situation around. Getting rid of the carbon tax—Labor's failed carbon tax—is a central part of our economic action strategy to build a stronger, more prosperous economy. Our Emissions Reduction Fund, our Direct Action policy, will help to achieve emission reductions in Australia in an affordable, economically responsible and environmentally efficient way, and the government stands by the policies that we took to the last election and that were endorsed by the Australian people.

Senator MILNE (Tasmania—Leader of the Australian Greens) (12:18): Before I respond to the minister's claims a moment ago, I want to say to Senator Singh: it is really not very much help to come in here and repeat Labor Party mythology. Let me tell you a few things about the Carbon Pollution Reduction Scheme. It was worse than nothing. If it were in place, it would be the current CER price, which is 16 euro cents. There would be no Clean Energy Finance Corporation, no Climate Change Authority, no Renewable Energy Agency and there would be increasing free permits to the big polluters.

It was the worst designed scheme ever. It was negotiated between the Liberal Party and the Labor Party, and browndown to the point where it would have had zero effect in fact in transforming the economy, and we made those points at the time. What is more, for all this talk about a fixed-price period, Prime Minister Rudd had a fixed-price period with the CPRS—and let's not make any bones about that.

I also put on the record that the Greens, having identified it was worse than nothing ahead of Copenhagen, post Copenhagen offered the government of the day a compromise, which was actually a three-year fixed-price period. That is exactly what we negotiated, because Labor would not lift the level of ambition. Labor locked into a five per cent emissions reduction target, which is nowhere near what the science demands, and the difference between now and earlier this year, Senator Singh, is 31 May when the default cap kicked in. That is the point. As of that day, we got the default cap.

The point here today is not to go over history; the point here today is to recognise at this moment in time, we have an opportunity to get the numbers in this Senate to go to an emissions trading scheme flexible-price period away from an emissions trading scheme fixed-
price period—that is the difference. That is the point of the opportunity we have here today, if the Palmer United Party will support it, and that is the interesting thing. Let's see if they will get behind an emissions trading scheme now. If not, why not?

Why, if you believe in emissions trading, wouldn't you take the route of keeping the scheme that we have got rather than something which may or may not ever happen into the future? That is the most sensible thing to do—and I heard Minister Cormann here a minute ago tell us that the Emissions Reduction Fund was effective. The department was unable to tell us exactly what percentage of the five per cent emissions reduction target, the pathetic and feeble five per cent target, would be achieved through the Emissions Reduction Fund.

So I put that question to the minister. What are you going to tell this parliament about what your Emissions Reduction Fund is proposed to do in relation to the five per cent target which we have pledged to the UNFCCC? We need to know, because Senator Xenophon and others have said that they will not support the abolition of an emissions trading scheme or the current legislation unless there is something better in its place. Frankly, there is nothing better in its place, nor is there likely to be with your Emissions Reduction Fund.

The very fundamental thing is that we know we can achieve much more, and have to achieve much more, than a five per cent emissions reduction target to meet the science and to meet our global responsibilities. The key thing about an emissions trading scheme—which I hope the Palmer United Party appreciate—is that it can be scaled up in terms of the level of ambition. You can set a higher and higher cap and drive the economy in the right direction, in a competitive direction, in the way the rest of the world is going. What the government is doing is taking the money out of taxpayers' pockets—taking it out of the pockets of the community—and giving it to the big polluters to support what effectively will end up being corporate welfare with the Emissions Reduction Fund.

I want to know from the minister how much of the five per cent you intend to get and whether you intend to scale up five per cent to anything like the 40 per cent to 60 per cent which the Climate Change Authority has said Australia will need to achieve by 2030, let alone net carbon zero by 2050. So let's get something on the record for the benefit of the senators who are going to make a decision on whether to get rid of the effective scheme that we have which is bringing down emissions. Perhaps the government can tell us now exactly what percentage of the five per cent they are going to get from their Emissions Reduction Fund and perhaps we can hear from the Palmer United Party as to whether or not they will support the emissions trading scheme that we have already got, notwithstanding that it goes to a flexible price. That is a reasonable compromise to put on the table. Let's hear it.

Senator CORMANN (Western Australia—Minister for Finance) (12:24): This amendment before the chamber does not relate in any way to our proposal for the Emissions Reduction Fund. As Senator Milne would be well aware, there is separate legislation that will deal with the Emissions Reduction Fund, and the chamber will have ample opportunity to debate the merits of that proposed measure when that legislation comes before the Senate. The amendment that is before us is an amendment that seeks to keep the carbon tax by slightly modifying it by slightly rebadging it. The government is already on the record as saying that we do not support the carbon tax being rebadged; that we are committed to scrapping the carbon tax.
In response to Senator Milne's final question in relation to emissions reduction targets, the government made a commitment to the Australian people at the last election and, indeed, at the election before that to reduce Australia's emissions by five per cent below 2000 levels by 2020. This is a target which is reflected in our international emissions reduction commitment under the Kyoto protocol. We will reach that target through the policies that we announced in the lead-up to the last election.

Senator SINGH (Tasmania) (12:25): This amendment goes to a point that Labor has been making time and time again: that we support an emissions trading scheme and that Australia needs an emissions trading scheme. It is something, however, that has been stonewalled by senators in this place and members in the other place. I want to make it clear what this amendment will do. It will move us to an emissions trading scheme; it will introduce a cap on the amount of carbon pollution that can be dumped into the atmosphere; and it will allow business to work out the most effective way to reduce this pollution.

If this amendment is not supported in this place, we will have the repeal of the Clean Energy Act passing into law, which will then remove Australia's legal cap on pollution and instead we will have the Emissions Reduction Fund, which is part of Direct Action, which will have no legislative cap on pollution and will have no mechanism to deal with pollution reduction. I want to make it really clear that, if this amendment is not supported in this Senate, Australia's pollution reductions targets will not be satisfied. If the government would like to explain how they think our reductions targets will be satisfied, I would be very interested to hear that.

As recently as the last Senate estimates, the government was asked why it was going ahead with the ERF when its own department at Senate estimates was not confident that they could confirm that this policy would reach its targets. I understand that when the department was asked how much of that five per cent target Direct Action would deliver, the department could not answer that question. We also had the Senate inquiry into Direct Action, which did not hear from a single expert ready to support the government's plan or show any kind of confidence in its capacity to reach its targets. So why is the coalition going ahead with its flawed ERF and why is it not supporting an emissions trading scheme which is not flawed and which is supported by economists, supported by scientists and supported across the globe, including by a Conservative lord in the UK parliament?

On top of that, we know that there are a number of coalition senators and members of parliament who support an emissions trading scheme. I am sure they are ducking for cover today, but we know that in 2007 both the Labor and Liberal parties supported an emissions trading scheme. In 2008 there was support for an emissions trading scheme. Then we had the debacle of the 2009, and now coalition senators are certainly not wanting to talk at all about their past position in support of an emissions trading scheme. So we know, Senator Cormann, what a lot of coalition senators really do believe and understand when it comes to climate change policy. We know that a number of you really do support an emissions trading scheme. We know that Tony Abbott clearly does not and that he wants to play politics with climate policy. Instead, what you have come up with is a political point-scoring—although I do not think it is scoring you many points but at least it is political—policy in the ERF which does not address reducing our emissions. Why then is the coalition going ahead with this flawed ERF policy when the Senate inquiry committee recommended against it and characterised it
as fundamentally inadequate? On top of that, I want to ask in particular how you can justify using the land sector structure to cover all of the industries pertinent to this Emissions Reduction Fund?

Senator XENOPHON (South Australia) (12:30): I have some questions for Senator Cormann and Senator Singh but if I would recap this for the benefit of the 57 people listening to us on News Radio. As I understand it, the Palmer United Party have indicated that they will support a dormant emissions trading scheme when other countries come on board. I think that is a fair summary: that they will support retention of the Clean Energy Finance Corporation, the renewable energy target—for ARENA I am not quite sure what the position is—and also the Climate Change Authority, which has an important watchdog role. I think that is a fair summary of the position of the Palmer United Party, to have some safeguards but not to trigger an emissions trading scheme. I would be grateful if Senator Lazarus could confirm that summary.

I would like an acknowledgement from Senator Cormann about power price rises, even though the government did not support the second reading amendment. I am very grateful to Senator Macdonald for supporting that second reading amendment. He has proved increasingly to be a truth teller on the coalition side on a number of common-sense issues. Senator Cormann, do you acknowledge that the Review of regulated retail prices and charges for electricity, 1 July 2013 to 30 June 2014, for the Independent Regulatory and Pricing Tribunal of New South Wales, indicated that there was more than a doubling of power prices for typical residential customers in New South Wales on regulated prices from 2007-08 to 2013-14, in nominal dollars, and that network charges made up almost two-thirds of those price increases? Do you acknowledge that the carbon price is important but network charges have caused a greater increase in power prices because we have let the networks run on their merry way to gold plate their networks and rip-off consumers? I would like a direct answer to that question, otherwise you are simply denying it. Putting it all on the carbon tax is not entirely fair; there are network charges as well.

In relation to Senator Singh, I agree that a market based mechanism is preferable but I do have concerns about linking it to the European scheme on this basis because there has been such volatility in respect of that scheme and that in itself causes investment uncertainty in carbon abatement. I ask Senator Singh to address that.

Finally, in respect of Senator Milne's comments about taxpayers paying for the Emissions Reduction Fund, Senator Milne is right, but if you can achieve abatement at a cheaper price with sufficient changes to the ERF, it means there will not be the same price fix. It might mean taxes but it will not be consumers paying more for power unnecessarily. It is a quid pro quo. I would be grateful if Senator Cormann could at least acknowledge that network charges are a bigger factor in terms of power price increases.

Senator CORMANN (Western Australia—Minister for Finance) (12:34): I thank Senator Xenophon for his contribution and this question. We have never said that the carbon tax is the only factor. We have always acknowledged that there are other factors at play. The purpose of this legislation is to reduce electricity costs for families and businesses by scrapping the carbon tax because the carbon tax has been a significant driver of the increases in the cost of electricity, even if it is not the only factor. In repealing the carbon tax, household electricity bills will be around $200 lower on average in 2014-15 than they would otherwise have been.
In November 2012, the independent electricity rule maker, the Australian Energy Market Commission, put new rules in place to considerably improve the strength and capacity of the Australian Energy Regulator to determine the network price increases. The final rules were made following more than a year of consultation.

The new rules better equip the Australian Energy Regulator to ensure that consumers do not pay more than necessary for reliable supplies of electricity and gas. These new rules are, I am sure Senator Xenophon would be pleased to hear, already beginning to put downward pressure on prices. The transitional electricity distribution network decisions by the Australian Energy Regulator for 2014-15 provide a reduction in average annual charges for New South Wales and ACT residential customers of $38 and $19 respectively. That is why in our judgement it would have been premature to announce a further review of the rules at this time and that is the reason the government chose not to support the second reading amendment moved by Senator Xenophon.

Do we acknowledge that there are other factors at play when it comes to the cost of electricity? Of course. Do we consider that the carbon tax is a significant, self-inflicted, unnecessary and counterproductive factor in pushing up the cost of electricity? Yes, we do, and that is why we are moving to remove it and that is why we are commending the Senate to support the government's efforts to repeal the carbon tax.

Senator WHISH-WILSON (Tasmania) (12:36): I would be very keen to hear from Senator Cormann on a number of factors. Mid last year the Australian Chamber of Commerce and Industry came out in quite a high-profile series of announcements calling on the government to consider an emissions trading scheme and I would be interested to know whether Senator Cormann, then in opposition, discussed this with them then and also whether there have been any discussions with the big end of town about an emissions trading scheme.

I would also be interested to hear from Senator Cormann on how some of the Direct Action strategies, such as soil carbon and tree plantings will work without a price on carbon. It does not make sense that you could bring in a scheme that attempts to value carbon reduction without actually being able to put a value on that carbon. Of course, that is not just a volumetric thing but also a value thing, with a price. So I would be interested to hear about that as well.

My kids actually showed me a YouTube clip last month—going back to 2007—featuring our current Prime Minister in an interview, saying he supported a carbon tax but did not agree that an emissions trading scheme was the right way to go. No doubt that was some sort of short-term strategy for him to elevate himself within the Liberal Party which, of course, eventually happened when your party voted on an emissions trading scheme and the Prime Minister became the Leader of the Opposition. Senator Singh said the Greens stood against an emissions trading scheme. So for Senator Singh's benefit, I think it is worth considering her comment about whether we would have an effective emissions trading scheme now if we had implemented one back then.

What we have been reduced to today is the result of a concerted campaign by our Prime Minister, Tony Abbott, when in opposition, to undermine a good policy. I have absolutely no doubt, Senator Singh, that he as Leader of the Opposition would have done exactly the same thing against an emissions trading scheme had that been in place.
One of the main reasons for a fixed price period was to get the information from the polluters so that we could effectively issue 'cap and trades'—volume based measures—that were coming into place. Sadly, that did not happen in Europe. They overallocated permits and, given supply and demand, we saw a collapse in the price of carbon over there. So that was to be avoided.

I have no doubt that the reason we are here today and why the bells will ring very soon on a division is that this was a short-term political strategy of the coalition to grab power and get themselves elected. They saw an opportunity, which Senator Milne talked about earlier, around the word 'tax' and they have reduced this good policy and this transition to a new economy in this country.

We are the global leader of three-word slogans, which the coalition claim got them elected at the last election. But when those bells ring it is worth all of us asking—to use the words of Wilfred Owen—for whom the bell tolls and exactly what we in this country have given up and what we have signed up to. It is not just the loss of a policy that took years to put together, a policy that is working and has put us on the global leadership map in terms of climate action, along with our world-renowned scientists and the work they are doing on climate change; it is the symbolism of what this vote today will mean. It is worth focusing on that. It will mean for students of history and students of politics that a political party, for its own cynical, self-interested agenda, has been able to run a smear campaign, the most negative political campaign in Australia's political history, to put the interests of its party, the Liberal Party, ahead of the interests of this country.

Senator Cormann, if you think you got elected on the back of your campaign on the carbon tax, I would ask you to have a look at your result in Western Australia in the recent by-election where you stood up in this chamber—do not know how many times—saying there was going to be a mandate on the carbon tax. In the end, it did not turn out to be that way.

I think today is a very important day, to be on the right side of history, and I am glad to have had the opportunity to stand up here today. I was listening to a lot of the debate and I want to respond to this comment from Senator Bernardi that he does not believe it is at all challengeable that the coalition got elected on the back of the carbon tax and the repeal of the carbon tax. I think the coalition got elected because it rose from the ashes of the Labor Party at the last election. In my first 12 months in the Senate, I witnessed the Labor Party, with their leadership struggles, tearing themselves to pieces. If you think you got elected because of the carbon tax, I think you need to have a good, close look at what has happened in this building in the last two years. You got elected by default. That is my firm opinion. And that is what underlies your arrogance on this budget that is in front of the Australian people—your lack of ability to compromise and to consult. You are so out of touch, because you have the arrogance to assume you got elected on the back of a carbon tax repeal agenda. It is not true. You got elected because this mob over here had a major stoush and it will take them a long time to recover from that. If you do not realise that and start focusing on what the Australian people want, which is strong action on climate change, then I hope we do go to a double dissolution and let the Australian people vote on this. If not, I am sure that, in 2016, this issue of getting proper action on climate change will be front and foremost of a political agenda in this country.
Now that I have had my rant, Senator Cormann, could you please answer whether you have had discussions with the Australian Chamber of Commerce and Industry and the big end of town and how a Direct Action scheme that values soil carbon and planting trees can work without a price on carbon?

Senator CORMANN (Western Australia—Minister for Finance) (12:44): In responding to Senator Whish-Wilson’s questions, I can assure him that the government consulted with a wide range of stakeholders in opposition and, of course, we took a policy to scrap the carbon tax to the last election. Importantly, we consulted with the Australian people, who gave us a mandate to abolish the carbon tax. In relation to the reference Senator Whish-Wilson made to statements by the Prime Minister—

          Progress reported.

MATTERS OF PUBLIC INTEREST

The DEPUTY PRESIDENT: Order! It being 12.45 pm, I call on matters of public interest.

Renewable Energy

Senator BACK (Western Australia) (12:45): First, I congratulate you on your role as Deputy President. My contribution today continues the discussion that we have had in the last few minutes, and that is the question of the renewable energy target review and whether or not there is a sovereign risk associated with it. I say this because of claims made by representatives of the wind industry, including Infigen Energy’s Mr Miles George, who has been claiming to one and all and anyone who will listen to him that a sovereign risk may arise with the potential scaling back of the renewable energy target. I want to address that today.

It is interesting that a review of the origins of the RET scheme provides a very clear view that the renewable energy industry’s position is self-serving, aiming to reinforce their own self-interest. As we all know, if you are at the races—through you, Mr Deputy President, to Senator Bullock—and there is a horse called Self-Interest running, make sure you have got your money on it, because you will know it is trying. It is interesting that the wind industry is trumpeting two issues in the media. One is that wind power is dropping the wholesale price of electricity and the second is that the RET will cause the retail price of electricity to fall. If wind is causing the wholesale price of electricity to fall, then it follows that the industry no longer requires subsidy through the RET scheme as renewable energy is therefore cost competitive in the market. The RET is causing prices to rise significantly and it relates to the power purchase agreement, an agreement in which prices are locked in at some $120 per megawatt hour compared with the average wholesale price of $30 to $40—a factor of some four times. The price set by the PPA, therefore, is paid by retailers irrespective of the wholesale price. The price is passed on, as we know, to retail consumers.

So let us go back to basics. The RET is a government intervention designed to mandate the proportion of electricity generated from selected sources. It was designed to support a policy of at least 20 per cent of Australia’s energy supply coming from renewables by 2020 and, as such, the policy taxes electricity users and, in some cases, non-renewable generators, in order to subsidise selected renewable producers. From it emerges the renewable energy certificate market, where the RECs are issued to power station generators classified as renewable under the act. In that way, RECs have become a form of energy currency as electricity retailers must
purchase RECs to cover their liability under the act. These entities, generally electricity retailers, pass the cost of acquiring mandatory certificates on to energy consumers in the form of higher energy tariffs. This effectively becomes a tax on energy consumers.

The interesting exercise is that, after some 13 years of operation—and this is what the coalition government is addressing—it has become clear that the objectives of the act have not been reflected in the outcomes. In fact, they have been ineffective in their objective of reducing greenhouse gas emissions in the electricity sector. Indeed, the Centre for International Economics in their 2013 report generously indicated about 10 per cent of total electricity generation is from renewables; and the Clean Energy Council in 2013 made the observation that the slight increase in renewable generation attributable to the RET was actually greatest from hydroelectricity, not the other forms that have been so vocal.

Turning to the RET review which is underway at the moment, some people, including the Greens, are claiming that this has been an attempt to render ineffective the Climate Change Authority's 2012 review. But, of course, we all know that there is a two-year mandated review. There is nothing unusual about that two-year mandate. Again mentioning Infigen Energy, it is interesting that in their submission to the current review they question whether there needs to be a two-year review at all. So we come to this figure of the 20 per cent target by 2020. Is it a percentage or is it a number of gigawatt hours? When this discussion first took place it was believed that the figure of 20 per cent due from renewables by 2020 would account for some 41,000 gigawatt hours. But, as we know, in recent times as a result of manufacturing moving offshore and as a result of other changes in the economy, that figure of 41,000 gigawatt hours by 2020 is probably wrong. More recent estimates, including by ACIL Allen Consulting in their 2013 presentation to the Electricity Users Association of Australia's conference, suggest that that figure would not be around 41,000 gigs but somewhere around 23,000—a significantly lower figure.

The case to abolish the renewable energy target is driven by its cost to electricity consumers compared with the corresponding reduction, or lack of reduction, in greenhouse gases. We have got to do something before this gallops on to 2031, hurting families, individuals, residences, businesses and governments even more.

I come to the question of sovereign risk, and a key question is: who owns the renewable energy certificates? Are they the property of the Commonwealth? By implementing the act and establishing the RET tax, the Commonwealth created the renewable energy certificates, which are a form of intangible regulatory property for trade by virtue of mandated national consumption levels, upon which all consumers pay an increase in their electricity bills.

If we look at the provisions of the act itself, we can see immediately what the various points of importance are as we look at this question of sovereign risk. At least in theory, firstly, parliament may alter the law at any time, or vary or take away rights and obligations. The parliament has that power within the precepts and concept of the Constitution. Secondly, the act has a phasing clause which provides for periodic review of the RET, which we are undertaking at the moment, and that may result in changes to the scheme. We all know that—it is totally transparent; it has been there from the word go; everyone always knew about it. These are prescribed by section 162 and they will make recommendations consistent with the objectives of the act itself. The RET scheme was never intended to operate as an unchecked subsidy to the renewable electricity providers and it is high time they understood and
remembered that. It is most interesting that we would have proponents questioning that a future statutory review of the RET ought to be undertaken every couple of years.

The third point to be made is that, in the 2012 review, the issue of investor confidence was raised as an effort to promote renewable energy investment. Of course, concern with investor confidence is not the same concept as sovereign risk. Indeed, it may be well acknowledged, as it was by the Climate Change Authority in 2012, that investor confidence had to be balanced with other considerations—one of them being the cost to the consumer, families and business. A wide range of views were expressed at that time.

If we look to the review that is underway at the moment, what are the options? The first may be to leave the existing target unchanged at 41,000 gigawatt hours. The second may be to reduce that to what people are saying is the real 20 per cent projected electricity supply demand, and that is the 23,000 gigawatt hours that I have spoken about. This would reduce the potential cost of the scheme, particularly for energy users like us and incumbent generators. The third option might be to increase the target to promote a greater share of renewable energy more quickly and, particularly in light of the CEFC, the Clean Energy Finance Corporation, to make any renewable generation attributable to it and additional to that delivered by the RET, heaven forbid. The fourth might be to repeal it altogether.

In summary, we would have a circumstance in which the reviews will probably result in changes to the rules of the RET scheme. I do not think anybody would be in any doubt about that and, should that occur, it will have an impact on the RET price. The coalition has been sending that signal very clearly for a long time. Nobody needs to be under any doubt or illusion as to where the coalition has stood on this and the contrast with the policies of the Australian Labor Party then in government. The question becomes one of compensation for property acquired by the Commonwealth. There are some interesting case laws, including Georgiades v Australian and Overseas Telecommunication Corporation. For those interested, that case seems to reinforce a view that statutory property interests cannot be assumed to be protected by section 51(xxxi) of the Constitution, because modification or extinguishment of such a right may not amount to an acquisition of property. Another case was Commonwealth v Tasmania—the Tasmanian dam case. The Mutual Pools and Staff Pty Ltd v Commonwealth case was interesting. The authority was the proposition that mere extinguishment or deprivation of rights in relation to property will not, in and of itself, amount to acquisition. Extinguishment or deprivation may not result in the question of acquisition.

The problem for the renewable energy industry is that, in the case of renewable energy certificates, it would seem that the Commonwealth might not be ‘acquiring’ property or, indeed, ‘extinguishing’ property. The outcome of a review may result in a decrease in the value of the RECs, as could be anticipated, and probably is by those having a punt, but the RECs would not become worthless. They may be worth less, but not worthless. There is, of course, a significant distinction and there is no argument for compensation on that basis.

So what do we define as sovereign risk? As we know, one common definition is: ‘any risk arising on chances of a government failing to make debt repayments or not honouring a loan agreement’. As a result of the global financial crisis, the International Monetary Fund in 2011 expanded the traditional definition of sovereign risk to, broadly, the probability that a country may not pay its debts, and in their view it has been shown to be too narrow. Developments subsequent to that have exposed very complex interactions between fiscal balances, public
and private debt, and the financial sector. However, the IMF held discussions in 2012 around the definition of sovereign risk, suggesting that it might be extended, including the government's role in the resource sector and the imposition of additional unanticipated or unforeseeable regulations on participants.

We have the circumstance where the outcome of the discussions being conducted does not extend to the understanding that is being trumpeted by the renewable energy sector. The reality for the renewable energy industry is that it may be very difficult for them or, indeed, anybody else to argue the concept that sovereign risk in this case is a relevant basis for compensation. They may not be rendered worthless; they may, in fact, be rendered worth less.

Finally, to add some international context to the position that I am advancing, in Europe the renewables scheme is being modified or, in many instances, scrapped and as yet, as far as I have been able to ascertain, no sovereign risk claims have been put forward by the industry.

So I make this point again in conclusion: the wind industry cannot have it both ways. On the one hand, they say that wind power in this case is decreasing or dropping the wholesale price of electricity and, secondly, that the RET will cause the retail price of electricity to fall. If that is indeed the case then there is no cause for that particular aspect of the renewable energy industry to require further subsidy at all, since that renewable energy is cost-competitive in the market. If, indeed, it is cost-competitive in the market then let it live in the marketplace, but let it not be the reason—through its own self-service and self-interest—to see prices being unnecessarily driven up for domestic consumers, for residences, and for small and large businesses.

Budget

Senator SINGH (Tasmania) (13:00): I rise today to speak on a matter of public interest. How we function as a just society is fundamental to our Australian democracy. How we support those who are socially vulnerable demonstrates the integrity of our policies. The coalition government's budget policies contain, however, no trace—none—of this integrity. This budget is not a real solution for all Australians; it is not even a partial solution to a phoney economic crisis. It is not a solution at all. It is a plan of cuts, a plan that rips up the Australian social contract, and a plan that takes up a reactionary axe and hacks apart, piece by piece, Australia's commitment to give each of us a fair go. The fair go way of life that we know so well in Australia is now under threat. And those Australians—most Australians—without power, privilege or prosperity are being brutalised. New taxes are being imposed, pensions are being cut and vital services are being slashed.

This budget has made the coalition government's position very clear, and that is: they do not like people. They know that their budget hurts people, they know that it does not need to and they do not care. This 2014 budget is ideology masquerading as serious financial policy. But this disguise has fooled no-one. It is a callous attack on our most vulnerable Australian citizens. And these are Australian citizens who do not have the luxury of simply tightening their belts—citizens on the margins; fellow citizens of ours who will, inevitably, become lost in an underfunded services system, causing irreparable damage to their long-term health, wellbeing, education and productivity.

These Australian citizens have been writing to me and calling me ever since this callous Abbott government budget was announced, and their appeals are simple, their complaints are
justified, and their fear is real. I want to share with the Senate some of the words of these Australian citizens. 'The Abbott government was elected on a series of lies and has an agenda that was not presented to the people of Australia prior to the election.' 'It is a budget which will cause long-lasting and profound damages to our society and our nation as a whole.'

'Changes to the university fee payments and HECS are frightening.' 'I want my children to go to university or at least to feel confident that they can if they choose to go; this is in jeopardy now.' 'My son has no voice, but I do and I am writing to ask you to consider carefully this blatant attempt to force low-income families into poverty and hunger.' 'We need a society that helps one another, not condemns those that need the help the most.' I think those comments from some of the Australian citizens who have written to me—and I am sure there are many that the coalition senators have had sent to them as well—say a lot about how the Australian community fears and regards this Abbott government budget.

If it was hidden in easy promises, vacant slogans and 'unity tickets' before the election, it is now crystal clear that this government has utterly embraced an empty neoliberal cliche when it comes to the incentivising of the rich and the poor to contribute to our country. Deep in their bones, entwined in their DNA, this right wing government is convinced that rich Australians and big corporate members of the Australian community deserve tax cuts and superannuation lurks, while the rest of Australia—those on medium and low incomes—are served with increased taxes, reduced services and gutted superannuation contributions. This budget is the archetypal conservative blueprint for maintaining the status quo, increasing wealth and prosperity for those who have plenty already, concentrating power and influence with the powerful and the influential, and turbocharging social inequality in this country.

To give one clear example: the previous Labor government put in place a significant reform package that addressed loopholes in the tax system which allowed multinational profit-shifting. Those Labor reforms were to close that loophole, and they have been working—until now. Although they paid lip-service to the gathering global momentum on multinational profit-shifting at the G20, this government does not mean what it says—as always. And, as always, we must ignore their words, slogans and promises, and look to the actions of the coalition. As always, their actions will tell a different tale from their words and their slogans.

According to my friend and colleague Dr Andrew Leigh, this government's only action on multinational profit-shifting has been to reverse a cumulative $1.1 billion in multinational profit-shifting restriction measures announced by Labor. So, in the middle of a confected budget emergency, the government has given up on $1.1 billion—$1.1 billion that has to come from somewhere else or from someone else. And this hard-right government has been very clear about who that 'someone else' will be. There will be worse services for people with less money. In fact, they will make those worse services even more expensive, if not cut them entirely, and make sure that those Australians on low incomes pay more tax and get a smaller pension and less superannuation. That is simply not fair.

Not many people win out of this Abbott government budget—but, at least, for the coalition the right people win. The winners are members of our community who are already being looked after with those corporate tax cuts. Big companies send their profits offshore, pay millions of dollars for a paperclip in Ireland, and then, for their financial sins, pay less corporate tax on profits here in Australia that they could not shift. There is $1.1 billion that
could be added to the tax revenue base in this country and invested in our health-care system, in our education system, in our welfare system.

Under the coalition's budget an elderly man, now with reduced superannuation, who is struggling to get through the rest of his life with dignity and some measure of health and happiness will pay more to see his doctor. He will also have a reduced age pension—but not until he can access the age pension. If a 69-year-old man who has worked all his life in hard, labour-intensive work—his body giving up—needs to access a Centrelink age pension, he will not be entitled to one under this budget because the government has lifted the pension age. What will a young woman with a child who is absolutely unable to earn or learn in the short-term because of her circumstances do? She will not be helped by revenue from the hundreds of millions of dollars already shifted offshore by major multinationals, that $1.1 billion. She and the hundreds of thousands of Australians working, learning and striving to make something of themselves will be sold short by this cruel Abbott government budget.

To Australians like this elderly man and this young woman, to Australians like most of us here, the opportunity cost of reversing Labor's tax revenue measures is writ large in the brutal attacks on Medicare and pensions and increases in higher education fees. Even legal aid—a fundamental, if not forgotten, government program that provides to all Australians some measure of access to justice within our legal system—will be cut. Meanwhile, the door is open for tax revenue to flow offshore.

I also note—with despair but not surprise—that the government is using this budget to attack the environment from all sides. With one hand, in their now familiar manner, they compromise every promise they made before the election to protect the environment by ripping billions of dollars out of their environmental policies. With the other hand, they are laying down the red carpet for big polluters to cut and gouge profits out of Australia's national assets by neutering effective legal and community opposition. Before the election, the government promised to spend $2.55 billion on its so-called Emissions Reduction Fund—part of Direct Action—over the next four years. But surprise, surprise, the government have budgeted only $1.15 billion, less than half of that amount, showing that it was at heart a tokenistic policy. Before the election, the government repeatedly promised to keep the Australian Renewable Energy Agency; but after the election, they are of course doing their best to get rid of it. Also in the government's sights are the Low Emissions Technology Demonstration Fund, the National Low Emissions Coal Initiative, energy efficiency programs, the National Solar Schools Program, Energy Efficiency Information Grants and Low Carbon Communities. And then, completing a pincer move that Hannibal would be proud of, as efforts to improve the environment are underfunded or deleted, the government go for the advocates and the environmental NGOs by undermining the former and removing the tax charity status of the latter.

Now that the government has clarified its position that a sustainable and healthy environment is an obstacle to its progress—not the best hope for our future—it is launching its final offensive on the remaining thin green lines of protection for the environment, the last lines of protection left. Even though the Productivity Commission has found that funding is warranted for the Environmental Defenders Offices given 'the public interest element of many environmental disputes', this government is removing support for them and the important work that they do. They also want to prevent concerned Australian citizens from getting a
modicum of tax relief from donations they might make to organisations with a mission to protect natural assets that they may love.

This budget seeks to fabricate an Australia that is very different from the one we know and love, not an Australia that we all want to be a part of. It is cruel, it is heartless and it is hurtful. This budget lays out an Australia that is devoid of any policy integrity—a 'winner takes everything' Australia, for which they have no mandate. They were voted in on what they said—and what they said was worthless. This budget is deceptive, ideological, anti-government and anti-Australian. It is the direct result of the government's empty campaign at the last election. As an opposition they had no policies, only promises. And now, as a government, with their promises in ashes, they have got nothing—and we know it. The Australian people know it. They know that this budget is cruel. They know that it is heartless. They know that it rips up the Australian way of a 'fair go' for all and they do not support that kind of Australia.

**Greoste, Mr Peter**

Senator MILNE (Tasmania—Leader of the Australian Greens) (13:15): I rise today to speak in support of Australian journalist Peter Greste and for the freedom of the press around the world. Last December, Peter Greste, along with fellow Al Jazeera colleagues, Mohamed Fahmy an Baher Mohamed, were detained by the Egyptian authorities and held on fabricated charges of 'spreading false news' and 'supporting the banned Muslim Brotherhood'.

Since that time, Peter, his colleagues and their families and friends have suffered deeply. In Tora prison, Peter was locked away for 24 hours a day in a cell. He was only allowed out for questioning by prosecutors. At various times, all three men were subject to solitary confinement. Throughout each of the 12 days, Peter and his colleagues spent in court, the world watched as the farcical trial developed, devoid of evidence, facts or credibility. After being locked for 177 days on absurd charges, Peter was sentenced to seven years in prison for simply doing his job. His parents, Juris and Lois Greste, visited him in jail last week, describing it as 'a horrendous experience'. They said:

Had we had a small bucket between us, as we were sharing hugs, it might have even overflowed … with tears, with tears and sobs.

In Peter's words, paraphrased by his brothers because they are not allowed to write anything down whilst visiting him:

I am devastated and outraged by Tuesday's verdict. Throughout this trial, the prosecutor has consistently failed to present a single piece of concrete evidence to support the outrageous allegations against us. At the same time our lawyers have highlighted countless procedural errors, irregularities and abuses of due process that should have had the entire case thrown out of court many times over.

It was a shocking show trial, with terrible implications for Peter, for his family, for his colleagues and also for the freedom of the press around the world. Of course, it has very negative impacts for Egypt, as its reputation around the world has been absolutely smashed because of what has happened to these journalists. Shock over the sentence handed down to Peter and his colleagues has reverberated internationally. In the United States, President Obama has backed calls for the journalists to be immediately released, with the White House condemning the verdict, highlighting that:
The prosecution of journalists for reporting information that does not coincide with the Government of Egypt's narrative flouts the most basic standards of media freedom and represents a blow to democratic progress in Egypt.

Secretary of State, John Kerry, labelled the sentence as 'chilling and draconian'. William Hague, Britain's foreign secretary, was appalled by the verdict, and called on the Egyptian government to review the case as a matter of urgency. As UN Human Rights Commissioner Navi Pillay has highlighted, not only is this sentence an appalling miscarriage of justice, but the case is a breach of international law.

Amidst this international pressure and outcry, Egypt has been unwilling to act on its democratic rhetoric to ensure basic freedoms. The Egyptian authorities have not only failed to uphold freedom of speech and freedom of the press; they have also fundamentally damaged the way Egypt is perceived worldwide. This has recently been recognised within Egypt itself, with reports that President Abdel Fattah el-Sisi has said:

The sentencing of several journalists had a very negative effect, and we had nothing to do with it … I wish they were deported after their arrest, instead of being put on trial.

I really hope that those comments reflect a changing position within the Egyptian government. On behalf of this parliament and the Australian people, I implore President el-Sisi to secure the release of Peter and his colleagues.

They will now be subject to an appeal process. The first thing that should be ensured is that the appeal process does not drag out over months and months. It must be conducted in a timely manner, after which President el-Sisi can intervene. I would hope that at that point, he will allow Peter Greste and his colleagues to be pardoned and come home. But what Egypt is failing to understand is that the protection and growth of democratic society requires ensuring protection and respect for the free press. As Peter's parents Lois and Juris Greste highlighted about this abhorrent sentence when the verdict was announced:

This is a very dark time not only for our family, but for journalism generally … journalism is not a crime.

Egypt's prosecution of Peter and his colleagues is another disturbing step in the erosion of free press and expression worldwide. As reported by the Committee to Protect Journalists, 211 journalists were imprisoned in 2013—the second worst year on record after 2012, in which 232 journalists were detained. Each journalist detained is representative of a widespread, international erosion of democracy and fundamental human rights. Around the world, laws enacted under the guise of national security are being used to prevent journalists from doing their jobs and to crackdown on dissent. As Peter Greste eloquently articulated in his letter from Tora prison:

The state will not tolerate hearing from the Muslim Brotherhood or any other critical voices. The prisons are overflowing with anyone who opposes or challenges the government. Secular activists are sentenced to three years with hard labor for violating protest laws after declining an invitation to openly support the government; campaigners putting up 'No' banners ahead of the constitutional referendum are summarily detained. Anyone, in short, who refuses to applaud the institution.

So our arrest is not a mistake, and as a journalist this IS my battle. I can no longer pretend it'll go away by keeping quiet and crossing my fingers. I have no particular fight with the Egyptian government, just as I have no interest in supporting the Muslim Brotherhood or any other group here. But as a journalist I am committed to defending a fundamental freedom of the press that no one in my
profession can credibly work without. One that is deemed vital to the proper functioning of any open democracy...

That is such an important statement from Peter Greste from prison in Egypt. These principles, I am sure, are understood. But they need to be embraced in a fledgling democracy.

What is to be done? A lot of things can be done and I would like to use this opportunity to highlight to people listening and to the community that if you want to support Peter Greste then let's actually do it and get behind him. There is a website called freepetergreste.org. There is an email address: freepetergreste@gmail.com. You can send a letter to that email. The emails will be printed off and taken to the prison each week by his family for Peter to read. Everyone can share the idea that, if you were stuck in a prison somewhere, receiving letters from people around the world—especially from home—would really matter. So I would urge people to think about writing a quick email, because it will make a difference.

On the website there is also an opportunity for donations. I will read out what the donations will be used for so people listening might think they could possibly give something.

We would like to continue to maintain a family member in Egypt during Peter's incarceration, helping to fulfill his emotional needs and support him throughout this very difficult period. To help cover these costs, as well as ongoing legal and other expenses, we have established a bank account for donations. Funds will be used solely for expenses associated with securing Peter's release. Once achieved, funds will be distributed according to similar causes for unjustly imprisoned journalists.

I use this opportunity in the Australian Senate today to implore the community to get behind the campaign to free Peter Greste and to free all other journalists, including the other two imprisoned with him in Egypt. You can support him personally with a letter or with a donation to allow his family to continue to be able to go to the prison and to give him the legal help that he needs.

The evidence shows that the court process was pretty much a sham. The whole world is now watching this appeal process. We really must get behind and put pressure on the Egyptian government and the Egyptian legal system to make sure that the appeal process is properly conducted and held in a timely manner. That is the one thing we can all make sure we are doing. Get behind the #FREEAJSTAFF campaign that has been going worldwide. Hundreds of thousands of people are involved in this campaign. Over 30 countries have gotten behind the petitions and the social media campaign. We are doing everything we can to highlight the fact that the verdict of the court was a shocking outcome and to support the campaign.

I have spoken with the Minister for Foreign Affairs. She has assured me that Australia is doing everything it can through diplomatic channels. I understand that people in the Australian embassy on the ground are working extremely hard and are doing whatever they can to support Peter Greste in trying to make sure that he is represented. At least his concerns are being considered and upheld by the Australian consulate officials on the ground.

But I think the Australian government needs to perhaps ratchet it up a few notches to continue to put pressure on the Egyptian government at the highest possible levels. We should be leading international action to intervene and secure the release of Peter Greste and to void this ridiculous verdict. All diplomatic options, including sanctions, should be on the table. We need to ratchet this up because we have an Australian citizen, a journalist, in jail in Egypt improperly imprisoned. But there is also the statement about freedom of the press around the
world. We have to stand up for journalists wherever they work around the world. I have given the figures on the number of them who have been incarcerated and it is in the hundreds. It is a shocking thing for them to be put into prison for simply doing their job and reporting on what is going on in various countries under various regimes around the world.

Australia is a country that values and appreciates the importance of the free press and the need to protect the freedoms of journalists. The Australian Greens will continue to fight for Peter's freedom and for his fellow journalists in Egypt and around the world. We will fight to keep them out of prison and will do whatever we can for people who are unjustly detained. We need to free Peter Greste and free the Al Jazeera staff.

I want to send a message to Peter and to his family to say that we in this parliament stand with you. The Australian people stand with you, and we will get you and your colleagues out of prison and home. Do not give up hope; there are millions of people around the world working to secure your release. As my time has almost expired, I would say again: you can send Peter a message on freepetergreste@gmail. You can go to the website, freepetergres.org and make a donation so that his family can continue to support him while he is incarcerated.

Workplace Relations

Senator McKENZIE (Victoria) (13:30): I rise on a matter of public interest to reflect on an adjournment speech that I delivered on 27 March, which specifically addressed the secondary boycott being conducted against Boral, a company operating in my home state of Victoria, by the CFMEU that has been in place since mid-2012, as a result of the union's own war against the building giant, Grocon. Boral was affected by the behaviour of the union, and the black ban is still going on. In March I raised such intimidation as trucks being stopped, workers being intimidated, drivers being harassed and threatened, and clients receiving visits from 'friendly' union officials. Mr Kane, the head of Boral, said that he had exposed 'systemic bullying, harassment, victimisation, physical and financial threats, intimidation, coercion, unlawfulness'. If that behaviour is not enough, this company is being subjected to financial loss as well. So it was not just their workers and clients that were targeted; their business was being damaged and hence their ability to employ other people in the building and construction industry. This sort of unlawful behaviour is simply unacceptable in this day and age.

In my adjournment speech, I chose to address Mr Simms, the head of the ACCC, to say that this is uncompetitive behaviour and it is restricting the ability of a lawful business to go about doing what they do—making money and contributing to our economy and employing people. Mr Simms at the time was claiming a lack of evidence as to why the ACCC was not pursuing the matter. I have since met with Mr Simms and, indeed, he is on the public record as saying that more evidence has come to light. I thank him for pursuing the matter; he has said that the ACCC is pursuing it as a matter of high priority. But here we are well into July, and I cannot find any evidence on the ACCC website of any action other than Mr Simms reiterating his statement that it is a high priority. I will quote him:

Originally when we looked into it, I was in Melbourne when a bit of this occurred … When we talked to people we couldn't get them to give us much evidence or co-operation.

That has changed: new evidence has come to light and he is pursuing it with apparent vigour. However, we are yet to see an outcome from the ACCC.
I would really recommend that the ACCC move forward on this issue. It is not good enough: Boral says it is losing up to $10-12 million a year because of this behaviour and we need to address it sooner rather than later. As the Master Builders Association said in a submission to the Harper review into competition and consumer law, there are other avenues that we could pursue to address the unlawful behaviour exhibited by the CFMEU. I will quote Richard Calver, the acting CEO of the Master Builders:

The aim of secondary boycotts is to either make builders and suppliers hostage to union demands or to send them to the wall. … Secondary boycotts damage the economy and threaten livelihoods, as well as dampening proper competition.

We have the laws, and Mr Simms will either act on it or, as the Cole Commission recommended, some enforcement mechanisms may have to be given to other bodies, if the ACCC cannot make it happen. I think it was the Cole Commission that recommended that the ABCC be given the powers to enforce laws that prohibit behaviours such as that conducted by the CFMEU against Boral.

I would like to draw the attention of the chamber to a quote from the head of Boral, Mr Kane. He said that Melbourne—my home state—is ‘being run by the CFMEU’. He said there is no law; it is a lawless town at the moment. We can enforce the law in regional areas with respect to competition and consumer law; we can enforce it in other capital cities, but in Melbourne it is like a hick town in the wild west when it comes to industrial relations law under the CFMEU.

It is not a safe place to conduct business. It is not a safe place to drive a cement truck. It is not a safe place to be involved in the building and construction industry. In this country, in this day and age, that behaviour is completely unacceptable. Mr Kane today told the royal commission that the government set up to address these issues that the CFMEU acted like ‘a cartel’. Now Mr Simms has to act on this behaviour, and I would encourage him to do so.

Youth Employment

Senator CAROL BROWN (Tasmania) (13:35): I rise to speak on a matter of public interest. I understand that, as I speak, hundreds of workers at the Mount Lyell copper mine in Queenstown, on Tasmania’s west coast are being told about their future. Youth unemployment is destroying a generation of young Australians. It is creating a jobless generation. It is condemning young people to a bleak future. Tasmania, my home state, has the highest youth unemployment rate in Australia. In parts of Tasmania, including the north and north-west—areas represented in the other place by the Liberal members, Mr Nikolic, Mr Whitely and Mr Hutchinson—the youth unemployment rate is more than 20 per cent. That is one in five young people who do not have a job. The state-wide figure is almost as bad, at 17.4 per cent. The number of young Tasmanians out of work is expected to grow. Some predict youth unemployment in Tasmania could reach 33 per cent by 2016.

As the Brotherhood of St Laurence said in February of this year, youth unemployment has reached crisis point. The Executive Director of the Brotherhood of St Laurence, Tony Nicholson, said it is a disaster. Mr Nicholson said:

What it means for all these young people is that they're at risk of never being able to get a foothold in the world of work. And in our modern economy that means that they're really being sentenced to a lifetime of poverty.
A lifetime of poverty—the actions of those opposite show little understanding of the seriousness of the situation. This is an issue with wide-ranging social and economic implications, an issue with no simple solution. To even start to address the crisis that confronts us, we need to invest in a system that is flexible and can support people in the way that they need, a system that can address underlying market failures and structural issues, a system that creates opportunities and does not endlessly punish. Yet all the government offers young Tasmanian job seekers is punishment, broken promises and cuts. This is a government that is too ready to blame young people rather than do the hard work necessary to confront the issue. Does this government really think so poorly of the one in five young Tasmanian people in the north and the north-west who are currently unemployed? We only need to look at the latest ANZ job ads survey, which shows that newspaper job advertisements declined in Tasmania by 3.4 per cent in June.

Nobel prize-winning American economist Joseph Stiglitz, who is in Australia at the moment, told a forum in Hobart last week that young people are our greatest assets. In his many books and newspaper articles, Professor Stiglitz has talked about the loss of human capital because young people do not have jobs. When young people do not have jobs, it destroys the social fabric of a community. In Tasmania, and indeed Australia, our young people are being underutilised. Their energy, their enthusiasm, their ideas, are being lost and ignored. They are not being given the chance to change the world. We know that having a job can transform a person's life. We know too that being rejected for a job can be soul destroying. One young Tasmanian told me of his despondency at submitting so many job applications and not getting a job. He has a university degree and is working in a cafe. The work is casual and he desperately wants a full-time job, to begin a career. He wants to rid himself of his HECS debt, but he knows that is a long way off. He has even questioned whether he should have gone to university at all.

We must work together to ensure we do not leave behind a generation of Australians who have not had a job. But action taken by the Abbott government, such as their decision to axe the $130 million per year youth education programs—including Youth Connections, Partnership Brokers and National Career Development—will make matters worse for young Tasmanians who are doing all they can to try to get a job. People working on the Youth Connections program have told me that they have worked with many young Tasmanians in the north and north-west since their program began. They tell me that they were registering 20 young people a week. A third of these young people had been disengaged from education or employment for longer than three months. There are many good stories to tell about the young Tasmanians who have taken part in this program. I want to talk about just two of their success stories.

Shantelle and John are a young couple from Burnie who are expecting their first child and have been part of the Youth Connections program. Shantelle and John were not at school or training, and not in employment, and they were not accessing any support services. Youth Connections supported Shantelle with an enrolment at Don College for year 11. She wrote of her experience with Youth Connections:

Lynsie is awesome. I do not like school and if it wasn't for Youth Connections I wouldn't be where I am today. I'm now doing home school. I do all my work and send it back. Everything is back on track.
Shantelle and her partner, John, are now living in private rental accommodation and are happy and settled. John is now working part time and is starting a contract soon. It beggars belief that the Abbott government has axed such a vital program as Youth Connections, which has turned around the lives of so many young people.

In May of this year, the CEO of Mission Australia, Catherine Yeomans, spoke about the need for intervention programs that support young people to re-engage in education and training opportunities. Ms Yeomans said the budget delivers a double whammy, by not only making it harder for young people to access payments but also taking away funding for programs that could help them to re-engage with education, training or work. She said:

At a time when we should be investing in programs that help young people to connect with training and employment, the government is instead going to axe successful and vital national initiatives such as Youth Connections, with no replacement programs to ensure disadvantaged youth don't fall through the cracks.

Government's desire to boost workforce participation will not be possible without the right supports in place to help young people make the transition.

The results of Youth Connections speak volumes for its success. A Youth Connections National Network survey found that, two years after completing Youth Connections, 81.5 per cent of respondents were still in education or employment. Who will nurture and guide these young people when Youth Connections is axed?

The Youth Network of Tasmania wrote to me after the budget to tell me how severely disadvantaged Australia's young people would be. They wanted Youth Connections reinstated and were also worried about the changes to Newstart and how young people would survive. YNOT, the Youth Network of Tasmania, said:

For many others, these changes will put many young people on the path to poverty and homelessness. YNOT are strongly opposing the government's reforms, reforms that are essentially making one of the most vulnerable groups in society more disadvantaged than ever before.

Young Tasmanians have spoken of their grave concern for what the future holds for them. One young woman, Rhi, told me that she is concerned about the changes to Newstart and what they would mean for her. She has a university degree and has recently completed TAFE qualifications in child care. Rhi told me:

I have been applying for jobs and getting interviews but haven't been able to find full time work. I have a part time job but this isn't enough to live off and I am scared about what will happen if I lose this job. I don't want to keep studying for the rest of my life but if I lose my job there is no way that my parents could afford to support me for 6 months.

This government want to punish young people when they do not have a job and, at the same time, are cutting the supports that have been successful in supporting them into work. Not only does the budget cut nearly $1 billion in support payments under the Tools for Your Trade program but it also slashes a further $1 billion in investment in skills and training.

The Abbott government have taken the axe to vital skills and training programs such as the Australian Apprentices Access Program, the Australian Apprenticeships Mentoring Program and the Apprentice to Business Owner Program. The government have tried to appease community backlash about these cuts by announcing a paltry $5 million for apprentice mentoring and sought to establish the Trade Support Loans scheme.
One Tasmanian man contacted Labor offices to say he is raising his grandson who is lucky enough to have a bricklaying apprenticeship. His grandson is in his first year of his apprenticeship. He is worried that his grandson will not be able to purchase his tools without the support of the Tools for Trade program. He does not want to see his grandson take out a loan when his income is so low.

Senator Eric Abetz is the Minister for Employment, but we have not seen much of a response from him to this crisis in youth unemployment. In fact Mr Abbott and Senator Abetz are all but abandoning young job seekers. This government wants to cut payments for six months to young people who find themselves unemployed. How will they live? According to Senator Abetz, they should go fruit-picking. He said 90 per cent of fruit-pickers came from overseas and he asked why young people could not do seasonal fruit-picking. Senator Abetz said:

There is no right to demand from your fellow Australians that just because you don’t want to do a bread delivery or a taxi run or a stint as a farmhand that you should therefore be able to rely on your fellow Australian to subsidise you.

The response to the fruit-picking was swift. The Tasmanian Farmers and Graziers Association explained that the fruit industry required a great deal of skill and commitment. And that gets to the crux of the argument: we need job creation in Australia.

The Abbott government were big on promises before the last federal election but they have not delivered. The Tasmanian Jobs Program was a centrepiece in the promises those opposite offered Tasmania in the lead-up to the election. Senator Abetz was even spruiking the program in this place yesterday.

Under their Tasmanian Jobs Program, they promised to generate 2,000 jobs in two years. But, at the current rate, that target will take around 15 years to reach. This program, part of the government's Economic Growth Plan for Tasmania, is a resounding failure. What makes this failure even more embarrassing for the government is the $90,000 bill they have racked up running a media campaign across my home state of Tasmania.

So far 60 people have been able to access this scheme. It is clear that this program is a failure and needs to be redesigned but, instead of acknowledging this and doing the hard work needed to address youth unemployment, Senator Abetz, through a spokesman, said that the 60 people employed under the program was a 'good result'.

This scheme provides a one-off payment of $3,250 to companies that hire people who have been unemployed for more than six months. Only last week, Geoff Fader for the not-for-profit Group Training Australia was reported in local media as saying that the scheme is too bureaucratic and:

... small businesses did not have the ability to deal with the level of bureaucracy involved in hiring staff.

He went on to say:

... our interest is about an investment in young people and the economy of the state—

People want an investment in young people and the economy; an investment that is sadly lacking under this government; an investment that Labor made with its $100 million Jobs and Growth Plan. It was a plan that had 31 projects across the state. Yet, in spite of the great
promises made by Mr Abbott before the election and his agreement to match this funding, as I understand it, less than 10 of the 31 projects have so far been funded.

Though we have all come to realise that what Mr Abbott was willing to say to get into government and what he is willing to do once in government do not always correlate. Tasmanian Liberal members should be fighting for the funding to be delivered to the projects in their respective electorates. They should be fighting for Tasmanian business and Tasmanian job seekers. And we should all be fighting for our young people so they do not end up as the jobless generation. We owe it to these young people.

**Paediatric Brain Cancer**

**Anthoney, Ms Dainere**

_Senator SESELJA (Australian Capital Territory) (13:49):_ Every year around 2,000 Australian children under the age of sixteen are diagnosed with a brain tumour that is either benign or malignant. No significant improvement has been made in survival rates in almost three decades, no risk factors have been identified and no screening procedures are in place. Brain cancer is one of the most complex yet least studied of all cancers due to lack of funding. It is among the most common type of childhood cancers and yet remains among the most difficult to cure. It is now the No. 1 cancer killer of children under 16.

Treatment of paediatric brain tumours is more complex than that for other childhood cancers. Surgery to remove the tumour is not always possible, because it may be inaccessible or because it would cause too much damage to the surrounding brain tissue.

Even a benign tumour in the brain can be life-threatening, and the prognosis for children diagnosed with brain tumours depends not only on the type, grade and size of the tumour but on its location in the brain. The location of the tumour can also vary the symptoms patients suffer.

My friend Dainere Anthoney was diagnosed with high-risk medulloblastoma in 2009. She endured a 10-hour surgery, high-dose radiation and high-dose chemotherapy with autologous stem cell transplants. Then in February 2012, she suffered an inoperable and incurable recurrence of the disease in her spine, with palliative care being the only treatment available. This lovely young lady then passed away on the 24 July 2013 at the age of 15.

I was fortunate enough to meet Dainere in 2010. The first thing I noticed was not only her brilliant smile but how much smaller she was than other girls her age.

Dainere Anthoney's doctor suggested that she create a bucket list—a list all the things she wanted to do before she died. This suggestion sounds unspeakably sad and quite harsh when applied to a young girl, but the remarkable Dainere was all about celebrating life. She created her own special list, as she liked to call it, with more than 20 things on it and even managed to tick things off with the selfless help of fellow Canberrans.

To fulfil some of her goals on the list, Dainere was offered a special tour of the National Zoo and Aquarium, where she fed the lions, a cruise on Lake Burley Griffin by Lakeside Ferry Cruises and an invitation to a cat show by Capital Cats Incorporated. An anonymous donor provided hot-air balloon tickets with Balloon Aloft. She also had an asteroid named after her, and although Dainere was not well enough to fulfil her goal of rock climbing, her teddy bear Theodore fulfilled it for her.
In 2013 Dainere and her brother Jarrett together planned their City2Surf event, with Jarrett using his talents to assist Dainere to raise awareness and funds for the disease that would unfortunately take her young life before the event. Jarrett Anthoney originally aimed to raise $3,000 to $5,000 but, to his surprise, he managed to raise over $30,000. This year there is going to be a dedicated team, the Dainere's Rainbow Team entry, for City2Surf on 10 August 2014 in Sydney. Again, this event is aimed at raising much-needed awareness and funds for paediatric brain tumours.

An inaugural memorial dinner for Dainere Anthoney was held on 21 June 2014 at Thoroughbred Park, Canberra Racecourse, which I had the privilege of attending. This event continued to raise awareness of this horrendous disease and also helped raise desperately needed funds for necessary research. This event raised around $20,000, and there are plans of another dinner to celebrate Dainere's life. Information and details can be found at www.daineresrainbow.com.au.

Personally, I was moved by her determination and courage. I helped to launch her first children's book, *You have to go through a storm to get a rainbow*, and helped promote her second, *Theodore and Friends—Theodore is Left Out*. With publishing these two books and several other fundraising works, the gifted writer and talented young girl managed to raise over $62,000 for the Sydney Children's Hospital Foundation Brain Tumour Research Fund. Dainere's school, Burgmann Anglican School, was even a fundraiser and contributed by holding events to help support her and her wish. One event that was quite special to Dainere was that the senior school held a 'Theodore day' where everyone could bring their favourite teddy bear or soft toy to school that day for a gold coin donation. She thought it was a brilliant idea and one that could possibly be expanded upon for future fundraising for the Sydney Children's Hospital Foundation Brain Tumour Research Fund.

Dainere's Rainbow Brain Tumour Research Fund was established in conjunction with the Sydney Children's Hospital Foundation to assist the research team lead by Dr David Ziegler, Dainere's oncologist. Research will be undertaken on three research projects as part of Dainere's fund. Dainere's Rainbow Brain Tumour Research Fund maintains a lifetime commitment to helping eradicate this number one cancer cause of death in children. This is a not-for-profit fund and 100 per cent of all funds raised or donated go directly to this vital research. While speaking on this issue, I would also like to take a moment to commend the work of Dr Charlie Teo and his team in their work with the Cure Brain Cancer Foundation. Their mission is to increase five-year survival to a rate of 50 per cent within 10 years. We hope the great research they are doing will lead to a cure.

Dainere Anthoney was one of the most courageous, selfless and inspiring young person you could ever meet. She worked passionately and tirelessly during her short life to raise awareness and funds for paediatric brain tumours. Her greatest wish in life was that no child in the future would have to suffer as she did and that one day a cure for this horrendous disease would be found. She lived her entire short life in Canberra and during this time she made a significant impact not only on the Canberra Community but also across Australia and worldwide. She inspired many, leaving lasting footprints on their hearts and lives. She was a productive and creative awareness and fund raiser for paediatric brain tumours and an inspiration and role model at school and in the sporting arena.
She was subsequently named as Young Canberra Citizen of the Year 2013 jointly with her brother Jarrett in recognition for their leadership, courage and determination to raise awareness in the community of paediatric brain tumours—truly an honour and a legacy which she will always be remembered for. It is important that we raise awareness of paediatric brain tumours and raise money to fund research in memory of the inspirational Dainere. I am hopeful that we will see her greatest wish in life become a reality.

I would like to acknowledge the courage and compassion of Dainere's family—her parents, Stephen and Yvonne, her brother, Jarrett, and her sister, Nalani. Lastly, I would like to end with part of Dainere's speech she wrote before she sadly passed away where she said that her little voice could only make a small difference but together many voices could create change.

I would like to thank Kate Fleming, a year 10 student from Mt Stromlo High School who did work experience in my office, for her assistance in the preparation of this speech.

**Israel**

**Senator BERNARDI** (South Australia) (13:57): In the few minutes before question time I would like to put a few things on the record. There is an old saying that children should not be condemned for the sins of the father—and that is certainly something that I cling to in the hope that my children will live a fruitful and beneficial life free of the baggage that I give them. But I do want to put on the record today how appalled I am at the goings on between Hamas and some of the Israeli militant[s] in which children are now the victims. It is no secret that I am a very strong supporter of Israel and it is no secret that I have absolutely no time for terrorist outfits or political organisations that shepherd them, facilitate them or mask them. As a father and as a citizen of the world, the kidnap and murder of three Israeli children is an absolutely barbaric crime, as was—and I want to put this on the record—the slaughter of the Palestinian boy by Israeli citizens.

However, there has been a stark difference in the treatment of these two barbaric and hideous crimes. Prime Minister Netanyahu of Israel has said that those responsible for the heinous crime will face the full force of Israeli law—as they should. I would like to contrast that with the response from Hamas, which was stunned silence. I have seen interviews with widows of some of those who are supposedly accused of this crime in which they have said that they would be very happy if their sons had committed it. It is quite appalling. But Hamas itself has failed to condemn it, and that should be a concern for all of us who are concerned with Middle East peace.

Today I noticed in press reports that rockets are now being hailed down on Israel once again and they are reaching Jerusalem. They have what I believe is called an 'iron dome', which launches retaliatory rockets to destroy incoming missiles. Where two barbaric acts have been committed and Israel stands behind the rule of law to charge those who have committed this crime within their own borders and yet those on the other side choose instead not to rely on the rule of law but to rely on more rockets into Israel, there is a stark contrast in how these things are being dealt with. Once again I want to put on the record that I stand with Israel for upholding democratic values in the Middle East.
QUESTIONS WITHOUT NOTICE

Budget

Senator PERIS (Northern Territory) (14:00): My question is to the Minister for Indigenous Affairs, Senator Scullion. I refer to calls by Mr Warren Mundine, the hand-picked Chair of the Prime Minister's Indigenous Advisory Council, for more cuts to Indigenous programs, totalling $600 million in the next budgetary round in 2015. Can the minister confirm that the Indigenous programs will take a further hit of at least $600 million on top of the already half a billion dollars of cuts in the Prime Minister's first budget?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:00): What I can confirm is that there is not $500 million worth of cuts to my portfolio or the comprehensive portfolio. The second thing I will say in answer, specifically in further clarification of the question, is that we have not decided anything about the next budget. We are just very carefully and systematically implementing the changes of this budget. I am aware of Mr Mundine's comments about further efficiencies and the hypothecation of some savings in the next budget into better efficiency dividends. It certainly was not couched as a saving. But I have not considered those matters, and it has not been put to me.

Senator PERIS (Northern Territory) (14:01): Mr President, I ask a supplementary question. I refer to the comments by the Deputy Chair of the Prime Minister's Indigenous Advisory Council, Dr Ngiare Brown:

I do not believe that the Aboriginal and Torres Strait Islander portfolio can take a $1.1 billion hit over the next four years without impacting significantly on essential frontline services …

Is the deputy chair of the Prime Minister's Indigenous Advisory Council correct?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:01): Again, I will correct you. We are not anticipating and we have not declared cuts of that scale. I am not sure where that number came from. I was not aware, specifically, that that had been the case.

Opposition senators interjecting—

The PRESIDENT: Order on my left!

Senator SCULLION: I have no reason to doubt the senator. However, if what the senator says is correct, then I do disagree with the deputy chair.

Senator PERIS (Northern Territory) (14:02): Mr President, I ask a further supplementary question. Minister, can you tell us where the next round of Indigenous cuts is coming from?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:02): We have been very clear about where the savings are coming from and where the funds have been invested in this portfolio. We have had a number of questions in this place and they have been comprehensively answered. In fact, I have had a couple of questions on this area that were outside of my portfolio. We still took them and provided those answers. There are no further savings or cuts because any savings or cuts, in the normal process in this place and in the other place, are about this budget. This budget is for this financial year—we have made it very clear. We have a strategic approach to ensure
that we have kids going to school, that adults are involved in work and that we have safer communities. We have got absolutely no plans to make further cuts in this portfolio.

Honourable senators interjecting—

The PRESIDENT: Order, Senator Cameron, Senator Scullion!

Asylum Seekers

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (14:03): My question is to the Assistant Minister for Immigration and Border Protection, Senator Cash. Will the minister advise the Senate of the importance of the government maintaining its strong resolve in relation to Operation Sovereign Borders?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:04): I thank Senator Ruston for her question and her ongoing interest in protecting Australia’s borders. The government understands the importance of resolve in this important portfolio area. We understand the importance of sending a strong and clear message to the people smugglers who profited from and exploited Labor’s policy weaknesses.

Senator Lines interjecting—

The PRESIDENT: Senator Lines!

Senator CASH: Resolve is necessary if you want to end deaths at sea. Resolve is necessary if you want to ensure that we do not have the 1,200 people confirmed dead under those policies that the former government supported. Resolve is necessary to ensure that the Australian taxpayer does not face an $11.6 billion cost blow-out because of failed border protection policies. Resolve is necessary to ensure that a government does not have to build detention centre after detention centre to house the in excess of 50,000 people who arrived illegally by boat because of the former government’s failed policies. Resolve is also necessary to ensure that we restore integrity to our borders and that we ensure that places in our refugee program—which are, of course, precious—are given to those who have spent five, 10, 15 or 20 years languishing in camps, those who do not have the means or the opportunity to flee, to buy tickets to another country by plane and then to pay a people smuggler for illegal passage to Australia. So what would happen, Senator Ruston, if we were to weaken our resolve in relation to our border protection policies? You only have to take a look at the past six years of cost, chaos and tragedy to tell you what would occur.

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (14:06): Mr President, I ask a supplementary question. I would like to ask the minister to advise the Senate how the coalition government’s border protection policies make fairness the cornerstone of our refugee and humanitarian resettlement program?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:06): Fairness is a concept that is foreign to those who supported the policies of the former government. While those on the left claim to have a monopoly on compassion, the policies that they implemented and the tragedies that resulted from those policies would say otherwise. Under the former government at least 14,500 places were denied to people, languishing in refugee camps, from countries such as Kenya, Ethiopia, Jordan, Somalia, South Sudan, the Congo and Uganda. They were denied a place and a new life in Australia because those who supported the former
government's policies deliberately ignored their legitimate claims for asylum. The human cost of the policies of the former government is immense. We will not turn our backs on them.

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (14:07): Mr President, on that note, I have a further supplementary question. Can the minister please advise the Senate how in recent years border protection policies disadvantaged genuine refugees seeking to come to Australia through legitimate channels?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:07): When the government of the day incentivises, by way of their policies, an illegal and dangerous journey to Australia, people will inevitably exploit this mode of entry. The policies implemented under the former government ensured that those with the financial means to pay a people smuggler were able to fly into Indonesia, destroy their documents, pay someone to get them here and arrive uninvited in Australia. Given that our humanitarian program is a capped program, those arriving illegally by boat displaced the many millions of asylum seekers who are waiting patiently—

Senator Whish-Wilson: Mr President, on a point of order: twice now Senator Cash has used the word 'illegal'. It is not illegal to seek asylum under international law—

The PRESIDENT: That is not a point of order, Senator Whish-Wilson, that is a debating point. There is no point of order. Senator Cash, you have the call.

Senator CASH: Thank you, Mr President. I remind all senators that under this government, consistent with the Howard government, we will decide who comes here and the circumstances in which they come. In terms of the capped places in our program, we will not turn our backs on those languishing in camps. (Time expired)

Indigenous Health

Senator McLUCAS (Queensland) (14:09): My question is to the Minister for Indigenous Affairs, Senator Scullion. I refer to the minister's previous answer that 'the only real impact' of the government's review into the Tackling Indigenous Smoking program is that 'they are not recruiting additional people'. Given that the national coordinator, Dr Tom Calma, said yesterday that the government has already cut $130 million from this program, does the minister stand by his previous statement? Can he outline the full impacts of the cuts to this front-line program?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:09): On two previous occasions I have answered questions to colleagues in other portfolios out of decency and I have let them know. This is a question that should be directed to the person that owns that portfolio, which is my colleague Senator Nash.

Senator Wong: Mr President, I raise a point of order. I can take the minister to the website which talks about his portfolio responsibilities and he is also actually being asked to respond in relation to a previous statement he has made as minister. That is perfectly within the standing orders.

The PRESIDENT: Senator Scullion, first of all, have you concluded your answer or do you have more to continue on with in your answer?
Senator SCULLION: In the interests of transparency, I am happy to answer. Perhaps I can just ask them to make sure they are providing questions to the portfolio as appropriate.

Senator Kim Carr: You are responsible.

Senator SCULLION: In the interests of transparency I am more than happy to take the question.

Senator Wong: Well, what do you do?

The PRESIDENT: Senator Wong, you have raised a point of order. Senator Scullion is now assisting the chamber. Senator Scullion, you have the call.

Senator SCULLION: As I understand, the only changes to the smoking initiative is there is a pause in the increase in recruitment, so my statement that there will be no impact on front-line services stands.

Senator McLUCAS (Queensland) (14:11): Mr President, my supplementary question is also to the Minister for Indigenous Affairs, Senator Scullion. Does the minister agree with the Aboriginal and Torres Strait Islander Social Justice Commissioner, Mr Mick Gooda, that tobacco smoking is the most preventable cause of ill health and early death amongst Aboriginal and Torres Strait Islander people? How does cutting $130 million from an antismoking campaign prevent ill health and early death for Aboriginal and Torres Strait Islander people? (Time expired)

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:11): I will have to take the details of the question on notice. I was not aware. I understood that the smoking—

Senator McLucas: Why can't you answer?

Senator SCULLION: As I said, this is a program that is in the Health portfolio, not my portfolio. I am more than happy to take the question on notice.

Senator McLUCAS (Queensland) (14:12): Mr President, I have a further supplementary question. Given that there has been a cut of four staff to this program in Darwin alone, does the minister still stand by his claim that government cuts to Indigenous programs will not have any impact on front-line services?

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (14:12): Indeed I do. As I have said, in this particular program there is simply a pause in recruitment for some of the teams.

Opposition senators interjecting—

Senator SCULLION: Indeed I am aware of the circumstances of 10 individuals in the Northern Territory and, again, it will not have any impact on front-line services.

**Asylum Seekers**

Senator HANSON-YOUNG (South Australia) (14:13): My question is to the Minister representing the Prime Minister, Senator Abetz. Will the minister inform the chamber how many mothers and young women are currently on suicide watch in the Christmas Island detention camp? Will the minister confirm that one woman had thrown herself off a building earlier this week after previously attempting to hang herself?
Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:13): With all of these situations it is vitally important to get all the factual information.

Senator Hanson-Young: That's why I am asking you.

Senator ABETZ: What I would say is that on the information that I have in front of me there is no basis for the claims that up to 12 women have attempted suicide at Christmas Island detention facilities.

Senator Hanson-Young: How many then?

Senator ABETZ: If you were genuine about this issue without wanting to play raw politics surely you would allow me to get at least more than one sentence out in an answer, I would have thought. A small number of minor self-harm incidents have recently occurred and those involved are receiving proper and appropriate medical and other support. It would not be appropriate to go into further detail about the incidents or the individual circumstances of these detainees.

Senator HANSON-YOUNG (South Australia) (14:14): Mr President, I ask a supplementary question. Can the minister confirm that a shortage of female staff on Christmas Island has left these mothers currently on suicide watch being guarded by male officers? And what is the government doing to rectify the situation?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:15): I am not sure that my brief has specific details about that but I am advised that women and children in immigration detention are provided with professional health care in line with Australian community standards. This care includes access to the appropriate support in relation to these matters. But, in relation to the support for women and infants, I cannot immediately pick that up in the brief that I have in front of me so I will take that on notice.

Senator HANSON-YOUNG (South Australia) (14:15): Mr President, I ask a further supplementary question. I appreciate the minister taking that question on notice. Could the minister respond to this; the government has referred to these women's babies as 'illegal arrivals'. Could the minister explain the justification for defining babies born in Australia in Australian hospitals as 'illegal arrivals'? I would have thought they had arrived in the same way as his children or my children.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:16): I can inform the senator that primary health care for women and infants on Christmas Island is provided by IHMS, with referral to the Christmas Island Hospital or hospitals on the Australian mainland for further specialist assessment or treatment where required. So I have been able to answer that.

In relation to the government's determination to stop the boats, I think we all know why: so we can have a genuine, orderly intake of refugees. Can I simply remind the honourable senator that it was under the Greens-Labor policy, which allowed the flood of boats and people to arrive in Australia again, that we had more children in detention than under the Howard government or at this very moment, with this new coalition government. So the legacy of children in detention is with Labor's and the Greens' legacy. (Time expired)
Building Industry

Senator McKENZIE (Victoria) (14:17): My question is to the Minister for Employment, Senator Abetz. Is the minister concerned about continuing revelations of thuggery and intimidation in the building industry? What measures does the government intend to take to address this problem?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:17): All Australians should be deeply concerned by the recent reports of threats and intimidation in the building industry. Unfortunately, these revelations are merely the latest addition to the decades-long rap sheet of the Construction, Forestry, Mining and Energy Union. In 2003 the Cole royal commission found that the Australian—

Senator Cameron: Mr President, I rise on a point of order. The point of order is accuracy. The minister should ensure that he is accurate in his responses—

The PRESIDENT: Senator Cameron, that is not a point of order; you are debating the point! There is no point of order.

Senator ABETZ: I did refer to reports. In 2003, however, the Cole royal commission found that the Australian building industry was plagued by a culture of lawlessness due to militant—

Opposition senators interjecting—

The PRESIDENT: Pause the clock! The noise, again, from the left is terrible.

Senator Cameron: You're making allegations!

Senator Jacinta Collins: And it's not the first time!

The PRESIDENT: Senator Cameron and Senator Collins!

Senator ABETZ: In response to these findings the former coalition government established the Australian Building and Construction Commission. Under the ABCC building industry productivity was higher, fewer days were lost to industrial action and the rule of law was respected. But when the Labor-Greens government dismantled the ABCC the bad old days came back.

Under Labor's thug-friendly laws working days lost to industrial action in the building industry multiplied not by two, not by three, not even by four but by a factor of seven. A factor of seven! A re-established Australian Building and Construction Commission will ensure that honest workers are protected, businesses are productive, the rule of law is upheld and benefits are delivered.

Senator Kim Carr: It's a star chamber!

Senator Cameron: We agree with Senator Smith; it's an abuse of human rights!

Senator Conroy: Absolutely fraudulent! It's a farce!

The PRESIDENT: Order on my left! Senator Conroy!

Senator ABETZ: It is amazing how the Australian Labor Party interjects—today's Labor Party—because a former ACTU president and distinguished Labor minister—none other than Martin Ferguson—has said that the ABCC is a mechanism that holds both sides to account.
and which can help deliver projects on time and on budget. Why those opposite would—

(Time expired)

Senator McKENZIE (Victoria) (14:20): Mr President, I ask a supplementary question. Is the minister aware of the severity of the problems in the building industry in Victoria? Is the minister aware of any particular reasons why the problem is so bad in my home state?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:20): I thank the senator for her question and acknowledge that her home state of Victoria has unfortunately suffered the worst excesses of thuggery and intimidation in the building industry.

I am sure that all honourable senators will remember the unlawful Myer Emporium picket for which the CFMEU was fined a record $1.25 million for criminal contempt of court. And yet the Victorian leader of the Labor Party, Daniel Andrews, continues to embrace the CFMEU with his own socialist-left faction. Not only did he share centre stage with the union at the ALP state conference but he continues to accept record amounts of money from that union—over $5 million in donations from the CFMEU.

Senator Cameron: What about the Free Enterprise Foundation?

Senator Conroy: You've got an ICAC investigation into your developer friends!

Senator Cameron: Arthur! Tell them about the funds in NSW!

Senator Kim Carr: You can argue that there is an investigation—

The PRESIDENT: Senators Carr and Conroy! Senator Cameron!

Senator ABETZ: And it is for exactly that reason that the ALP opposite are interjecting.

Senator McKENZIE (Victoria) (14:22): Mr President, I ask a further supplementary question. Is the government taking steps to protect those involved in the building industry, both workers and employers, from the thuggery and intimidation currently plaguing it?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:22): The last few years have seen many scandals—in the HSU, the Australian Workers Union, the ETU, the TWU and the CFMEU. Legislation is currently—

Opposition senators interjecting—

Senator ABETZ: Regrettably, the interjections opposite are indicative of the Labor Party running a protection racket for the likes of Michael Williamson and Craig Thomson, whom they defended for a long time. What we are seeking to do is introduce a Registered Organisations Commission, something that has gained the support of a former Labor Attorney-General, Robert McClelland, and a former secretary of the Australian Workers Union, Ian Cambridge. We have these Labor people saying, 'This is needed to clean up the trade union movement', but these old hacks refuse to accept the reality. (Time expired)

Financial Services

Senator DASTYARI (New South Wales) (14:24): My question is to the still Acting Assistant Treasurer, Senator Cormann. I refer to correspondence from the Acting Assistant Treasurer to the shadow Treasurer which says that the financial systems inquiry is 'clearly not the appropriate vehicle to explore customer complaints about individual planners or firms'.
What action is the government actually taking to investigate the fraud perpetrated by the Commonwealth Bank and its impact on consumers?

Senator CORMANN (Western Australia—Minister for Finance) (14:24): I thank Senator Dastyari for that question. I totally agree: the financial systems inquiry is not the appropriate vehicle to investigate consumer complaints. We have a regulatory system in place. That regulatory system includes ASIC, which does have appropriate processes in place to deal with customer complaints.

The Senate Economics Committee inquiry did raise specific issues about the Commonwealth Bank. Those issues arose, incidentally, in the period of the previous government—2008, 2009, 2010 and beyond. What the government has said is that we want to see the Commonwealth Bank resolve any legitimate outstanding and unresolved issues. Our focus as a government has been on identifying the process most likely to deliver a satisfactory, efficient, effective and swift resolution of any legitimate outstanding and unresolved issues. Mr Ian Narev, the CEO of the Commonwealth Bank, held a press conference last week that went for some period of time. He answered a lot of questions relating to issues raised by the Senate Economics Committee inquiry. That was appropriate. He also announced the Open Advice Review Program, which, again, is appropriate. I believe that review program should be given a chance to work. It needs to be appropriately independent. It needs to be appropriately robust. What the government has said is that we will monitor how that program rolls out.

We have reserved our final judgement on all of the recommendations from the Senate Economics Committee inquiry. In particular, we are reserving our final judgement in relation to recommendation 7. But I believe that, if the Commonwealth Bank can get this right and sort out these problems, that would be the most efficient and effective way to deal with these issues.

Senator DASTYARI (New South Wales) (14:26): Mr President, I ask a supplementary question. Given the government's pathetic response, if you can call it a response at all, to the damning findings of the Senate's inquiry into the performance of Commonwealth Bank financial advisers—and to the many calls for a royal commission—how can consumers have any confidence that this government will protect them from dodgy financial advice? You are taking no action, Minister!

Senator CORMANN (Western Australia—Minister for Finance) (14:27): I thank Senator Dastyari for that supplementary question. It would not surprise the senator that I do not agree with his characterisation of the government's response. The government continues to implement good public policy in the financial services space. We continue to focus on finding the most efficient and effective resolution of legitimate outstanding issues for aggrieved Commonwealth Bank customers.

The Labor Party can try to play political games with this as much as they like. We will continue, in an orderly and methodical fashion, to work with the industry to lift professional, ethical and educational standards across the financial advice industry. We will continue to ensure that we have a regulatory system that is not only robust, so that people accessing advice can trust that advice, but also efficient, so that advice is affordable.
Senator DASTYARI (New South Wales) (14:28): Mr President, I ask a further supplementary question. Given the minister continues to hide his watered-down financial advice regulations from the parliament, I ask again: when will the minister be tabling the regulations? In fact, I will go one step further. I seek leave to table the minister’s own regulations on his behalf.

Leave not granted.

Opposition senators interjecting—

The PRESIDENT: Order! Senator Dastyari, had you completed asking your question?

Senator DASTYARI: I am not going to get an answer anyway so I may as well not finish asking.

The PRESIDENT: Minister, do you wish to respond to the question as it was asked?

Senator CORMANN (Western Australia—Minister for Finance) (14:30): I am just a humble immigrant, but I do not really understand how Senator Dastyari can suggest to the Senate that we are hiding something that he is waving around. How can we possibly be hiding something—

Opposition senators interjecting—

The PRESIDENT: Order!

Senator CORMANN: that he is waving around? The reason he is waving it around is because we published it—as we must—and we registered it on the official website—

Opposition senators interjecting—

The PRESIDENT: Pause the clock, Minister.

Senator Wong: You are frightened of a disallowance—that is what you are frightened of, isn’t it?

Senator Conroy interjecting—

The PRESIDENT: Senator Conroy, we are not moving forward until we have quiet.

Senator Conroy: We don't lose any directions. We don't care.

The PRESIDENT: You might be surprised.

Senator CORMANN: I know that Senator Dastyari and the Labor Party are very keen to continue to do the bidding of the union movement—

Opposition senators interjecting—

Senator CORMANN: to continue to progress the best interest of the union dominated industry funds. We are continuing to go through a proper, orderly and methodical process. We are going through the process that is prescribed in the Legislative Instruments Act—

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

Senator Dastyari: Mr President, I rise on a point of order. I asked a very, very clear question and that is, when will the minister table his own regulations?

The PRESIDENT: The minister has 12 seconds left to answer the question.

Senator CORMANN: The government will table those regulations consistent with the requirements in the Legislative Instruments Act 2003. Of course, this is part of going through an orderly process to enable us to talk to all of our friends on the crossbench—(Time expired)
Budget

Senator BUSHBY (Tasmania—Government Whip in the Senate) (14:32): My question is to the Minister for Finance and the Acting Assistant Treasurer, Senator Cormann. Will the minister explain to the Senate what can be achieved if we repair the budget?

Senator CORMANN (Western Australia—Minister for Finance) (14:32): If we repair the budget now we will be able to protect living standards into the future on a sustainable basis. We will be able to grow a stronger economy where everyone has the opportunity to get ahead. Of course, we know that the Labor Party does not like to hear these things because they know it is true. The reason we know that it is true is because there is a precedent. We know that back in 1996—

Senator Kim Carr interjecting—

The PRESIDENT: Order! Senator Carr.

Senator CORMANN: a previous coalition government inherited a budget in a mess from a previous Labor government. The previous Howard government inherited $96 billion of government net debt and a $10 billion deficit; and, of course, the Howard government, Mr Howard and Peter Costello, fixed the budget. They repaid the net debt left behind by the Labor Party which meant that we had to pay less public debt interest, we were able to deliver income tax cut after income tax cut and we were able to lift benefits and services for low- and middle-income families. These are all the things that you can do when you have sound financial management. The reason we have to fix the budget is because of where it leads. It leads to a better future. It leads to a situation where we can protect living standards for families, pensioners and everyone across Australia. It leads to a situation where we can lift—

Senator Polley interjecting—

Senator O'Neill interjecting—

The PRESIDENT: Order! Senator Polley and Senator O'Neill!

Senator CORMANN: opportunities for people across Australia. That is what we have done in the past and that is what we are setting out to do now. For those who want to see what can be achieved when you get your budget back under control, look no further than what happened when the Howard government did the exact same thing. We ended up with a legacy of strong economic growth, strong jobs growth, income tax cut after income tax cut, increases in benefits and improvements in government services—all of that on a sustainable basis because the budget was under control.

Senator BUSHBY (Tasmania—Government Whip in the Senate) (14:34): Mr President, I do have a supplementary question. Will the minister explain whether there are any other countries around the world who have faced similar challenges?

Senator CORMANN (Western Australia—Minister for Finance) (14:34): I thank Senator Bushby for that question. Yes, there are, and we can learn from them.

Senator Conroy interjecting—

The PRESIDENT: Senator Conroy.

Senator CORMANN: The late and great Baroness Margaret Thatcher faced a similar challenge in the United Kingdom back in 1979. She inherited a deficit of £8.5 billion in 1979.
Opposition senators interjecting—

The PRESIDENT: Order! On my left.

Senator CORMANN: She turned that into a surplus of £1 billion within the decade. We should listen very carefully to what the late Baroness Thatcher had to say. I know that people in this chamber hold her in very high regard—

Opposition senators interjecting—

The PRESIDENT: Order!

Senator CORMANN: Some of us hold Senator Wong in high regard—have a fondness for Senator Wong, even—but I would listen to Margaret Thatcher ahead of Senator Wong when it comes to managing the budget. Here are some quotes which I hope to be able to share with the chamber:

My policies are based not on some economics theory, but on the things that I and millions like me were brought up with …

(Time expired)

Senator BUSHBY (Tasmania—Government Whip in the Senate) (14:35): Mr President, I have a further supplementary question. Will the minister advise the Senate whether there are any other lessons we can learn from the past when it comes to repairing the budget?

Senator Conroy interjecting—

The PRESIDENT: Order! Senator Conroy.

Senator CORMANN (Western Australia—Minister for Finance) (14:35): I think the chamber needs the wisdom of Margaret Thatcher so I will just share some of her great pearls of wisdom with you:

… what millions like me were brought up with: an honest day's work for an honest day's pay; live within your means; put by a nest egg for a rainy day; pay your bills on time …

And this one:

Like all western governments, ours has taken onto itself more and more activities, more and more responsibilities … none of us relish the prospect of cutting public expenditure. It is an unpleasant and difficult task.

The simple fact is that we cannot afford to promise more than we can deliver. We cannot continue borrowing tomorrow's money in order to pay for today's bread and butter. The jam has already gone.

And now a favourite of mine—a real favourite of mine:

Pennies don't fall from heaven, they have to be earned here on earth.

And:

… Socialist governments traditionally make a financial mess. They always run out of other people's money.

What I would say to Australia is reflect on what Margaret Thatcher had to say— (Time expired)

G20 Leaders Summit: Policing

Senator LEYONHJELM (New South Wales) (14:37): Mr President, my question is to the Minister representing the Minister for Justice, Senator Johnstone. I note Queensland's G20 legislation, which grants the police powers to conduct strip-searches to exclude people from
places—that include their homes and workplaces—and to disclose personal information to foreign police forces. I also note the government's proposal to give Queensland's G20 legislation precedence over Commonwealth law at Brisbane Airport during the G20 event in November. Could the minister please advise the Senate which specific powers, granted under Queensland's G20 legislation, attracted the government to this approach?

Senator JOHNSTON (Western Australia—Minister for Defence) (14:39): I thank Senator Leyonhjelm for the question. It is a very important question. When Australia is on the international stage, as it will be between 14 and 17 November for the G20 Leaders Summit in Brisbane, it will be an extremely important event for Australia. The leaders of the G20 countries do require and will need special security measures to be undertaken, so Queensland has enacted the G20 (Safety and Security) Act 2013 to ensure that police and other authorised persons have sufficient powers to maintain safety and security at the summit.

Senator, I do not think that any of the matters you have mentioned are particularly out of the ordinary, when I know some of the laws that I grew up with in Western Australia enabled the police to take on certain powers in certain circumstances. The Queensland act is similar to arrangements for previous special events in Australia, and I have a list of events including CHOGM in Perth and a New South Wales event in the recent past, APEC, in 2007. The powers under the Queensland act are exercisable for a very limited period and, indeed, they grandfather on 18 November. The powers—whilst they are very important and powerful matters empowering federal and state police—are entirely necessary and are specifically focused on security for the summit.

I do not believe, Senator—and I share your concerns when sweeping powers are given to authorities—these are offensive to the ordinary Australian way of understanding the distribution and exercise of authority in circumstances where we have the world's most powerful leaders in our country. (Time expired)

Senator LEYONHJELM (New South Wales) (14:40): Mr President, I ask a supplementary question. Could the minister please advise whether the government supports the presumptions against bail, the restrictions on assembly and the reversals of the onus of proof included in Queensland's G20 legislation?

Senator JOHNSTON (Western Australia—Minister for Defence) (14:40): Again, Senator, I thank you for raising that. These are very important issues. We do support them. We do support those matters as our terrorist laws convey similar powers and authorities. When you have an urgent security requirement, the police—in this instance, the Queensland police and the Australian Federal Police—must have the confidence that the authority flowing from this legislation gives to them to immediately arrest, and I mean that in a general sense, the risk of harm to our special VIP visitors.

We do not undertake these matters lightly. These matters have been through a whole host of scrutinies at a federal and, indeed, parliamentary level, with the Scrutiny of Bills Committee reviewing all of these very closely. I believe they are satisfactory laws and, given that they will end on 18 November, I think they are satisfactory. (Time expired)

Senator LEYONHJELM (New South Wales) (14:41): Mr President, I have a further supplementary question. Could the minister please advise whether the government is concerned that giving precedence to Queensland's G20 legislation, which includes any
regulations that are yet to be made by the Queensland government, gives a blank cheque to the Queensland government to go beyond the provisions already in place?

Senator JOHNSTON (Western Australia—Minister for Defence) (14:41): Again, this is an important issue. I said to you the act will be in effect from 14 to 17 November and will sunset—I said ‘grandfather’, sorry—on 18 November. When I first came across this legislation and the powers, I shared your concern. When I looked at the way there will be public announcements surrounding the scheduling and the arrival and the movement of these dignitaries I was—on the security side of the coin—concerned that the authorities had the necessary powers to deal with this particular event. I am satisfied. I think the parliament should be satisfied. I think you asked a good question—series of questions—that we all must consider. I think the matter is well in hand, for due process, in these circumstances.

Manufacturing

Senator KIM CARR (Victoria) (14:42): Mr President, my question without notice is to the Minister representing the Minister for Industry. Under the previous government, almost 200 Australian textile manufacturers were awarded a total of $45 million through the Building Innovative Capability scheme. Why is the government now abolishing this innovation program, threatening the future of these manufacturers and the 40,000 people they employ?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:43): I thank Senator Carr for his question. I indicated the other day it has been some four months since the senator has asked me a question and I am pleased for his new-found interest in the portfolio. We were probably still in the middle of the bushfire season. I say to Senator Carr that the government made a number of changes in the industry portfolio as a result of the budget. I would like, for the sake of the chamber, to go through some of those industry programs, to talk about the manufacturing and other workers that Senator Carr—

Senator Moore: Mr President, I rise on a point of order going to direct relevance: the question was quite clear. It was about the Building Innovative Capability scheme; if you could you direct the minister towards the question.

The PRESIDENT: The question was slightly broader than that. Also, the minister has started to address the manufacturing aspects of the question and the changes to the budget. I have been listening to the question and to the answer. The minister is only halfway through his allotted time.

Senator RONALDSON: I had hoped that what this government is doing in relation to industry programs might have been of interest to those opposite. In relation to the specific program raised by Senator Carr, I will take that on notice. This government is concerned for workers throughout this nation who, at the moment, are going through a very difficult transition. Indeed, as acknowledged by the Leader of the Opposition in one of his speeches during the week, it is appropriate that we talk about the support this budget is going to provide for—(Time expired)

Senator KIM CARR (Victoria) (14:46): Mr President, I ask a supplementary question. I note that the minister said he would take the reasons for the closure of the program on notice, but I would ask him also to explain why the government's budget announcement said that they were closing this valuable program one year early. It made this announcement without any
warning to the industry. I ask again: why is the government pulling the rug out from under Australia's textile manufacturers, many of whom have made investments based on the availability of this grant funding?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:46): The issue that Senator Carr has is that he was one of a plethora of ministers who were rolled through the industry ministries. Senator Carr has read the budget papers and he knows exactly what is going to be removed, what is going to be retained and what is going to be added, so I do not know why he is bothering to ask the question in this manner.

I want to go through some of this government's programs which will support Australian workers in the future. There is the Entrepreneurs' Infrastructure Program with $484 million, the Manufacturing Transition Program with $50 million, the Growth Fund of $155 million, the Industry Skills Fund of $476 million, trade support loans of— (Time expired)

Senator KIM CARR (Victoria) (14:47): Mr President, I ask a further supplementary question. Minister, are you aware that half of the previous government's $45 million investment for support of the innovative capacities of textile manufacturers in your home state of Victoria has been abolished? Why is this government rashly abandoning Victorian firms by abolishing a program which used to have bipartisan support?

Senator RONALDSON (Victoria—Minister for Veterans' Affairs, Minister Assisting the Prime Minister for the Centenary of ANZAC and Special Minister of State) (14:48): The question I am sure that those who are new to this chamber will be asking themselves is: why has it taken until 9 July for this shadow minister to be asking questions— Senator Moore: Mr President, I rise on a point of order, as to direct relevance. There is no way that the answer has so far been directly relevant to the question. Could you please draw the minister's attention to the question. The PRESIDENT: There are two comments to the point of order, Senator Moore. Firstly, Senator Carr said, 'are you aware' and then 'why'. There were two questions specifically and the minister has only had 15 seconds into his one-minute answer. I draw the minister's attention to the question. He is being relevant at this point.

Senator RONALDSON: The Abbott government are setting a new direction for industry policy focused on new jobs, new investments and making Australian industry more competitive. There were under the previous government a plethora of programs which were spending enormous amounts of money for little or no outcome. This government make absolutely no apologies for introducing a range of targeted measures to ensure that we give manufacturing workers and other workers in this country the very best chance to transition through what is an incredibly difficult time. We are determined to ensure that Australian manufacturing and Australian manufacturers have the very best chance, including abolition of the carbon— (Time expired)

Budget

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (14:49): My question is to the Minister representing the Minister for Infrastructure and Regional Development, Senator Johnston. Will the minister inform the Senate about the coalition's commitment to build the roads of the 21st century and how the budget delivers on those
promises? How will investing in such infrastructure ensure that our regions and our nation remain strong and continue to prosper?

Senator JOHNSTON (Western Australia—Minister for Defence) (14:50): I thank Senator O’Sullivan for his longstanding interests in infrastructure, particularly regional infrastructure. I am delighted to report to the Senate and especially to our new crossbench colleagues that this government’s commitment to infrastructure is very strong and ever-continuing, and seeks to progress our great nation. The government has committed a record $50 billion to the infrastructure spend in this year’s budget. Delivering modern infrastructure is a crucial part of the government’s economic action strategy. The coalition has increased overall infrastructure spending by $16.4 billion between 2013-14 and 2018-19. Included in our budget is $11.6 billion for an infrastructure growth package for new infrastructure spending. Entirely new projects that were not funded by the previous Labor government will now be possible. These include the building of the Outback Way through Queensland, the Northern Territory and Western Australia—and may I say the people of Laverton, Leonora and Kalgoorlie in my home state of Western Australia most certainly welcome that—the building of the Moree bypass stage 2 in New South Wales, the building of the Mount Barker interchange in South Australia and many other programs.

The $11.6 billion Infrastructure Growth Package includes $2.9 billion for infrastructure to support the new western Sydney airport and $3.7 billion for targeted infrastructure investments. These include the Perth Freight Link, $925 million; the Black Spot Program, which has a budgeted extra $200 million; and an additional $350 million for the Roads to Recovery program. These are fabulous programs, funded by the Abbott government. (Time expired)

Senator O’SULLIVAN (Queensland—Nationals Whip in the Senate) (14:52): Mr President, I ask a supplementary question. Will the minister provide further information about infrastructure investments the government is making to ensure our regions and our nation remain strong and continue to prosper. And will the minister advise the Senate how abolishing the carbon tax will make our regions even stronger and more prosperous?

Senator JOHNSTON (Western Australia—Minister for Defence) (14:53): The government are committed to working with regions to create dynamic, stable, secure and viable economies across Australia. We are providing $1 billion over five years to our new National Stronger Regions Fund, which will invest in priority infrastructure for all our regional and rural communities, will support the livability in those communities and will drive their economic growth programs. It will make regional and rural communities a place where more people will choose to live and the removal of the carbon tax will assist this objective even further. The Senate has the choice to help regions and regional Australians by removing the carbon tax. We want to do that and we want the parliament to achieve that objective. This is a vast country. Many of our regional towns are not on grid and have massive carbon tax debt. (Time expired)

Senator O’SULLIVAN (Queensland—Nationals Whip in the Senate) (14:54): Mr President, I ask a further supplementary question. I thank the minister for his comprehensive answers. Will the minister advise the Senate of the steps that the Senate itself can take to ensure we build the infrastructure the nation needs to keep moving forward?
Senator Johnston (Western Australia—Minister for Defence) (14:54): I thank the senator for the question. The Land Transport Infrastructure Amendment Bill is currently before the Senate. We are moving to deliver the infrastructure that Australia critically needs, which will build the vital road and rail projects to improve efficiency, boost productivity and drive the economy forward. This bill is a key component of that objective.

Amendments to this bill are critically required to continue the Roads to Recovery program beyond 30 June just gone. Currently, our five-year funding extension of the Roads to Recovery program is at risk of being blocked in the Senate. There is a lot of much-needed work on our local roads and streets. Our communities desperately need the continued vital investment of our Roads to Recovery program. But the Labor Party thumb their nose at those needs.

Budget

Senator Gallacher (South Australia) (14:55): My question is to the Minister representing the Minister for Health, Senator Nash. Can the minister confirm that, under current bulk-billing arrangements, a medical practice in a regional area receives a higher bulk-billing incentive than in a metropolitan area? And can the minister confirm that under the government's budget savings measure this higher incentive for GPs has been abandoned and that regional GPs who do not charge the $7 GP tax will be more than $14 worse off per consultation?

Senator Nash (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:56): Those opposite are aware of a range of changes in the budget relating to health. Those opposite are well aware why. The changes that have occurred in the budget are to ensure a sustainable health system into the future. The MBS 10 years ago cost $8 billion. It now costs $19 billion and we are on a trajectory to $34 billion. The government has taken the correct steps to ensure a sustainable health system.

Senator Wong: Mr President, I rise on a point of order: on relevance. This minister, when asked a direct question, has a habit of saying, 'Those opposite are aware of a range of changes.' That is not the point of question time. She has been asked a very specific question about the higher bulk-billing incentive for doctors in regional areas and whether the budget has removed that. She should answer the question and, under standing orders, she is required to be directly relevant.

The President: Minister, have you concluded your answer? I invite you to continue your answer. You have not concluded? You have concluded?

Opposition senators interjecting—

The President: Order! It is no wonder I cannot determine, because I cannot hear. Quiet on my left! Senator Nash, I will invite you to continue your answer and I will also remind you of the question.

Senator Nash (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:58): Thank you, Mr President. Indeed, there have been changes in the budget because of the previous Labor government's mismanagement. Can I perhaps point out to the chamber that, under the previous finance minister, Senator Wong, net debt tripled from $42 billion in 2009-10 to $153 billion—
Senator Moore: Mr President, I rise on a point of order. My point of order is specifically on direct relevance to the question. The question specifically asked about the proposed bulk-billing actions in the budget and the impact on rural GPs. There is no variation in the question. It is not a multiple question; it is only the one question.

The PRESIDENT: Senator Nash was asked to confirm two items. I will draw the minister's attention to the question that was asked. Minister, you have the call.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:59): I had confirmed that there were changes in the budget because of the previous Labor government's waste and mismanagement under the previous finance minister.

Senator GALLACHER (South Australia) (14:59): Mr President, I ask a supplementary question. Is the minister aware of comments by the President of the Rural Doctors Association, Dr Ian Kamerman, that doctors who waive the co-payment will be hit by a further cut in the Medicare payment for these consultations, further eroding what are, in many cases, rural practices that are already only marginally financially viable? Is the Rural Doctors Association correct?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:59): Yes, I am aware of those comments by Dr Kamerman. It will be a matter for clinicians as to whether or not they choose to charge the co-payment. Clearly we will not able to determine the impact on individual practices until it is determined whether or not a co-payment will be charged.

Senator GALLACHER (South Australia) (15:00): Mr President, I ask a further supplementary question. Won't the government's introduction of a bulk-billing disincentive further undermine bulk-billing in regional Australia and further disadvantage regional Australians?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (15:00): There have indeed been a range of changes in the budget—supported, indeed, by the shadow Assistant Treasurer, as we have canvassed before in this place, and former Prime Minister Hawke.

Senator Moore: Mr President, I rise on a point of order on direct relevance. The question was asking the minister whether the changes would be a disincentive to further undermine bulk-billing in regional Australia and disadvantage regional Australians. I ask you to draw the minister's attention to that question.

The PRESIDENT: Minister, had you concluded your answer?

Senator NASH: No.

The PRESIDENT: Minister, I will invite you to continue your answer and remind you of the question.

Senator NASH: Thank you, Mr President. As we have indicated in the past, rural GPs have the purview of determining whether or not they will charge the co-payment. That has not changed. This government will ensure there is a sustainable health system into the future—unlike those opposite, who did not focus on rural and regional Australia in any way, shape or form.
Senator Abetz: After that excellent answer, I ask that further questions be placed on notice.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Budget

Senator PERIS (Northern Territory) (15:02): I move:

That the Senate take note of the answers given by the Minister for Indigenous Affairs (Senator Scullion) and the Minister for Finance (Senator Cormann) to questions without notice asked by Senators Peris, McLucas and Dastyari today relating to funding for Indigenous programs and to the regulation of financial services.

Before I speak, I seek leave to table page 185 of Budget Paper No. 2, which confirms a cut to Indigenous programs of over half a billion dollars.

The DEPUTY PRESIDENT: Is leave granted?

Senator Abetz: Not at this stage.

The DEPUTY PRESIDENT: Leave is not granted at this point in time, Senator Peris. You have been invited to resubmit that request at a later time.

Senator PERIS: Thank you. I rise to take note of answers to questions asked today in relation to the Abbott government’s cuts to Indigenous programs. I have spoken previously about how the budget adversely affects Indigenous Australians right across the board. I have spoken about how the GP co-payment will undermine this nation’s attempt to close the gap. I have spoken about how the cuts to education and health will affect Indigenous Australians the most, given the gap in education and health outcomes.

I have spoken about the lack of essential infrastructure in the bush and how the Northern Territory is getting less than half of one percent of the nation’s infrastructure budget over the next seven years. I have spoken about how the cuts to the local government financial assistance grants will hurt most in the bush, in councils and shires. I have spoken about Wadeye, the largest Aboriginal community in the Northern Territory, where petrol is currently over $3 a litre and how any further increase in the petrol price through the new fuel tax will hit people in the Territory the hardest.

I have spoken about how the cuts to Aboriginal legal services will lead to an increase in the already appalling rate of Indigenous incarceration in this nation. Programs that have been proven to reduce repeat offending are being hit. I have spoken about how the Prime Minister—who talks about being the Prime Minister for Aboriginal Australians—has not backed his words with his deeds. But it is not just me and other members of the Labor Party who have criticised this budget for the effect it will have on Indigenous Australians. There are many, many others.

Dr Lesley Russell, an associate professor from the Menzies Centre for Health Policy at the University of Sydney, has prepared a comprehensive analysis in a paper titled Impact of the 2014-15 federal budget on Indigenous programs and services. I recommend that all members interested in improving the lives of Indigenous Australians read this paper. I will read briefly from the introduction:

Indigenous Australians will be hit hard by the 2014-15 Budget. Already among the poorest, sickest and most marginalised, Indigenous Australians are hit twice: by cuts to specific programs totalling...
$603.0 million/5 years and cuts and changes to a wide swathe of general programs in health, education, welfare and legal services. Together these will exacerbate Indigenous disadvantage and set back the already difficult task of Closing the Gap.

The paper points out that $165 million is being cut from Indigenous health. How will that possibly help close the gap in life expectancy for Indigenous Australians?

In February this year the Prime Minister said, in relation to this nation's attempts to close the gap, that 'people's lives are not improving or not improving fast enough.' This budget does nothing to address his words. Unlike under the previous government, there is no specific budget paper on closing the gap. There has been absolutely no assessment—I repeat: no assessment—undertaken of the potential effects on the Closing the Gap targets as a result of this budget. And it is wrong.

There is also a great deal of uncertainty over the future of Aboriginal Australians as the government merges 150 programs into just five programs. Everything is up in the air. No Indigenous programs have a guarantee to continue beyond the next six to 12 months. This means that, without any guarantee of ongoing funding, front-line organisations will lose valuable and often irreplaceable professional staff. It is also disturbing that it appears that this is just the start. The Prime Minister's adviser on Indigenous affairs, Mr Warren Mundine, has called for further cuts. He wants another $600 million cut. It is extraordinary that his job is to advise the Prime Minister on Indigenous affairs but instead he is doing the government's bidding. Warren Mundine is the chair of the Prime Minister's Indigenous Advisory Council. But there are 12 members of this council, and I urge the Prime Minister to take advice from all members of the council, because I can guarantee—and I know for a fact—that Warren Mundine does not speak on behalf of the council. The deputy chair, Dr Ngaire Brown, has already publicly spoken out against the cuts. She says it will hit front-line services hard.

I know for a fact that many other members of the council do not support the cuts in this year's budget. They do not support further cuts, and they are horrified by the prospect of another $600 million in cuts. When Warren Mundine is providing advice that is not the view of the advisory council, he needs to be very careful of using his position as chair of the advisory council when he advocates policy that is not supported by the council. He is advocating policy that is not the endorsed policy of the council he chairs. The Prime Minister and the Minister for Indigenous Affairs—indeed, the entire cabinet—should take their advice from the whole council, not just the chair. I urge all members to read this report, which I have here. I condemn the government's budget and the effect it will have on Indigenous Australians.

Senator SCULLION (Northern Territory—Minister for Indigenous Affairs and Leader of The Nationals in the Senate) (15:07): I also rise to take note of answers. It is interesting. During question time we should remind ourselves that it is an opportunity for the wider community, not only for people in this place, to get information about some of the programs. I am very disappointed by what at best could be a pretty disingenuous attempt to table budget papers that are clearly on the public record to confuse people. I do have an opportunity to place on the record some corrections.

You have got one thing right, Senator Peris, and that is that it is in fact on page 185 of the budget papers, and that is probably where it ends. If you look at the budget papers on page 185 and read the explanation underneath, you will see that it says:
The Government will achieve … savings of $534.4 million over five years through efficiencies resulting from the rationalisation of Indigenous programmes, grants … administered by the Prime Minister and Cabinet and Health portfolios.

If you bother to examine more than that one page in the budget, you will find a number of very interesting points.

Budget Paper No. 2 includes the savings of TSRA and Health. Over five years, they do indeed add up to $534.4 million. One hundred and twenty-eight million dollars are in the Health portfolio, which leaves in my area $412 million over five years. The $412 million is made up of $3.5 million, which is the $4.5 million from TSRA, and that leaves $409.2 million for my programs. That includes $355.2 million in administrative funding—where you are talking about front-line services, grants and those processes—and it also includes $54 million, which has been taken out of departmental funding, which is administration and backroom saves. That would mean $355.2 million is the total save. We have chosen to reinvest $115.7 million in those portfolio areas. You would be quite familiar with the $54.1 million for permanent police presence, $2.5 million for community engagement officers, $3.8 million for a child abuse task force, $13.4 billion for the Sporting Chance Program, of which I know you are a great supporter, Senator, and $10.6 million for outback power. I hope that clarifies that.

The reason I am saying that the actual cuts to front-line services is not $535 million is that it is not.

I will go to some of the other parts of your question. Why is the chairman of the council that advises the Prime Minister going to cut another $600 million? It is pretty disingenuous to couch it in those terms. I have in front of me the article that you refer to, Senator. It says on the very top line:

… Mr Mundine wants to cut $600 million of red tape and inefficiencies … and reinvest the funds in employment, schools and community safety.

That is pretty hard to couch as a cut and it is pretty disingenuous if you then add that cut to the $535 million, which is equally incorrect, come up with $1.1 million and ask me another question. It is disingenuous at best. Whilst I respect the fact that the senator has not been around for a particularly long time, when you are provided with advice from your colleagues on this matter, you should check them out. You have the budget papers. You sought to table them, Senator. You should read the budget papers and those ancillaries—

**The ACTING DEPUTY PRESIDENT:** Senator Scullion, I would prefer you to direct your comments through me.

**Senator SCULLION:** Through you, Mr Acting Deputy President Marshall. I acknowledge that. Senator Peris then tried to make the case that this is all breaking up, saying she does not like Mr Mundine or that he is not representative. He is doing an absolutely terrific job. I met with the whole council in this regard, including Ngaire, and she did not tell me that she did not support the 4.5 per cent efficiency dividend that would be taken out of inefficiencies and red tape but would have no impact on front-line services. I can tell you that they are a robust council who cross-examined me at length on these matters. I would just like to assure the senator, through you, Mr Acting Deputy President, that the assertions she made about the views of others are in fact incorrect and the assertions she made about the budget and what we are doing in the budget were equally incorrect.
Senator McLUCAS (Queensland) (15:12): I also take note of the answers given to questions today by, in my case, Senator Scullion. If that was a defence of what happened in the budget, goodness me, I am sure that the people out there will be thinking, 'I have no idea what the minister has just said.' I will read from the budget paper and I will seek leave to table a copy of the paper. It says:

The Government will achieve net savings of $534.4 million over five years through efficiencies resulting from the rationalisation of Indigenous programmes, grants and activities administered by the Prime Minister and Cabinet and Health portfolios.

It says that $534 million will be saved. That means $534 million will not be spent on providing services and programs for Aboriginal and Torres Strait Islander people in our country. You cannot deny that this is what is said in your own budget papers. Senator Scullion stood up and said, 'That's incorrect.' Those are hollow words; there is nothing there. We know that $534 million was cut from Aboriginal and Torres Strait Islander programs in the last budget and now we hear that Mr Mundine, the chair of the Prime Minister's Indigenous Advisory Council, wants it to go further—'We want to cut more programs.'

I asked questions of Senator Scullion today about what is happening in the tobacco cessation programs. We know very clearly from Senate estimates that there are large cuts in this program, but we have not been able to nail it. So it has been very interesting to see that Dr Tom Calma has had to come out himself to explain what is really happening with Indigenous smoking. We know that in this country we are making progress. We are one of the best in the world. But we are not winning the race to cut the smoking rates of Aboriginal and Torres Strait Islander people. About 42 per cent of Aboriginal and Torres Strait Islander people smoke cigarettes, and that is not acceptable. But we know that in some remote communities that figure is up to about 70 per cent.

And now we find out that $130 million has been cut from the Tackling Indigenous Smoking program. We know very clearly from Senate estimates that there are large cuts in this program, but we have not been able to nail it. So it has been very interesting to see that Dr Tom Calma has had to come out himself to explain what is really happening with Indigenous smoking. We know that in this country we are making progress. We have cut the level of smoking for the whole population considerably. We are one of the best in the world. But we are not winning the race to cut the smoking rates of Aboriginal and Torres Strait Islander people. About 42 per cent of Aboriginal and Torres Strait Islander people smoke cigarettes, and that is not acceptable. But we know that in some remote communities that figure is up to about 70 per cent.

Is that not a wake-up call to this minister—this minister who says: 'You can't ask me questions about that; I'm the Minister for Indigenous Affairs; that's not in my portfolio'? Well, if you are the Minister for Indigenous affairs who is responsible to the Prime Minister, who calls himself 'the Prime Minister for Indigenous Affairs', don't you think that it is pretty important that you be very aware of the impact of cutting $130 million from targeting smoking? Your own budget papers say: 'Tobacco smoking is the most preventable cause of ill-health and early death amongst Indigenous Australians, and smoking is responsible for about one-fifth of deaths amongst Indigenous Australians.' Don't you think that the Minister for Indigenous Affairs should care, and that that is something he needs to be engaged about? He simply said, 'It's not my portfolio; I don't know.' I asked him to confirm whether or not he agreed that tackling smoking would be the best way of decreasing early, preventable deaths in
Aboriginal and Torres Strait Islander people, and he did not take the opportunity to agree with that. He did not bother. This is meant to be the Minister for Indigenous Affairs in this country, providing representation and support for those people who are some of the most vulnerable in our community, and his response is: 'It's not my portfolio; you can't ask me questions about that.' But his defence today of $534 million worth of cuts was, frankly, almost laughable—being able to say, 'A bit here and a bit there and a bit somewhere else.' Five hundred and thirty-four million dollars was cut, and you know it. (Time expired)

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (15:17): Before I talk about the specific program which we are taking note of answers on today, I would just draw the attention of the chamber to comments made by Senator McLucas where she said that Senator Scullion, the Minister for Indigenous Affairs, made the comment, 'It's not my portfolio, so I don't know.' I would just put on the record: 'I don't know' does not mean 'I don't care'.

The other thing is that, as Senator Scullion pointed out, many of the programs to which the other side was referring in their questions came within the health portfolio. Sitting right next to Senator Scullion was the assistant minister representing the Minister for Health. So we had a person in this chamber of whom we could easily ask those very questions.

The other thing that probably warrants some attention is the nomenclature that is used when describing some of these amounts of money. There is a difference between 'saved', 'redirected' and 'cut'. When we get up in a place like this and talk about things being cut from budgets and front-line services being slashed and make all the kinds of very inflammatory statements that we have heard made today in relation to funding in this sector, we need to get our facts right. Much of the money to which Senator Peris referred earlier is actually money that has been redirected. It is not money that has been cut. It is not even money that has been saved. It is merely money that has been redirected. So, first and foremost, we need to be very careful that we do not start misinforming the public whom we are attempting to address, because many of the people who are taking advantage of, or who potentially could take advantage of, programs such as the Tackling Indigenous Smoking initiative, to which the initial and second questions referred, do not need to be scared by the kind of scaremongering words that get said when they say, 'Millions and millions of dollars are about to be cut out of the budget,' when they are not. These people actually trust us to tell them the truth and to be accurate in how we reflect what is going on. I would suggest that much of the stuff that has happened today—the questions that have been asked and the inferences that have been drawn, and the comments that have been made in taking note following that—has done nothing more than scare many of the people out there who would serve to benefit substantially from some of these sorts of programs.

As to the program that we are talking about, much concern has been raised about it and its ability to deliver good results. There are 50-odd teams out there on the ground, in my understanding, and some of them have been having greater levels of success than others. It seems to me only reasonable to actually do an assessment of what is actually happening on the ground, to check the results and to see whether the programs are actually working. That is exactly what we are seeking to do.

We are committed to continuing our efforts in this space, but I think it is entirely reasonable to undertake a review of this program to make sure that the future direction of this
program is actually going to achieve the results that we seek to achieve, because, as was stated by those opposite a minute ago, smoking-related deaths and illness in our Indigenous population are very serious issues and we cannot afford to take them lightly. So I think we are being entirely responsible with the budget that we have, in making sure that we are spending the money in the most efficient and effective way we can on these sorts of programs. But there is nothing surer than this: if you want to have a generous and sustainable social program, and you want to have a generous and sustainable health program, you also have to match that up with an equally strong budget program. If we had not had to be standing here today and talking about budget measures to try to get our budget back under control, not only would many of these programs have been able to be sustained but they may actually have been able to be expanded and new programs might have been able to be introduced. But we had a budget that was in a position that just was not sustainable, and we had no choice but to introduce a number of measures that I am sure no-one on this side of the chamber wanted. To come in here and try to make it sound as though we are cutting budgets when in fact that is not the case—

Senator Conroy: That's what you're doing—black and white!

Senator RUSTON: If budgets are being cut, we will be man enough to stand here and accept that. But do not stand here and scaremonger over budgets when they are not being cut.

Senator DASTYARI (New South Wales) (15:22): I rise to take note of answers by Senator Cormann. The government refuses to table its regulations and allow this place to properly debate the loopholes that it wants to introduce. It tries to bide its time to twist the arm of the new crossbench friends for just a few more days to soothe their concerns and try to convince them that this government is not going to roll back basic consumer protections. It tries to convince its crossbench friends that the Abbott government is not acting in the best interests of the big banks and in the interests of a handful of conmen, fraudsters, crooks and criminals who salivate at any opportunity to go back to the bad old days of financial advice when they could clip the ticket and get a blank cheque.

The acting Assistant Treasurer is in the chamber now. Just show us one consumer group that supports the gutting of the best interest duty, that taking consumer protections back to a lower standard than existed before FoFA was introduced is a good idea. The government is not just introducing nine separate loopholes to the ban on conflicted remuneration; it is also gutting the best interest duty. The FoFA laws, introduced by Labor, provided a checklist, an obligation to ensure financial advisers ask appropriate questions of their clients, to ensure that a reasonable adviser will exercise care, skill and objectivity in assessing the client's circumstances. Not content with this, the government will now allow financial advisers to limit the scope of advice to a specific bank's product, even if they know full well that, by doing so, they are taking the client's best interests for a stroll down the garden path. The new standard is that the advice no longer needs to be in the client's interest; it now only needs to be 'appropriate'. This proposal, first brought to the government in 2006, was rejected by the then Howard government because it was so obviously a loophole, an opportunity for those who want to cheat and con the system to find a way to give the appearance of giving proper, frank, fair financial advice when they know full well it is not in the interests of the consumers.

The minister likes to go on about people being in the pockets of other people. Let's be clear about this. In 2006, AMP received an enforceable undertaking in regard to this practice. This
practice was used in the Timbertcorp scandal, it was used by CBA financial planners, and now the government wants to legalise this loophole for banks and the financial advice industry. The minister, in different capacities in the past, has been a strong proponent of many of these kinds of reforms. He has spent a lot of time over the years talking to a lot of different groups that have been affected by this. I have the utmost respect for this minister given the amount of time he has spent carefully studying some of these matters in the past. But the reforms that are being proposed are not good for Australia, they are not good for Australian consumers and they are not good for the people who have felt the brunt of these scandals in the past. I urge the minister to reconsider what he is doing. If you are not prepared to do that, at least have the courage to table your own regulation in this place so we can have a debate about whether it should be disallowed.

Senator HANSON-YOUNG (South Australia) (15:28): I move:

That the Senate take note of the answer given by the Minister for Employment (Senator Abetz) to a question without notice asked by Senator Hanson-YOUNG today relating to asylum seekers.

This is obviously extremely distressing news. Young mothers, whose babies who were born on Australian soil, in Australian hospitals, have been deported to Christmas Island and re-detained with their babies. And some of those mothers have other young children as well. It is extremely distressing that these mothers are contemplating taking their own lives because they see it as the only option to give their children freedom. If nothing else, it is a desperate cry for help. Earlier this week, another young woman, who had been suffering from severe depression and anxiety and had been sent to Perth for treatment and help, was sent back to Christmas Island and re-detained in the detention camp, and only days after she attempted to hang herself. This young woman, 24 years old, was Iranian. Then, after being put on suicide watch, the moment she was taken off suicide watch she climbed on top of one of the buildings and jumped off. This happened earlier this week. There is a toxic, a distressing and a completely desperate culture inside the family camp on Christmas Island.

I must say, I am appalled by the Prime Minister's response to these issues today. In his interview on Channel 9 he accused these mothers of attempting moral blackmail. The Prime Minister said that he thought that any thinking Australian wouldn't accept this type of moral blackmail. I will tell you what: I think most thinking Australians would be thinking, 'How about a little bit of compassion from our Prime Minister'. We have desperate mothers doing these types of actions and making these extreme calls for help in order to stand up for the protection and freedom of their children.

I know we get caught up on this entire issue of: 'Oh, we have to be as cruel as possible. We have to have the harshest policy possible in order to deter people coming here and to save lives at sea.' I put it to you, Mr President, that saving lives at sea is meaningless when we are taking away all of the reasons for these people to live. That is what we are hearing from these women and mothers today. We have to protect people whether they are on the sea or in our detention centres. We have a duty of care to look after them. We have a duty of care to ensure that they can be good parents to their children. We need to make sure that we offer them the support and protection that they deserve. I hear the snickering of members on the other side right now.

Senator McKenzie: That is a misrepresentation.
Senator HANSON-YOUNG: This is a pretty serious indictment on Australia's conditions inside immigration detention.

Senator McKenzie: Mr President, I rise on a point of order. Senator Hanson-Young intimated that this side of the chamber was snickering at her comments—

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

Senator McKenzie: and we were just talking.

The PRESIDENT: It is not a point of order. Senator Hanson-Young, you have the call.

Senator HANSON-YOUNG: The attitude of the Prime Minister this morning to these mothers' desperate cries for help was nothing short of appalling. The Prime Minister wants to talk about being morally blackmailed, well you would have to have some morals in the first place. This government and this Prime Minister are morally bankrupt when it comes to their attitude to these people.

There are some serious things that the government could do today to help these women. The first thing is to ensure that they have proper psychiatric and mental health support. They do not at the moment. I am also extremely concerned that they are being guarded by male guards. There are no female guards on duty and not enough to help in these situations. (Time expired)

Question agreed to.

NOTICES

Presentation

Senator Fawcett to move:

That the Joint Standing Committee on Treaties be authorised to hold private meetings otherwise than in accordance with standing order 33(1), followed by public meetings, during the sittings of the Senate, from 11 am to 1 pm, as follows:
(a) Monday, 1 September 2014;
(b) Monday, 22 September 2014;
(c) Monday, 27 October 2014;
(d) Monday, 24 November 2014; and
(e) Monday, 1 December 2014.

Senator Sterle to move:

That the time for the presentation of the report of the Rural and Regional Affairs and Transport References Committee on grass-fed cattle levies be extended to 23 September 2014.

Senator Rhiannon to move:

That there be laid on the table by the Special Minister of State, no later than 15 July 2014:
(a) all correspondence and documents, whether written or in email form, from the Special Minister of State's office and/or the Australian Electoral Commission (AEC) relevant to:
   (i) the decision of the AEC to have Mr Michael Cordover declared a vexatious applicant, and
   (ii) the assertion that Mr Matthew Landauer colluded with Mr Cordover to harass the AEC; and
(b) the source code of the software by which Senate vote counts are conducted.
Senator Milne to move:


Senator Wright to move:

That the Senate—

(a) notes the motion passed by the NSW Nationals’ Annual General Conference calling on the Federal Government to honour the 6-year Gonski funding agreement between the Commonwealth and the New South Wales Government;

(b) acknowledges rural schools will continue to be significantly disadvantaged as a result of the Abbott Government's decision to fund only the first 4 years of this agreement; and

(c) supports the NSW Nationals' courage in standing up to the Federal Government in the interest of their communities.

Senator Dastyari to move:

That there be laid on the table by the Minister for Finance, no later than 1.50 pm on Thursday, 10 July 2014, the Corporations Amendment (Streamlining Future of Financial Advice) Regulation 2014 (Select Legislative Instrument No. 102, 2014) and the associated explanatory statement.

Senator Carr to move:

That the Senate condemns the Abbott Government's vicious cuts to higher education and the devastating impact they will have on regional students, families and universities.

Senator Moore to move:

That the Senate notes the Abbott Government's cuts to higher education and their impact on regional students, families and universities.

Senator Moore to move:

That the Senate notes the Abbott Government's decision to abolish important protections by regulation and leave consumers vulnerable to dodgy financial advice.

Senator Macdonald to move:

That the Senate—

(a) expresses its appreciation to the Prime Minister of Japan, His Excellency Mr Shinzo Abe, for his visit to Australia and to the Australian Parliament;

(b) notes the long history of Japanese diplomatic relationship with Australia commencing with its first Consulate in Townsville in 1896;

(c) assures the Japanese people of Australia's ongoing goodwill; and

(d) notes the importance of Australia's relationship with Japan, enhanced by the signing of the Economic Partnership Agreement between Japan and Australia and the agreement concerning the transfer of defence equipment and technology.

Regulations and Ordinances Committee

Withdrawal

Senator WILLIAMS (New South Wales) (15:34): I move:

On behalf of the Standing Committee on Regulations and Ordinances, I give notice of my intention, at the giving of notices on the next day of sitting, to withdraw business of the Senate notice of motion
No. 1 standing in my name for two sitting days after today for the disallowance of Australian Jobs (Australian Industry Participation) Rule 2014, made under section 128 of the Australian Jobs Act 2013. I seek leave to make a short statement.

The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator WILLIAMS: That will be plenty of time, Mr President. On 13 May 2014 the committee gave notice to disallow this instrument while it sought further information from the Minister for Industry relating to the prescribing of matters by legislative rules. Although the matter remains unresolved, the committee has agreed to withdraw the notice, noting the assistance received to date from the minister and the First Parliamentary Counsel in relation to the committee's inquiries. The committee will continue to report on this matter through its sitting week reports in the delegated legislative monitor.

COMMITTEES
Constitutional Recognition of ATSIP
Meeting

Senator BUSHBY (Tasmania—Government Whip in the Senate) (15:35): by leave—I move:

That the Joint Select Committee on Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Thursday, 10 July 2014, from 3 pm.

Question agreed to.

Select Committee into the Abbott Government's Budget Cuts
Meeting

Senator McEWEN (South Australia—Opposition Whip in the Senate) (15:36): by leave—Thank you, Mr President, and I offer my congratulations to you. I move:

That the Select Committee into the Abbott Government's Budget Cuts be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Thursday, 10 July 2014, from 11 am.

Question agreed to.

PETITIONS
Budget

Senator CAROL BROWN (Tasmania) (15:37): by leave—I table a non-conforming petition of 1,950 signatures asking that the schoolkids bonus be spared from this government's cuts.

NOTICES
Postponement

The following item of business was postponed:

General business notice of motion no. 320 standing in the name of Senator Faulkner for today, proposing an amendment to standing order 17, postponed till 2 September 2014.
COMMITTEES

Legal and Constitutional Affairs References Committee
Meeting

Senator BUSHBY (Tasmania—Government Whip in the Senate) (15:38): I move:
That the Legal and Constitutional Affairs References Committee be authorised to hold a private
meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on
Thursday, 10 July 2014, from 3.50 pm, in relation to its inquiry on the Manus Island Detention Centre.
Question agreed to.

Constitutional Recognition of ATSIP
Meeting

Senator BUSHBY (Tasmania—Government Whip in the Senate) (15:38): I move:
That the Joint Select Committee on Constitutional Recognition of Aboriginal and Torres Strait
Islander Peoples be authorised to hold a private meeting otherwise than in accordance with standing
order 33(1) during the sitting of the Senate on Wednesday, 16 July 2014, from 10.30 am.
Question agreed to.

Finance and Public Administration References Committee
Reporting Date

Senator BUSHBY (Tasmania—Government Whip in the Senate) (15:38): I move:
That the time for the presentation of the report of the Finance and Public Administration References
Committee on Commonwealth procurement procedures be extended to 17 July 2014.
Question agreed to.

Legal and Constitutional Affairs Legislation Committee
Meeting

Senator BUSHBY (Tasmania—Government Whip in the Senate) (15:38): I move:
That the Legal and Constitutional Affairs Legislation Committee be authorised to hold a private
meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on
Thursday, 10 July 2014, from 3.45 pm, in relation to its inquiry on the exposure draft of the Medical
Services (Dying with Dignity) Bill 2014.
Question agreed to.

MOTIONS

International Development Assistance

Senator RHIANNON (New South Wales) (15:38): I move:
That the Senate—
(a) notes that:
(i) the Global Fund to Fight AIDS, TB and Malaria (the Global Fund) is working to eventually
eradicate deaths from these diseases,
(ii) the Global Fund has raised from national governments and private donors $12.2 billion of the
$15 billion it is seeking for the period 2014 to 2016,
(iii) from 2004 to 2013 Australia contributed a total of $400 million to the Global Fund, and in this period the Global Fund invested a total of $4 billion in the Asia-Pacific region, and
(iv) an appropriate contribution to the Global Fund by the Australian Government would be $125 million, which would take Australia's total contribution over three years to $325 million; and

(b) calls on the Australian Government to consider providing replenishment to the Global Fund.


The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The Australian government supports the work of the Global Fund to Fight AIDS, Tuberculosis and Malaria. On 3 December 2013 the Minister for Foreign Affairs announced that Australia will commit $200 million over three years to support the global fund—the equal highest contribution by an Australian government. I note that Labor cut funding to the global fund by $10 million when it raided the aid budget to pay for the onshore processing of asylum seekers.

Australia has a long history of supporting HIV treatment and prevention. The Howard government committed $1 billion to curb the spread of HIV/AIDS. Australia is represented on the boards of the global fund and UNAIDS, where we continue to advocate strongly for our region. On 18 June the minister committed $30 million for health and medical research through the aid program, which will include research into malaria and TB treatment and prevention. The government will consider the issue of replenishments to the global fund in the context of future budgets.

Question agreed to.

DOCUMENTS

Defence Procurement
Order for the Production of Documents

Senator XENOPHON (South Australia) (15:40): I seek leave to amend general business notice of motion No. 327 standing in my name for today relating to an order for the production of documents, by omitting 'Mr' and substituting 'Dr'.

Leave granted.

Senator XENOPHON: I move the motion as amended

That there be laid on the table by the Minister for Defence, no later than 4 pm on Thursday, 10 July 2014:

(a) the report of the review of the Air Warfare Destroyer project conducted by Professor Don Winter and Dr John White; and

(b) a statement of reasons as to why any information is commercial in confidence and the possible harm it might cause and where that information has been redacted from the report.


The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government do not support the motion moved by Senator Xenophon. We cannot comply with this request to produce the document as the document in
question is subject to public interest immunity. The report prepared by Don Winter and John White on the performance of the Hobart class air warfare destroyer program was commissioned by cabinet and played an important role in cabinet deliberations. Tabling this document would make many of the cabinet's deliberations, on the basis of cabinet's decisions, publicly available. Release of the mentioned report could also damage the commercial interests of the Commonwealth, as it relates to a range of sensitive commercial negotiations underway. We acknowledge that the senator makes mention of the commercial implications of this motion in the second paragraph of this motion; however, the entire report is considered deeply sensitive to commercial interests, current and possible future tenders. Already publicly available is the summary document of the report, which does not disclose sensitive cabinet deliberations or commercially sensitive information.

Senator XENOPHON (South Australia) (15:42): I seek leave to make a brief statement of no more than one minute.

The PRESIDENT: Leave is granted.

Senator XENOPHON: This motion is very important. The Australian naval shipbuilding industry is on the precipice at the moment. It is facing the valley of death. This report has been relied on by the government to make a number of decisions and we have not seen the reasons for that. Hiding behind public interest immunity, hiding behind confidentiality, is not adequate. There is going to be a Senate inquiry into the naval shipbuilding industry, but I urge senators to support this order for the production of documents because the Minister for Defence has been relying on this document yet we are in the dark as to what it means for Australian shipbuilding. Not to release this document would have very severe implications for the future of Australian shipbuilding.

Question agreed to.

MOTIONS
Coal Seam Gas

Senator WRIGHT (South Australia) (15:43): Mr President, please accept my congratulations on your position. I move:

That the Senate—
(a) notes the importance of protecting valuable agricultural, residential and conservation land from unconventional gas activities;
(b) supports the right of landholders and local residents to say 'no' to unconventional gas exploration and mining in their communities;
(c) recognises the concerns expressed by communities in the south east of South Australia over potential groundwater contamination from unconventional gas activities; and
(d) congratulates the South East Local Government Association in South Australia for standing up for their local communities and voting for a moratorium on unconventional gas.


The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government does not support this motion. The government supports the responsible development of resources based on scientific evidence with the
involvement of local communities and appropriate environmental safeguards. We have long held the view that the development of resources should occur under three coexistence principles: that there is no long-term damage to underground water supplies, that agricultural production is not permanently impaired and that access to prime agricultural land should only occur with the farmer's agreement. Landholders' rights should be respected if they do not wish their land to be used for exploration or the production of gas. Equal respect should be given to those landholders who do choose to allow their land to be used for exploration or the production of gas. They should have the right to say yes without their privacy and their safety being impacted.

The best outcomes can be achieved where resource companies work cooperatively with landholders to negotiate land access agreements that allow for the development of the resources while still protecting the interests of farmers and the productivity of prime agricultural land. The Australian government supports an evidence based regulatory framework and a commitment to leading practice by industry so the focus can be on developing a world-class industry while also protecting the environment. *(Time expired)*

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (15:44): Mr President, I seek leave to make a short statement in relation to this motion.

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

Senator O'SULLIVAN: The National Party concurs with all of the remarks made by Senator Fifield. We support any motions that speak to the protection of agricultural, residential and conservation land. We support the rights of landholders and local residents and we recognise the concerns expressed by any communities in relation to the quality and the integrity of their groundwater systems. However, this motion, when read properly, is about none of those things. This motion is about inhibiting and stopping sound and sustainable developments that are very important to our regional and rural communities. As such, they cannot be supported by the National Party, and that is why we will be voting against the motion.

Senator WRIGHT (South Australia) (15:45): Mr President, I seek leave to make a short statement.

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

Senator WRIGHT: I am very disappointed that the government and particularly the National Party do not see fit to support this motion. Despite what my colleague has just said about the merits of local communities having their land and their food production protected, in fact it goes against that to not support this motion. Indeed, this was actually a landmark unanimous decision by seven councils that make up the South East Local Government Association of South Australia after hearing the concerns of their residents, farmers, landholders, winegrowers, croppers and graziers, who were saying that they are concerned about the risk of unconventional gas mining in their area to the water supplies around Mount Gambier and the south-east region. For that reason, they have sought a moratorium to receive further independent analysis about the risks that are involved. It would seem to be highly uncontroversial and, in fact, we congratulate the council on seeing fit to speak out to protect the interests of their residents and the landholders in the area.
The President: The question is that the motion moved by Senator Wright be agreed to.

The Senate divided. [15:51]

(The President—Senator Parry)

Ayes .................11
Noes .................46
Majority .............35

AYES

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

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

NOES

Back, CJ
Bilyk, CL (teller)
Brown, CL
Bushby, DC
Canavan, M.J.
Colbeck, R
Dastyari, S
Edwards, S
Fawcett, DJ
Fifield, MP
Heffernan, W
Leyonhjelm, DE
Ludwig, JW
Macdonald, ID
McGrath, J
McLaras, J
Nash, F
O'Sullivan, B
Peris, N
Ruston, A
Seselja, Z
Smith, D
Uqahart, AE

Bernardi, C
Birmingham, SJ
Bullock, J.W.
Cameron, DN
Carr, KJ
Collins, JMA
Day, R.J.
Faulkner, J
Fierravanti-Wells, C
Gallacher, AM
Ketter, CR
Lines, S
Lundy, KA
Marshall, GM
McKenzie, B
Moore, CM
O'Neill, DM
Parry, S
Reynolds, L
Ryan, SM
Singh, LM
Sterle, G
Williams, JR

Question negatived.

MATTERS OF PUBLIC IMPORTANCE

Budget

The President (15:54): A letter has been received 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 Abbott Government's savage cuts to Newstart for jobseekers under 30."
Is the proposal supported?

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

The 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 CAMERON (New South Wales) (15:56): Mr President, this is the first occasion that you have been in the chair when I have been speaking. I offer my congratulations and best wishes for your future.

Senator Birmingham: And you'll be a good boy!

Senator CAMERON: As Senator Birmingham says, I will behave myself impeccably at question time in the future.

An honourable senator: Will you really?

Senator CAMERON: No! I rise to speak on the issue of the savage cuts to Newstart for people under 30. There are 695,000 Australians in circumstances where they need support—they need access to government support. That support comes through Newstart. That support is there for people who are in trouble, people who need support and people who have fallen on some pretty tough times.

The position of the government is that people should not get access to Newstart for six months unless they are earning or learning. And they can be refused Newstart for another six months. I think that that epitomises everything that is wrong with this budget. It epitomises why the Australian public have said: 'We don't like this budget. We do not accept this budget because it is not about a fair go.'

One of the great values of Australia is the fair go. To say to people who are suffering tough times that there should be no government support and that they should get no access to any welfare benefit for six months is against every value and every principle that I have understood since I came to Australia in 1973. This is not about the Australian fair go. This is about a tough, hardnosed, ideologically based budget that is trying to put economic issues before a good, decent community and a decent society. We have always said that one of the great things about this country is that we are not the United States of America—that this is Australia and we will give support to the poor and disadvantaged. We do not leave the poor and disadvantaged to their own devices. We do not say to them that you cannot get health care unless you have money. We do not say that you cannot get a decent education unless you have rich parents.

Over the years our society has been built on providing a fair go. This argument is about maintaining a fair go for all Australians, even if you are a disadvantaged Australian. The values that underpin this budget are not the values of Australia. I think that is clear with the reaction by the Australian public to this budget. You set up a straw man argument. You set up an argument that says that we are in financial crisis and that someone has to pay for it. Let me disabuse that argument. We are not in a financial crisis in this country; we are one of the richest countries in the world. We have three AAA ratings and we have one of the lowest debt to GDP ratios in the world. We are not a country that is a poor country and we are not a
country that should be taking the harsh measures against people on Newstart that this government is seeking to do.

We are certainly not a country that should be praising Margaret Thatcher, as we saw today in question time, with the finance minister, Senator Cormann, indicating that he had support for 'the late, great Margaret Thatcher'. I do not know how you could ever come to that view in modern society. Even the Conservative Party in Britain do not go back and argue that the Thatcherite period was a period of Britain being great. They do not do that. What the conservative government in the UK do is try to avoid any linkage to Margaret Thatcher. Yet what we have here is the troglodytes in the coalition, the economic incompetents in the coalition, the Work Choices warriors in the coalition, who want to take rights away from workers. What do those opposite do? They say 'Baroness Thatcher is the late, great Baroness Thatcher'. And what did she do? She increased inequality in the United Kingdom. That is what this budget is about and that is what this Newstart arrangement is about—to increase inequality. I think many Australians have got relatives, have got friends, have got family who may at one stage in their life depend on Newstart. But what they are being told they must do now is either earn or learn. You will not get access to Newstart and if you do not earn or learn then you will not get any money from the government.

I put this argument to the Department of Human Services at the last estimates hearings, where the departments come in and you can ask them questions. I gave them the example—I come from the lower Blue Mountains out near Penrith—of a 30-year-old woman who is in a violent family relationship and she leaves that violent family relationship with a plastic bag full of what she can pick up and get out to get away from a violent relationship. I asked them whether she would be forced to earn or learn. What support would there be for her? After a lot of bureaucratic nonsense coming back, they conceded that she could end up having to rely on charity. There would be one payment available for her—a $500 payment. So you are escaping a violent family relationship, you are given $500 to try to see you through, but after that $500 is gone you are then sent to Job Services Australia. You have got to earn or learn and if you cannot do that, if you are traumatised by what has happened to you and you have got no money, then you will have no money for six months. I said: 'Well, what happens to people like this? Do they have to go and sleep in the gutter? Does this woman fleeing a violent family relationship have to go and sleep in the gutter?' They said, 'Oh well, there may be things that we could do.' They didn't know what they could do. I said, 'Charity?' And they said, 'That's one option.'

So we are now moving to a position that was seen hundreds of years ago in this country, hundreds of years ago in the UK and that applies in the US now on a regular basis—that is, if you are fleeing a violent family relationship and you are looking for government support, you will not get it off this government; you will be sleeping on the street if you do not earn or learn. This is an outrageous proposition.

You see all these coalition senators? They go about arguing for this as if this is a great thing. They were warned some time back, some years ago, when they ran with a thing called Fightback. Remember Fightback? You were cut off the dole after nine months. That was a policy, then it was not a policy, then it became a policy again. But the then director of the Liberal Party said at the time, 'To surprise the Australian people with our policies after the next election would not only be dishonest but it would also jeopardise public acceptance.'
This was Andrew Robb, the current Minister for Trade and Investment. He said that you cannot surprise the public. 'Surprise' is the nice word. What it really means is 'lie' to the Australian public. You pay a price for lying to the Australian public. We know. We know about the price you pay when there is a perception that you have lied to the Australian public. And you have not only lied once to the Australian public, you have also lied about pensions, you have lied about education and you have lied about health. You will pay a massive price because you cannot lie to the public. You cannot get rid of the fair go. You cannot force people onto the street without paying a price and you are paying that price now. (Time expired)

An incident having occurred in the gallery—

The ACTING DEPUTY PRESIDENT (Senator Bernardi): Order in the gallery!

Senator FIERRAVANTI-WELLS (New South Wales—Parliamentary Secretary to the Minister for Social Services) (16:06): As usual, Senator Cameron, is true to Labor form: why let the facts get in the way of a good scare campaign? As Parliamentary Secretary to the Minister for Social Services, I want to place some important facts—facts, Senator Cameron—on the record about our proposed Newstart changes. The coalition believes that the best form of welfare is a job and everyone who can work should have the opportunity to do so and those who are unable to work should be adequately supported. We acknowledge that it is important to maintain an adequate safety net for those who cannot provide for themselves. There are today more than five million people dependent on some form of welfare payment, and current government expenditure on all pensions, allowances and supplements is more than $100 billion a year. There are currently 17 working-age payments and 22 supplementary payments in this area.

As part of the budget we announced some changes to the Newstart allowance, which will be subject to a six-month waiting period before becoming available as income support assistance. I refer to some comments that were made by Minister Andrews on 26 May. He said:

… Newstart as the name suggests is not meant to be a permanent payment. Newstart is actually a payment for a person who is out of work with the view of getting back into work and the reality is that about 50 per cent of people who go on Newstart get a job within six months. So what we need to do is to concentrate especially on that group that don't get back within six months usually because of some reason such as a lack of skills, for example …

and assist them to get back into the workforce. He also says that, if they do not have a job, 'the best thing that a young person can do is to get into a course and get the training and skills which will get them a job'.

I also state that, as the minister has indicated, it is important that, as we all know, out there there is intergenerational unemployment and often the intergenerational poverty that goes with it. That is why it is important that we do take some measures to tighten the way in which people can get onto Newstart or unemployment benefits and particularly aim them at young people so that we can cut the cycle of intergenerational unemployment.

Let me turn to some facts. Each change will affect different people in different ways depending on their individual circumstances. At 12 months, an unemployed person will finish their first period of time limited income support and the Work for the Dole placement and they will enter a six-month non-payment period followed by another period of time limited
income support at 18 months, at which point they will also undertake to work for the dole for 25 hours per week. After two years—that is, if they remain unemployed after two years—they will enter another six-month non-payment period. After the completion of the six-month Work for the Dole placement, a wage subsidy will be available for a potential employer.

Senator Cameron and those opposite who are peddling misinformation, I state for the record that there are exemptions to the six-month waiting period. I would like to put these on the record. The following individuals are exempt from the six-month waiting period: people in full-time education, people assessed as having a partial work capacity of less than 30 hours per week, a single parent receiving family tax benefit for a child, a part-time apprentice, a principal carer parent, a job seeker assessed as requiring stream 3 or stream 4 assistance under the current employment services arrangements or the Remote Jobs and Communities Program equivalent, or a person eligible for disability employment services.

For every one year of work history, one month will be discounted from their waiting period, pro rata for part-time casual work, to a maximum of five months discount for the waiting period. In recognition of the importance of education and training in preventing future unemployment, young people who return to school or take up full-time vocational education or university study will not be subject to the six-month waiting period. Waiting periods are designed to ensure unemployed people with cash reserves—including from redundancy, termination payments and compensation payments—do not draw on the welfare system before first supporting themselves while looking for another job. Some waiting periods may be served at the same time, while others must be served consecutively. This depends on the circumstances of the claimant and their overall means of support.

Newstart and youth allowances are not meant to be permanent payments. They are temporary payments to support people while they find a job. We believe that introducing a six-month waiting period and time limits on income support payments will give young people a stronger incentive to learn or earn. During the waiting period job seekers will have access to a full range of supports to help them become work ready such as access to employment services, relevant training or relocation assistance to move to a stronger jobs market.

Welfare is a critical safety net for those who are unable to work. For those who are able, work is the best thing that they can do for their own wellbeing and that of their families and children. We believe that introducing a six-month waiting period and time limits on income support payments will give younger people a stronger incentive to learn or earn. Young job seekers can also choose to participate in further education or training to help increase their employability and may be eligible for youth allowance study or Austudy payments to help them do so. Job seekers will not be required to relocate. However, if there are no jobs in their immediate vicinity, they will need to move to work in order to support themselves. Their employment services provider will assist the job seeker if they identify a job in another area. This includes relocation assistance.

The income support system should not make unemployment a viable and in some cases more attractive option for young people. The changes to income support payments provide an incentive for workforce participation and encourage self-reliance while the system continues to support those finding it hardest to get a job. Income support will no longer be a lifestyle choice for those who are able to work. Our welfare system does need to be sustainable so that
the people who need support have access to welfare and those who are capable of working are encouraged to get a job.

These changes aim to maximise everyone's ability and incentives to participate in the economy. More stringent payment conditions and activity requirements are essential to ensure the sustainability of our income support payments. Most importantly, support must be targeted to those most in need. Changes are designed to help people move into employment when they are able to do so. This is particularly important for young people so they do not become trapped in a lifetime of welfare dependency. These changes will help to ensure that a strong social safety net can be preserved for everyone's future and will continue to support those who need it most.

The best form of welfare for most people is a job, which not only brings financial rewards but also has a lot of psychological benefits as well. As part of this, the government recognises that people affected by this measure may require some assistance during these waiting periods. The package provides an additional $229 million in funding over four years for job seeker support. This funding will be provided to selected community sector organisations to assist eligible job seekers to buy essentials. It is really important that our welfare system is sustainable. It is important that people do have a job, and it is also important that we maintain an adequate safety net, most especially for those who cannot support themselves.

Recently we have seen reports and some misinformation in relation to allegations about people being on Newstart. It is really important that people view Newstart as a payment that is not permanent. It is a payment to assist people for a period of time to help them get back into work. Over half the people looking for work find a job within six months. So it is vitally important that our important resources in this area are retained to assist those most in need.

In the short time available to me I also want to make a couple of the points that the minister has sought to underline in his various public comments. It is really important to stress that there are exemptions. What is very clear from those opposite who are running a scare campaign about this matter is that they are being conveniently misleading in relation to the exemptions in this area. As I have indicated, the government believes that assistance to unemployed people should help them move into employment, rather than provide incentives for them to remain on welfare. From 1 January 2015 we will introduce the six-month waiting period and time-limited income support payments for new job seekers under 30. As I have said, this will give young Australians stronger incentives to either learn or earn.

Senator Polley interjecting—

Senator FIERRAVANTI-WELLS: Senator Polley, you were not really interested when you were in government. Your legacy—

The ACTING DEPUTY PRESIDENT (Senator Bernardi): Address your comments through the chair, Senator Fierravanti-Wells.

Senator FIERRAVANTI-WELLS: Through you, Mr Acting Deputy President, Senator Polley, your legacy after six years of debt and deficit disaster is 200,000 people in the unemployment queue.

Senator Polley interjecting—

The ACTING DEPUTY PRESIDENT: Order, Senator Polley!
**Senator FIERRAVANTI-WELLS:** You should be very proud of yourself that you condemned 200,000 people to the unemployment queues. So do not come in here bleating about the changes that we are going to make. *(Time expired)*

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (16:19): I rise to make a contribution to this debate on this very important topic. When Senator Fierravanti-Wells describes Newstart and income support as a 'lifestyle choice', you understand where this government is coming from. They simply do not understand these issues. The contempt they show to young Australians, older Australians and people who are trying to exist on the meagre Newstart allowance is beyond anybody's wildest thoughts. They are appalling. It is quite clear how they view the most vulnerable in our community. While this government expends all its energies on trying to protect the big banks, big miners, big polluters and big businesses, we know how they are carelessly and cruelly treating young Australians. Young Australians are being condemned to live in poverty. That, of course, means they have a very uncertain future because we know what impact living in disadvantage, particularly in your early years, has on the rest of your life.

Today the Prime Minister said to the crossbenchers, 'Make some suggestions about alternative revenue sources.' And believe me, we—the Greens—have made plenty for a start. But they are deaf to that because they are too busy protecting the big end of town while they make young, vulnerable Australians pay the price—and they will be paying the price for the rest of their lives. This government is failing young Australians. This budget is grim for young Australians, as education becomes inaccessible, housing is unaffordable and the government wants universal health care to be a thing of the past. All these changes condemn young people to a very uncertain future. My colleague Senator Di Natale will address some of those issues shortly.

But the most gobsmacking impact on young people in this budget is dropping them onto no income support for six months, or longer—because if they make a mistake in compliance they are then given another month with no income support. This exposes young people to poverty. It is yet another barrier to work when people are forced to live on nothing—I repeat: nothing—for six months. The government know this is cruel. They know it is going to drop people into disadvantage, which is why they have allocated some additional funding to emergency relief, so young people can learn early to go and beg for support. That is what we are teaching our young people: go to charity. I am not maligning charities at all; I am a very vocal and strong supporter of charities. But to teach young people that that is what you do—you go and beg for support—is outrageous. And that is not even new money: they have taken $240 million out of the discretionary grants program in the Department of Social Services and reallocated that to emergency relief. So programs that could actually help young people and the most disadvantaged in our community are being robbed to pay for this cruel government's approach to young people.

This is going to affect hundreds of thousands of young Australians. I asked in estimates, along with a number of other people, about how this cruel program was going to work. I asked about young people when they had come through the six months of being condemned to work for the dole, out of which they would get no training and no guarantee of jobs at the end. I asked whether, if they then managed to find casual work or part-time work, they would get the wage subsidy. I was told: 'Can't answer that.' I asked if they got part-time or casual
work could they still get the job commitment bonus, because it is not young people's fault that the work is not there—because it is not. When I asked that I was told: 'No, we can't answer that; we call that micropolicy, Senator.' In other words, they have not worked out the details of what impact these programs are going to have, how they are going to help young people, how they are going to assist young people to find work or how they are going to work out their wage subsidy scheme. They could not tell me because they have not worked out the details.

Young people want to work. Contrary to what Senator Fierravanti-Wells has been portraying to this chamber, young people do not see this as a lifestyle choice. They want to work. The work is not there. When you are condemned to live in poverty, on nothing, you will be more worried about where your next meal is coming from, which charity to go to to get your next meal or which charity to go to to help you find accommodation. When you are living on nothing you will not have accommodation or you will not be able to maintain accommodation. It makes a complete farce of the next piece of cruelty that is happening here, which is that you are living on Newstart with no payment—nil payment—so you still have your obligations under Newstart to be looking for jobs. And the government are saying, 'We think they're going to have to make 40 applications for work a month.' How can you make 40 applications for work a month when you haven't even got stable accommodation and you don't even know where your next meal is coming from, let alone have access to a computer or any means to be able to get those applications in? That is the last thing that you are going to be able to do.

That leads me to the question of how you find work when the work is not there. You go to your job service provider, of course. The government have not quite worked out how that is going to work yet, because they are putting extra compliance on that. So the normal rules for Newstart stream 1 and stream 2 are not going to apply for young people, but they could not tell us in estimates how that is going to work either. Job Services Australia are not providing the services that need to be provided for young people and Youth Connections is now gone. If they do not have any ideas they should start looking seriously at the proposals by the Brotherhood of St Lawrence, who have put out a very good report that makes very sensible suggestions—which, by the way, do not include dropping people onto no income support for six months.

The government have got this wrong. Go back to the drawing board. Don't condemn our future leaders and senior people in this country to such a bad start. That is what you are doing: you are condemning them to poverty, you are condemning them to poor life outcomes, because living on nothing is appalling. (Time expired)

Senator POLLEY (Tasmania) (16:26): I would be embarrassed to try to put an argument opposed to that of Senator Fierravanti-Wells because it is an embarrassment to have someone come into this chamber and mislead the community the way that she has this afternoon. I rise on this matter of public importance to indict this so-called government which continues to attack those living on low and limited incomes; a government which continues to look to its own self-interest while subverting the national interest; a government which is calculating callous and heartless policies; a government which lacks a real plan for the unemployed and job seekers.
The Abbott government continues to try to pass bills which, at their very centre, are detrimental to the Australian community and specifically to those on low incomes. Before this government took office it had job seekers in its sights and after the first Abbott-Hockey budget we knew they were under attack. I do not know about you, Mr Acting Deputy President, but that does scare me. This government's measures will hit my home state the hardest. This is why I stand here today to do everything in my power to protect the interests of Tasmanians and to protect the individuals who are looking for work or who have just lost their job and who we know have an uncertain future.

When you lose your job it is one of the most difficult periods in your life. I have experienced this first-hand in my own family, as I am sure many on this side of the chamber have. It is a time of uncertainty, stress and anxiety. Your future is suddenly uncertain, your way of life has changed for the worse and you need all the support you can possibly get. Australia has always been a place where, when you are down on your luck, someone is there to help you; the government is there to say, 'We know you're down on your luck and we'll invest in you to get you back on your feet.' This is a wonderful quality; it is perhaps the quality that makes this country so great. Unfortunately, this grand principle no longer exists in this country under this government because those opposite feel compelled to destroy it. Young people under 30 who are unemployed and are looking to better themselves by finding a job will now be forced to wait six months before receiving any support—and in many cases it will be much longer.

Because of the Abbott's government's mindset this country is currently going through a transition; a transition of great proportions. But it is not a good transition. Those opposite are intentionally taking us down a path of destruction. This will lead to the destruction of the principles of equity and compassion, two of the most important principles of any government and ones that every single government in this country should aspire to. Try telling that to this government! Just try—they do not listen.

Before going down this path did those opposite consult with social welfare groups? No. Did they consult with job seekers? No. Did they consult with job agencies? No. Did they consult with local government? No. Did they consult with the social housing sector? No. I agree with the views of the chief executive of the St Vincent de Paul Society, that this government must be condemned for taking away from those who have nothing in the first place.

The first thing Mr Wrecking Ball himself—our Prime Minister—did when he became the leader of this country was to tell the public service to cut; cut spending at all costs. He said, 'It doesn't matter what spending you cut—just make savings wherever you can find them.'

Now you would think that any government would put some caveat on this. You would think that they would say explicitly, 'Don't cut spending on the poor, or the sick, or pensioners, or students, or low-income earners or job seekers.' But they did not consult. This government said, 'Let's find savings wherever they can be found and let's go after those most vulnerable in our society. We will hit the poor, the sick, pensioners, job seekers, the downtrodden and those down on their luck. Oh, and while we're at it we will cut the company tax rate by 1.5 per cent,' because according to those opposite—according to Liberal Party ideology—the corporate sector always needs assistance. According to this government if you are not the corporate sector or if you are not a big business then you are an easy target.
We, as Australian citizens, have always believed that if you are down on your luck you should be given a hand up—not a handout but a hand up. We have always had a safety net in this country. This is Australia, and here in Australia we have always supported those who are out of work or who are unable to find a job. Effectively, what this government is saying to young people in this country is, ‘You're on your own!’ They are saying that if you lose your job there is no safety net—there is no assistance: 'You're on your own, and don't think this government will provide you with any assistance.'

Now I am not the enemy of Work for the Dole, but if there are no jobs then people are in the same position: they are cut loose by the government and have no support. Labor is not against simplification of the welfare system, but we will not support further cuts to vulnerable Australians. So far, we have seen nothing from Tony Abbott that indicates he wants to help people—nothing to indicate that he wants to support people on income support. He just wants to hurt them.

If a person is unable to find work within six months, then they will be required to take part in a Work for the Dole scheme. Now, that is assuming that there is a job to go to. What if there are no jobs to apply for? What if it is like my home state, where before the state Liberal government had even brought down its first budget it said to the public service, 'You will be cut'? Let us assume, just for a moment, that they work for the dole for six months. Then what? They will be cut loose by those opposite and will lose support payments for a further six months. Those opposite are effectively creating a cycle of endless despair for those looking for work. Let us not be mistaken: when you lose your job you are in a crisis situation. My home state of Tasmania, a state which currently suffers from debilitating youth unemployment, will be most affected in this country.

I would also encourage those opposite to try telling people who lose their job and cannot find work that the government will not provide them with any support. We know that the new member for Bass has deserted his community because when this government cut Australian Taxation Office workforce jobs in Launceston he was nowhere to be found. He was silent. We know that those opposite will not come and assist those who need it most.

I was at a rally against this budget, and I agree with Captain Kevin Lumb from the Salvation Army, who addressed that rally in Launceston. He said that such lack of support for the unemployed will lead to poverty, homelessness, increased crime and even suicide. My Senate colleagues and I share Captain Lumb's concerns. This is a government which understands that this decision will lead to increased poverty, and they do not care. They just do not care and they do not understand what the crisis that the real people in this country—the people who are out of work—are in. Labor does not support the measures of those opposite.

Senator Ian Macdonald interjecting—

Senator POLLEY: I will take that interjection. That is so typical of Senator Macdonald, because he does not care. I do not see him standing up here. The only time he stands up and criticises his government is when he has been dumped from the ministry! A lot of these people who are going to be cut are not given any assistance and never have that opportunity. They will be denied being able to go to university through all the cuts that they have made to higher education. We also know that the cuts they have made to those people who are trying
to see a GP means that they will have to pay $7. We know that they do not care because they have demonstrated it day in and day out when they come into this chamber. He should be ashamed of his government. He should be standing up to the Prime Minister and Joe Hockey and speaking up for those people who are the most vulnerable in this community. He should be ashamed. *(Time expired)*

**Senator IAN MACDONALD** (Queensland) (16:36): I can give Senator Polley a little bit of advice. If she is worried about the unemployed in her state of Tasmania, she should encourage the Labor Party and their mates in the Greens to allow some activity to happen in Tasmania, to allow some jobs. Senator Polley, did you complain when the Bell Bay aluminium factory shut down and threw all of those people onto the scrapheap? Did you say anything when you and the Greens successfully shut down the most sustainable forestry industry in Australia?

*Senator Polley interjecting—*

**The ACTING DEPUTY PRESIDENT (Senator Sterle):** Order! Senator Polley, please allow Senator Macdonald to be heard.

*Senator Whish-Wilson interjecting—*

**Senator IAN MACDONALD:** Let her go, Mr Acting Deputy President. She is only shouting, as is Senator Whish-Wilson, because they do not like hearing the truth. If they had one iota of concern for unemployed people, they would do some things in Tasmania to create jobs so people would be able to find jobs.

**The ACTING DEPUTY PRESIDENT:** Senator Macdonald, please direct your comments through the chair.

**Senator IAN MACDONALD:** I do not often agree with the CFMEU but I remember when, back in 2004, the forestry division of that union stood up to the Labor Party and stood up to the Greens and supported the coalition in getting a sustainable forestry industry going in Tasmania. But the Greens will never stop until they shut down every productive industry in our country. Where are we going to get jobs then? Where are we going to get jobs when you shut down the coal industry?

*Senator Polley interjecting—*

*Senator Whish-Wilson interjecting—*

**The ACTING DEPUTY PRESIDENT:** Senator Whish-Wilson and Senator Polley—order! I might throw myself out in a minute.

**Senator IAN MACDONALD:** I do not need protection, Mr Acting Deputy President, from people like Senator Polley and Senator Whish-Wilson—because they do not want anyone to hear the truth of the matter. If they are concerned about unemployed people, they should do something to get them a job. That is the greatest thing any government can do for young people, for old people or for anyone—to give them the dignity of a job. If you followed the Greens' dictates, if you followed the Greens' policies, you would never have a forestry industry, you would never have a mining industry and you would never have a manufacturing industry. You would have no industries that create jobs in Australia. As usual, the Greens—and, I regret to say, the Labor Party by supporting them—show their hypocrisy and humbug on the question of unemployment.
Senator Whish-Wilson interjecting—

Senator IAN MACDONALD: I hope Senator Whish-Wilson uses this debate to explain what he did to save those jobs at Bell Bay, what he did to save those jobs in the forestry industry and what he did to save the jobs at Toyota and Holden—those manufacturing industries that went overseas. Why did they go overseas? Because the Greens—

Senator Whish-Wilson interjecting—

The ACTING DEPUTY PRESIDENT: Order! Senator Whish-Wilson, I ask that you do give Senator Macdonald the opportunity to be heard. You will have the opportunity to reply at some stage, I am sure.

Senator Bernardi: On a point of order, Mr Acting Deputy President: Senator Whish-Wilson did use language that was most unparliamentary in his abuse of Senator Macdonald. Please ask him to withdraw.

The ACTING DEPUTY PRESIDENT: Senator Bernardi, I did not hear what you allege Senator Whish-Wilson said. If there were something, I am sure Senator Whish-Wilson would withdraw it, but I did not hear it.

Senator IAN MACDONALD: I take it as a badge of honour to be called names by Senator Whish-Wilson. As I said, the Greens will do all in their power to stop the people of Australia from hearing the real debate. They try to shout you down—and you have done pretty well, Senator Whish-Wilson. Why do you shout people down? Because you cannot answer the question: what have you done to create employment? Never mind about unemployment benefits—Newstart—let's get everybody a job. As long as the Greens have any influence on Australian governance, you can be assured it will be their goal to shut Australia down and to stop any employment-creating activity.

I had a lot that I wanted to say on this, but I have been distracted by Senator Polley and Senator Whish-Wilson trying to shout me down. I will just say why we are in this difficult budget situation. The Greens and the Labor Party turned what the Howard government left—a $60 billion credit balance in the bank account—into something approaching $600 billion of deficit. Do that in your own household, Senator Whish-Wilson, and see what happens to you. Do that in your own business and see what happens to you. You will go broke and anyone that you might have employed will be thrown on the scrapheap. You cannot keep borrowing money in your business or in your home—and governments cannot do it either. The day of accounting eventually comes nigh and you have to start paying back your debts with interest. The Greens will never understand that. (Time expired)

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (16:42): Today I want to speak directly to Tasmanians aged under 30 about what the Abbott coalition government is proposing to do to them if they are unemployed. Labor will not support the proposal from Mr Abbott, Mr Whiteley, Mr Hutchinson and Mr Nikolic to cut access to Newstart for people under 30 for more than six months in every year. Mr Whiteley, Mr Hutchinson and Mr Nikolic propose that, for more than six months in each and every year, Tasmanians aged under 30 who do not have a job and who are not in training would have no income. Rather than defending their constituents from these savage budget cuts, the self-styled 'three amigos' are in lock step with Prime Minister Abbott that people under 30 should have to beg, borrow or steal for more than six months in every twelve.
I recall a line from *Three Amigos* where the bumbling fools—Lucky Day, Ned Nederlander and Dusty Bottoms—said:

> Wherever there is injustice, you will find us. Wherever there is suffering, we'll be there. Wherever liberty is threatened, you will find the three amigos.

The nickname chosen by the three MPs themselves—Mr Whiteley, Mr Hutchinson and Mr Nikolic—could not be more appropriate. The injustice of stripping the basic income support safety net from people under thirty is self-explanatory, as is the suffering that will be imposed upon Tasmanians under 30, their partners, their children, their families and their communities. The liberty of individuals will be not just threatened but deprived as they struggle to survive for more than six months in every twelve without any income.

This is not a policy aimed just at the youth labour market. According to the Bureau of Statistics, the youth labour market covers people aged 15 to 24. This proposal from Mr Abbott, supported by his three amigos, is for all people aged under 30 who cannot find a job and cannot access appropriate study. The fact is that finding a job or a training place in Tasmania was hard enough before this budget was announced two months ago. But under Mr Abbott's budget, there are no new work or training opportunities, just cuts to employment services like Youth Connections and the removal of the north-west Tasmanian Local Employment Coordinator from an area where youth unemployment is over 20 per cent.

Today we heard the terrible news that the Mount Lyell copper mine, which has been the lifeblood of Queenstown on Tasmania's isolated west coast since the 19th century, is set to close with 200 workers to be made redundant. This follows Monday's announcement that the Henty Gold Mine, 20 minutes drive from Queenstown, will close in the next year with 150 workers to lose their jobs. These two announcements within a week are a huge loss to the town of Queenstown and the entire west coast region, the effects of which will be felt much more widely across the state. My thoughts are with the workers, their families and their communities.

These announcements demonstrate that job prospects in the north, the north-west and the west coast of Tasmania are tough, and the people of Tasmania need action from the Abbott coalition government to grow jobs immediately—something Senator Fierravanti-Wells might want to take onboard.

Both sides of this place agree that government does have a role to play in creating jobs in Tasmania. Both sides of this place took to the last election the promise to spend $40 million on co-investment grants with local businesses to keep and grow jobs in the north-west region and a total of $100 million dollars across the state. This funding was the one part of the Tasmanian Forests Agreement that Mr Abbott and the three amigos supported. Barely any of these projects have been confirmed by this government. If Mr Abbott and the three amigos were serious about jobs in Tasmania they would expedite the remaining contracts because at present, under this coalition government, finding a job is only getting harder. Under this coalition government, finding a training place is only getting harder. If Mr Abbott and the three amigos get their way, for people under 30 putting a roof over their heads, food in their stomachs and clothes on their backs will be extremely difficult, if not impossible, for more than six months in every 12.

I call on the three amigos to drop their arrogant moniker and, rather than perpetrating injustices upon, imposing suffering upon and depriving the liberty of your fellow Tasmanians,
do what you promised to do. Get out there and put the $100 million in co-investment grants into local businesses to create much-needed jobs in the Tasmanian community.

Senator BERNARDI (South Australia) (16:47): I must say from the outset how undignified it is for Senator Urquhart to refer to colleagues in the other place in such ungracious terms. It says to me that the Labor Party and those on the opposition benches take their inspiration entirely from fictional movies. Senator Urquhart could not come up with anything relevant to the topic; she had to simply denigrate her colleagues. I guess it is no surprise that Senator Urquhart is inspired by the movie business because the greatest fiction that was ever put forward by those opposite was that we had a competent government for the six years before this government was elected. That was a movie called 'Dumb and Dumber'. It was a movie of fraudulent proportions. And today we have seen Senator Dastyari model himself on Derek Zoolander by holding up his file, posing for the cameras and giving his true 'blue steel' look. This is a complete abomination. These people are abrogating their responsibility and running the national budget and finances into the ground. We have nigh on $300 billion worth of debt and none of them are responsible!

The Greens-Labor alliance are apparently not responsible. They are not responsible for the pink batts; they are not responsible for the school hall blow-outs; they are not responsible for the dysfunction, deceit, backstabbing and bloody nights that were all taking place in the previous government. What I find extraordinary is the hypocrisy attached to all of this. I can understand if they want to gloss over history and say, 'We will shrink away and walk away from this.' But they are actually trying to blame the coalition government for taking tough, but necessary, decisions.

When I was sitting in the chair earlier, I could not help but hear the interjections from Senator Whish-Wilson in which he was going on about Hydro Tasmania. As far as I know, the Greens have never supported a dam in their lives. I would say that they do not give a damn about much except plants, baby whales, dolphins and the like. They certainly do not care for the most vulnerable in our community. If I had a dollar for every time the Greens party used some sort of convoluted moral logic to justify their position, I would be a very wealthy man. In fact, I would probably be as wealthy as that former Greens retiree, former Senator Bob Brown, who lives a multimillion dollar superannuation lifestyle.

The hypocrisy is absolutely extraordinary: how they try to launch a moral equivalence argument for everything. They use terms like 'cruel' and 'the most vulnerable in our community', but of course they do not care about the outcomes of their policies. What they care about is political advantage and wedge. And to hear the hysterical screeching of Senator Siewert, I think, is rather offensive. She talked a lot about the rights of people. She did not talk about the respect, the honour and the dignity of the individual that comes from work. She only talked about how they want to make it dignified for people to be on welfare. I do not think it is the right approach. What we need to do is encourage people to get a job, because a job is more than just money. It is about dignity, it is about building self-respect and it is about ensuring that people are motivated to do things—and that means to go out and get a job.

There are plenty of exemptions to this, but this is a tough policy—I make no bones about that. But there are plenty of exemptions designed to protect people. We cannot protect people from being indolent or lazy. We need to encourage them to get up and actually do something. If the Greens party, rather than being such sanctimonious hypocrites and misusing interns in
the office of Mr Bandt, actually decided to give jobs to these young people there would be far fewer people reliant on Newstart. Because that is what you do—you know that, Senator Whish-Wilson. You know that Mr Bandt uses interns. He keeps them on for a prolonged period of time and uses them up until they leave disillusioned; then they probably say, 'If that is what working is like, I never want to do it again.' I would not understand that at all.

**Senator Whish-Wilson interjecting**—

**Senator BERNARDI:** Senator Whish-Wilson, you are making a lot of contributions to this but you are not prepared to put any of them on the record. That I find remarkably disappointing. It is easy to chirp away in the back stalls—as the Greens often do—but responsibility is the hallmark of every adult. The adults in this chamber are clearly on this side of the chamber.

It would be remiss of me, in the couple of minutes I have left, not to say that there are opportunities to improve the workplace relations system. There is an opportunity for more flexibility, because everyone who works does not have the same priorities. I used this example in a book that I wrote. I said it may be that a mother wants to work and finish at three o'clock, and make up the hours on the Saturday or the Sunday. If she can reach that agreement with her employer, I do not think she should be subject to penalty rates—nor should the employer be subject to them—because it is a mutually beneficial agreement. That is absolutely important.

If we want to return the dignity of work to people who are on Newstart or some sort of income support we have to look for an opportunity for them to be able to negotiate, with their employer, something that is mutually beneficial. It means there needs to be wholesale reform of our wages system, there needs to be wholesale reform of the welfare or income support system and there needs to be wholesale reform of the industrial relations system. They are really complex matters. But rather than reduce the debate to Work Choices, which it is not, or 'You don't care about people' or 'You're cruel' or anything else—and this is what I would say to those on the other side of the chamber—you have got to start thinking logically.

They have to start thinking from the point of view that government is not there to prop everyone up. People do not become the property of a government as soon as they are born, they do not become the property of a union and they do not become the property of some vested interest, like the mob on the other side. It is about recognising the dignity of every individual. That is what they do not like.

The Greens and the Labor Party recognise the dignity of a baby dolphin; they do not recognise the dignity of an unborn child. They recognise the dignity of a plant; they do not recognise the dignity of having power from a hydroelectric dam. They are sanctimonious hypocrites, and they have reduced their arguments to a moral—

**The ACTING DEPUTY PRESIDENT:** Senator Bernardi, that really is unparliamentary and I would ask you to withdraw that statement.

**Senator BERNARDI:** Mr Acting Deputy President, calling an individual senator a hypocrite, I think, is unparliamentary but to refer to hypocrites, in general, I think is not.

**The ACTING DEPUTY PRESIDENT:** I would ask you to withdraw, Senator Bernardi.

**Senator BERNARDI:** I withdraw in the case of this, but I am happy to take it up at a later stage.
The ACTING DEPUTY PRESIDENT: Thank you.

Senator BERNARDI: They are untroubled by the hypocrisy of their own position. They are untroubled by conscience that what they say one day is not repeated the next. (Time expired)

Senator DI NATALE (Victoria) (16:55): I will start by saying something you rarely hear in this place: I was wrong. I was absolutely wrong—probably as wrong as you can be in this business. When Tony Abbott was in opposition he was a ruthless opportunist. He was a self-confessed weathervane on climate change.

Senator Bernardi: Mr Acting Deputy President, on a point of order: Mr Abbott should be referred to as either the Prime Minister or Mr Abbott.

The ACTING DEPUTY PRESIDENT: Senator Di Natale, you might wish to describe the Prime Minister by his official title.

Senator DI NATALE: Mr Abbott was a ruthless opportunist in opposition. He was the weathervane on climate change. He was all things to all people. I was left with the impression that if the coalition were elected they would be a directionless government, they would be plotters and they would do a bit of tinkering around the edges, but I was wrong. It is a government that does have a very clear agenda. There is no question about that.

They are pursuing their agenda with an ideological clarity that has not been seen for years. It is an agenda that says the market is the end in itself rather than a tool for improving society. It is an agenda that says there is no role for government. It is an agenda that says we would rather have large corporations than democratically elected governments run the country. It is an agenda that flies in the face of reason and logic. It is an agenda that is cruel, brutal and heartless, and it is an agenda that no-one voted for. So much for election mandates.

Up until this government was elected, we believed that we were a country where, if you were down on your luck, we would look after you. If you could not find a job and you were a young kid, we would look after you. If you were a young person in work and the business went under, we would look after you. That is gone. Instead, what we are seeing from this government is an attack on young people. It says: 'If you're unemployed, it's your fault. You're a bludger. You're lazy. You're obviously boozing and fagging. You should get off your bum. You should work harder.' Reality has an anticoalition bias, because the coalition's world view does not accord with the world out there. There is a simple problem: there are just not enough jobs for young people. That is what underemployment and unemployment mean. There are more people than there are jobs.

It is only a group of older, privileged white men who have benefited from a free education, free health care, a generous social-safety net, who think it is okay to force people to leave their homes, to ensure they leave their families or to move somewhere where they cannot have a roof over their head and where there is no guarantee of work. This is a government with no plan. No, they do have a plan—it is a plan to hand over the keys to the big end of town and to move towards a brutal dog-eat-dog world where we condemn young people to poverty. (Time expired)
Wednesday, 9 July 2014

COMMITTEES
Scrutiny of Bills Committee
Report

Ordered that the report be printed.

Regulations and Ordinances Committee
Delegated Legislation Monitor

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (16:58): On behalf of the Chair of the Senate Standing Committee on Regulations and Ordinances, I present the Delegated Legislation Monitor No. 8 for 2014.
Debate interrupted.

FIRST SPEECH

The PRESIDENT (16:59): Order! Before I call Senator Leyonhjelm, I remind honourable senators that this is his first speech and, therefore, I ask that the usual courtesies be extended to him.

Senator LEYONHJELM (New South Wales) (16:59): Thank you, Mr President. Fellow senators and Australians, last September the people of Australia chose 40 men and women to represent them here, together with the 36 elected three years earlier—just 571 Australians have been granted this high honour. We come from diverse backgrounds and occupations. Beyond this place, each of us has been tempered by the challenges of life. We have all tasted the bitterness of failure and exhilaration of success. Whatever our political alignments, that experience will have imparted in us a collective accumulation of knowledge, judgement, wisdom and instinct that should serve our country well. Indeed, we are the most representative swill ever assembled.

I also believe we are about to begin one of the most exciting periods in the life of the Senate. In the service of this mission, at the outset I declare that I am proudly what some call a 'libertarian', although I prefer the term 'classical liberal'. My undeviating political philosophy is grounded in the belief that, as expressed so clearly by John Stuart Mill:

The only purpose for which power can be rightfully ever exercised over any member of a civilised society against his will is to prevent harm to others.

I pledge to work tirelessly to convince my fellow Australians and their political representatives that our governments should forego their overgoverning, overtaxing and overriding ways. Governments should instead seek to constrain themselves to what John Locke advised so wisely more than 300 years ago—the protection of life, liberty and private property.

When I was elected nine months ago, and my party's policies became better known, there was a wave of rejoicing in certain circles. When I said I would never vote for an increase in taxes or a reduction in liberty, there were people who said there was finally going to be someone in parliament worth voting for. That was quite a compliment. What they, and I,
believe in is limited government. We differ from left-wing people who want the government to control the economy but not our social lives, and from right-wing people who want the government to control our social lives but not the economy. Classical liberals support liberty across the board.

I have long thought that leaving people alone is the most reasonable position to take. I always suspected that I did not know enough to allow me to tell other people how to live their lives. But that did not arise in the background, so a bit of explanation is necessary. I never liked being told what to do, and I tend to assume others feel the same. The simple rule do not do unto others what you would rather them not do to you has always driven my thinking. At least since I reached adulthood I have also accepted responsibility for myself and expected others to do the same. Even when my choices have been poor, as they inevitably were at times, I do not recall being tempted to blame others or to consider myself a victim.

During my early years, the issues that raised my blood pressure were those of individual freedom. But for the election of the Whitlam government, I would have either served two years in jail or in the Army. I refused to register for national service. Being forced to serve in the Army, with the potential to be sent to Vietnam, was a powerful education in excessive government power.

The abortion issue was also controversial at the time. There were doctors and women being prosecuted over what were obviously difficult private choices. Backyard abortions were common. I knew some women affected and could never see how the jackboot of government improved things. I also noticed that those opposed to abortion or in favour of conscription were not interested in trying to debate their opponents; instead they sought to seize the levers of government and impose their views on everyone else.

As my family never had much money, I used to think spreading other people's money around was a good way to make life fairer. As the saying goes, 'If you're not a socialist at 20 you have no heart, but if you're still a socialist at 40 you have no brains.' By that standard I hope I have preserved a bit of both. Not long after I started full-time work as a veterinarian, I recall looking at my annual tax return and being horrified at the amount of money I had handed over to the government. When I looked for signs of value for that money, I found little to reassure me. To this day I am still looking.

Our liberty is eroded when our money is taken as taxes and used on something we could have done for ourselves at lower cost. It is eroded when our taxes are used to pay for things that others will provide, whether on a charitable basis or for profit. That includes TV and radio stations, electricity services, railways, bus services, and of course, schools and hospitals. It is eroded when our money is taken and then returned to us as welfare, with the only real beneficiaries being the public servants who administer its collection and distribution. It is eroded when our money is used on things that are a complete waste like pink batts, unwanted school halls and accommodation subsidies for wealthy foreign students. It is eroded when the money we have earned is taken and given to those of working age who simply choose never to work. Reducing taxes, any kind of taxes, will always have my support. And I will always oppose measures that restrict free markets and hobble entrepreneurship.

But the cause of liberty is challenged in other ways as well. Liberty is eroded when our cherished right to vote is turned into an obligation and becomes a crime when we do not do it. It is eroded when we are unable to marry the person of our choice, whatever their gender. It is
eroded when, if we choose to end our life, we must do it before we become feeble and need help, because otherwise anyone who helps us commits a crime. It is eroded when we cannot speak or write freely out of fear someone will choose to take offence. Free speech is fundamental to liberty, and it is not the government’s role to save people from their feelings. Liberty is eroded when we are prohibited from doing something that causes harm to nobody else, irrespective of whether we personally approve or would do it ourselves. I do not use marijuana and do not recommend it except for medical reasons, but it is a matter of choice. I do not smoke and I drink very little, but it is unreasonable for smokers and drinkers to be punished for their alleged excesses via so-called sin taxes. Liberty includes the right to make bad choices.

Quite a few people say they support liberal values but claim there are valid exemptions. The most common one is security or safety, something that has become pervasive during the so-called war on terror. As William Pitt the Younger observed:

Necessity is the plea for every infringement of human freedom. It is the argument of tyrants; it is the creed of slaves.

Perhaps some are scratching their heads right now. How can someone support marriage equality, assisted suicide and want to legalise pot but also want to cut taxes a lot? If you are scratching your heads, it is because you have forgotten that classical liberal principles were at the core of the Enlightenment, the period that gifted us humanity’s greatest achievements in science, medicine and commerce and also brought about the abolition of slavery.

Classical liberals do not accept that there are any exemptions from the light of liberty, but we are not anarchists. We accept there is a proper role for government—just that it is considerably less than the role currently performed. Government can be a wonderful servant but a terrible master—something leading Enlightenment figures, like John Locke, realised. John Locke’s view of the role of the state was starkly different from that of another important philosopher Thomas Hobbes. Hobbes thought the natural state of man was perpetual war, with life nasty, brutish and short. In his view, the only way to achieve civilisation was to relinquish all liberties to the sovereign who then allowed us certain rights as he chose. Hobbes is also known for arguing the sovereign should rule with due regard for the desires of the people. There is no doubting though where he thought ultimate power resided or rights originated.

Locke was much more optimistic. Man is peaceful and industrious, he argued. But to establish a society in which private property can be protected it is necessary to relinquish certain liberties to the sovereign. However, this is a limited and conditional arrangement. Only sufficient powers as required for the preservation of life, liberty and property ought to be relinquished and ultimate power remain with the people. If the sovereign gets too controlling, those powers can be reclaimed. Locke heavily influenced the American Declaration of Independence. As many here will recognise, it says:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government …
When it says 'all men are created equal' it does not mean everyone is the same or that everyone should achieve the same outcome in life but that no individual or class enjoys moral or legal superiority over other individuals or classes. When it says 'we are endowed with inalienable rights' it means rights that cannot be taken from us. Good governments can help protect our rights by reflecting them in governance, but they do not get to dole them out piecemeal. Bad governments may seek to legislate away our rights, but only by usurping them.

The right to life is obviously the most fundamental right of all and no government should ever seek to deprive us of that. That includes not only arbitrary killing but also judicial killing. Likewise, it includes the right to protect your own life and that of others, for which there must be a practical means—not merely an emergency number to call. Self-defence, both in principle and in practice, is a right, not a privilege.

Liberty is not a cake with only so many slices to go around. It only makes sense when the freedom of one person does not encroach upon that of others, but instead reinforces it. Thus it is perfectly legitimate for governments to place limits on things done by a person that limit other people's freedom. Those include such things as violence, threats, theft and fraud. It is not, however, legitimate for government to involve itself in things that an individual voluntarily does to himself or herself, or that people choose to do to each other by mutual consent, when nobody else is harmed. It is quite irrelevant whether we approve of those things or would choose to do them ourselves. Tolerance is central to the concept of liberty. It may matter to our parents, friends or loved ones, but it should not matter to the government. Those things belong in the private realm.

This distinction between the public and private realms can be traced all the way back to the ancient Greeks and is well known in Roman or civil law. Some things fall within the legitimate scope of government, some do not. The Declaration of Independence also says 'governments are instituted among men, deriving their just powers'. That means: when governments act to secure rights they are acting justly and when they move to violate those rights they are acting unjustly. They derive that legitimacy from the consent of the governed in places like this. When the people fear the government, there is tyranny. When the government fears the people, there is liberty.

Australia does not have the equivalent of the Declaration of Independence, a bill of rights or even a history of resistance against authoritarian government. The Eureka Stockade, which was prompted by excessive taxation and oppressive enforcement, is about all we have. That makes it especially important that those in places like this understand the only thing standing between an authoritarian state and the protection of life, liberty and private property is a vote in parliament. We must never forget that we are the people's servants. This means we must be willing to take a light touch and to de-legislate, to repeal. As much as possible, people need to be able to choose for themselves and be free to choose, for good or for ill.

For that reason, some may think of these as being peculiarly American words, but the ideas have their origins in the Scottish Enlightenment. Although it sometimes seems Scotland has produced nothing but incomprehensible socialists, it also gave rise to the modern world's most liberty-affirming thinkers. Among them was David Hume, who argued that the presence or absence of liberty was the standard by which one ought to assess the past. And on the subject of property, he said:
No one can doubt, that the convention for the distinction of property, and for the stability of possession, is of all circumstances the most necessary to the establishment of human society, and that after the agreement for the fixing and observing of this rule, there remains little or nothing to be done towards settling a perfect harmony and concord.

I do not think the Americans disagreed with the Scots on the importance of private property when they substituted the pursuit of happiness, but, if they did, I would side with the Scots!

Notwithstanding my earlier comments, I am not a student of philosophy. While Locke, Adam Smith and Mill have their place in my thinking, along with Friedrich Hayek and Milton Friedman, I consider the Enlightenment to be part of Australia's political and intellectual heritage: it does not belong to the Scots, the Americans, or the French.

While I sit in the federal parliament, I do not approve of the extent of its power. Liberty is more secure when power is shared with state governments, independently funded and competing with each other to be more attractive to Australians as places to live and do business, and, of course, each doing their bit to protect life, liberty, and property.

On the subject of private property, there is much today with which Locke would find fault. Rather than protecting private property, governments federal and state have been retreating from this core duty. The property rights of rural landowners have been undermined by bans on clearing native vegetation, imposed at the behest of the Commonwealth in order to meet the terms of a treaty Australia had yet to ratify. Over and over, the value of property is indirectly eroded through government decisions, and typically without compensation. In enacting plain-packaging laws on cigarettes, for example, the previous government destroyed valuable intellectual property. No matter what you think of smoking, it does not justify destruction of property.

We trade years of our lives to pay for the things that we own, and, when governments take them from us or try to tell us what to do with them, we lose part of ourselves. And yet, when it comes to property that we own in common, like national parks and fishing grounds, we are often locked out on the claim that nature is far too important to let scruffy humans enjoy it. Whilst in this place, I will do all I can to oppose this trend. Environmental fanatics are not omniscient geniuses: they do not know enough to tell other people how to live their lives any more than I do. Indeed, they are the same people who engage in anti-GMO pseudoscience—pseudoscience that is not just nonsense but murderous nonsense.

The Liberal Democrats are strong advocates of capitalism. But, before capitalism, we are advocates of freedom. When people are free and entrepreneurial, free-market capitalism and prosperity are what follow. However, I am pragmatic enough to recognise that two steps forwards require one step backwards. I am only one vote, and one voice.

I am also aware that some senators in this place share my views but are constrained from speaking openly. Whatever party you are in, if you believe in making the pie bigger rather than arguing about how it is cut up, we have plenty in common. To all of you, I would say this: when any specific issue arises—be it legislation or advocacy—that advances the cause of liberty, if I can say or do something to help, you only need to ask. In my party, the only discipline I am likely to suffer will be due to not pursuing liberty enough!

I have pursued liberty through membership of the Labor Party, the Liberal Party and the shooters party, so I can say with confidence the Liberal Democrats do not seek power to impose our views on the nation. All our policies are about freedom—the absence of control. 
by others. We seek to have representatives elected in order to restrict the power of the state over individuals, to encourage the government to do less, not more.

I have one matter to address before I close. It is traditional in first speeches to thank those who contributed to one's being here. I acknowledge that it would not have happened without the help of a number of people. First and foremost is my friend and colleague Peter Whelan. Peter and I have been a tag team ever since 2005, when I introduced him to the Liberal Democratic Party. If Peter had not decided to join, I might never have got involved myself. Peter is perpetually optimistic and willing to help, and has chipped in with even more money than me. One of my enduring regrets is, in failing to submit our preferences in Victoria on time, I destroyed any chance of him also being elected to the Senate.

There are others in the party who deserve thanks. I am reluctant to name them as I am sure to miss out on some, but long-term supporter David McAlary warrants a mention. I also want to thank those libertarians who established the party in 2001 and contributed so much to its principles and direction. I also thank my employee Michelle, who has helped in many ways. I thank my friends and colleagues in business, who never let me take myself too seriously. Finally, I would like to thank my wife of 30 years, Amanda. She has long humoured and tolerated my political activities, never sure if any of it mattered but now immensely proud that it does. I view my election as an opportunity to help Australia rediscover its reliance on individualism, to reignite the flame of entrepreneurship, and to return government to its essential functions. There is much to be done.

COMMITTEES

School Funding Select Committee

Report

Senator JACINTA COLLINS (Victoria) (17:24): Pursuant to order, I present the final report of the Select Committee on School Funding together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the reports be printed.

Senator JACINTA COLLINS: I move:

That the Senate take note of the report.

The OECD has consistently argued for countries to address disadvantage and increase equity in school systems. They say—this is a particularly pertinent quote:

The highest performing education systems are those that combine equity with quality. They give all children opportunities for a good quality education ... Educational failure also imposes high costs on society. Poorly educated people limit economies' capacity to produce, grow and innovate. School failure damages social cohesion and mobility, and imposes additional costs on public budgets to deal with the consequences—higher spending on public health and social support and greater criminality, among others. For all these reasons, improving equity in education and reducing school failure should be a high priority in all OECD education policy agendas.

Australia has, in addition to the well-known declining performance issues, equity issues far greater than in many OECD countries. After years attempting to thwart action on these issues—and, indeed, after giving false election assurances—Minister Pyne ironically acknowledged this point just last week with respect to direct instruction. Yet this approach
from the now government is what has informed the problems that led to the need for this select committee inquiry in the first instance.

The Senate Select Committee on School Funding inquired into and reported on the development and implementation of national school funding arrangements and school reform. In particular, the committee looked at the consequences of the change in school funding policy from the National Plan for School Improvement—known as the Gonski reforms—to this government's Students First policy.

During its inquiry, the committee conducted public hearings in six states and heard the views of a wide range of stakeholders: public, Catholic and independent school associations; parents; teachers; principals; unions; and some state and territory governments. The fact that we received evidence from only some state and territory governments is, indeed, a story for another day. In addition to the public hearings, the committee received over 3,400 submissions over the course of the inquiry. The evidence collected through the committee's inquiry clearly shows the complexity of previous pre-Gonski funding arrangements, and the ground-breaking consensus achieved by the Gonski report. It shows the agreement and goodwill achieved among jurisdictions covering over 80 per cent of Australian school students, through the implementation of a national plan for school improvement. It also shows the disruption and confusion which has resulted from the change from the NPSI to the Students First funding arrangements.

The Gonski review stressed the need for an equitable school funding system: one that ensures that differences in educational outcomes are not the result of differences in wealth, income, power or possessions. This ground-breaking, historic review involved a detailed examination of the issues that were confronting Australian schools and the concerns around a decline in our outcomes. The review recommended a national needs-based and sector-blind school funding model. The new funding model would provide a level of base funding to all schools and additional targeted funding to disadvantaged students, in order to remove inequities and minimise the identified performance gap.

Submissions to the committee's inquiry told of the strong consensus that was developed through the Gonski process across Australia's public, Catholic and independent schooling sectors. Through the National Plan for School Improvement the former Labor government was able to use this consensus amongst school stakeholders to implement a national needs based funding model grounded in the findings of the Gonski review.

In total, the Labor government expected that the National Plan for School Improvement, when fully implemented by 2020, would see an additional $6.5 billion spent on schools per annum by the Commonwealth and state and territory governments. It is important to highlight here that this was a venture involving all governments in improving investment in schools. Contrary to the Commission of Audit's and indeed this government's claims, this outcome represented half of one per cent of GDP and did not bring Australia above average OECD spending in schooling. The new funding model was accompanied by an improvement framework for schools and teaching, with five areas of reform identified and agreed to for implementation. It was not only about funding.

Submissions to the committee demonstrated that stakeholders welcomed the certainty of funding under the national plan. The six years of funding provided under the National Plan for School Improvement allowed for schools and state governments to plan the allocation of
funds based on need. However, following the 2013 federal election and despite promises of a 'unity ticket' on education policy, the Abbott government has begun to effectively unpick the Gonski funding arrangements and the national plan. Although for the first four years funding will remain as set out under the Australian Education Act 2013, after 2017 funding will be indexed to just the CPI. By the government's own projections this will result in a $30 billion cut to the education sector over the medium term. Such significant cuts jeopardise the widespread improvements in student outcomes that were to flow from a strategically funded needs based model. As a result, the quality of education provided to those Australian school children most in need of additional support will remain inferior. Australia will fail to provide our students with the opportunity to access the best possible education. As a consequence, we will fail to realise the full potential of our human capital.

The evidence gathered by this inquiry shows that a very significant majority of school funding stakeholders supported the findings of the Gonski review and the arrangements that were developed subsequently. As a result of the inquiry, the committee believes that the Abbott government's changes to school funding arrangements will be detrimental to Australian school students and the broader Australian community. The changes put at risk adequate funding for those students most in need—for example, students with disability.

At the recent budget estimates, coalition senators wrongly claimed that it was the Abbott government that had delivered a needs based funding model. In fact, without the Gonski review, without the National Plan for School Improvement negotiations with the states and territories—which, indeed, may not have been perfect—and without the passage of the Australian Education Act, then there would be no national needs based funding model in Australia. Under the Abbott government's arrangements, a needs based funding model will last only four years. After that, amendments to the Australian Education Act and the low-level indexation will mean that schools and the students they support cannot depend on adequate funding. In fact, in some cases it goes backwards—whether it is through limited state contributions or the consequences of the changes that this government made.

The committee's eight recommendations aim to ameliorate the grim future for Australian school funding. Chief among these recommendations is that the government should honour its pre-election commitments to fully implement the national needs based, sector blind funding model incorporated in the national plan to improve equity across Australian schools. Further, we highlight that the plan in its totality should be implemented and the six-year period over which it was to be introduced maintained. The government should also conduct and not pre-empt the reviews that were built into the National Education Reform Agreement and strive for equitable funding arrangements for schools most in need.

I would like to thank the committee and indeed the secretariat for the detailed work that went into this comprehensive report, but also highlight the contribution of the Australian education community. There is an enormous wealth of capital that will be ignored by this government at its peril. (Time expired)

Senator WRIGHT (South Australia) (17:34): The Australian Greens are pleased to endorse the majority report and recommendations of the Senate Select Committee on School Funding and we have also provided our own additional comments. Like many in the community we were outraged at the multiple policy backflips and duplicity of the current government when it came to education policy, both while in opposition and since last year's
election. It is highly regrettable that the government has shown contempt for the work of the Gonski panel, which was the most comprehensive evaluation of Australia's school funding ever and provided a way forward to eroding the public-private battle and ensuring every student can receive a high quality education in Australia.

The Australian Greens condemn the current government's disregard for a genuine needs based, sector blind funding model. As the Gonski review panel found, the huge disparity in measures like reading and mathematical skills between the most and least privileged students are 'the direct result of a sector based, needs blind funding model'. Nonetheless, education minister, Mr Pyne, has consistently denied that there is inequality in the Australian schooling system, let alone shown any willingness to address it.

The Australian Greens equally condemn this government's abandonment of the fifth and sixth years of funding. It was very clear to us as a committee that this will mean hundreds of schools across the country will never reach the schooling resource standard. In other words, thousands of Australian children will miss out on the best education this country can provide, often solely because of their family circumstances. The deplorable conclusion is that a failure to deliver the full funding amount will entrench privilege in education in Australia. It will leave so many schools, particularly government schools, below the schooling resource standard.

Although the Australian Greens were highly critical of the process the previous government went through in responding to the Gonski panel's recommendations, we were pleased to support the Australian Education Act 2013. While the act did not implement the full range of recommendations from the Gonski review of school funding, we knew it would begin to provide the framework for a better education for every Australian child. It would begin to turn around a trend of increasing sectarianism in Australian schools whereby people's destinies are increasingly determined by their postcodes rather than their potential.

Despite the support of the Greens to work with the previous Labor government to legislate and effectively Abbott-proof these most needed reforms, the previous Labor government chose to pursue politics over progress. They delayed a response to the Gonski recommendations for more than 14 months and then sought to negotiate with states in the heat of an election year. This was unwise. Dr Ken Boston, a Gonski panel member, spoke of the scramble to secure an agreement to deals in which the fundamental Gonski principles became a secondary consideration. It was also exceedingly unwise of the Gillard government to ignore the Gonski panel's recommendation to establish an independent board, a national schools resourcing body to manage the negotiations with school sectors and state governments. As well, the Australian Greens are critical of the previous government's decision to so heavily backload the funding into the final two years. It is this which has enabled the coalition to cut so deeply. It is this which we predicted.

The Australian Greens believe the Gillard government must bear some of the responsibility for the fact that this once-in-a-generation chance to fix huge inequality across Australian schools may be lost because of its failures in negotiation and implementation. However, we also note the destabilising influence of the previous opposition on this issue. They shamelessly sought to discourage state Liberal governments from signing up to the Gillard government's offers and undermined the consensus built with school sectors and other stakeholders.
Ultimately, the Australian Greens acknowledge the previous government's many achievements in beginning the transition to a genuine needs based, nationwide school funding system. As a result of their work, some of the fundamental structures of Gonski are in place. The principles of the Gonski review are strong, sound and fair, and the Australian Greens have consistently lobbied for this reform and remained dedicated to putting the future of our students first—especially those who suffer educational disadvantage.

As those in this chamber regularly hear so monotonously, those on the government benches like to say they are 'cleaning up Labor's mess'. If they had any intention of making this more than a meaningless mantra, they would have done so by continuing the work that was started and pursuing a nationally consistent needs based funding model. Of course, this government has no intention of fixing the inequalities inherent in Australian schooling. They have abandoned the Gonski principles because they never believed in them. The idea that money should not be able to buy privilege is something that would threaten many coalition supporters and MPs who benefit from power and privilege. And so the government has sought to misrepresent what the Gonski reforms stand for.

Throughout this committee we have heard members of the government regularly referring to Gonski as 'throwing money at the problem'. It is, of course, no such thing. The Gonski funds were to be specifically targeted to alleviate disadvantage. The only money being thrown around is in fact the no-strings-attached money this government is shelling out to Queensland, Western Australia and the Northern Territory. That is throwing money around. Indeed, this money does not even have to be spent on students; the Northern Territory government has confirmed it will direct the money to capital works.

The school funding model of the Howard years saw increased spending going to schools in the top end of town. Of course, giving more resources to the already resource rich does not make much of a difference, and that is why we have seen a slide in performance. By contrast, Gonski funding looks at targeting the areas of greatest need to reduce the equity gap and lift educational outcomes across the country.

I was very pleased the select committee was able to hold a hearing in my home state of South Australia, where we visited two schools: the Immaculate Heart of Mary Primary School and the Darlington Primary School. Both these schools showed us how strategic and targeted funding can be used to achieve outstanding results for students—and these are students from backgrounds of educational disadvantage. Darlington Primary School, for example, has been able to significantly lift student literacy and numeracy achievements through diligent use of their national partnerships funding. They are an example of public education where the shared values of the staff and parent community create a welcoming, inclusive environment. It was wonderful to see the opportunity it offers its children, many of whom are from Aboriginal, new arrival and lower-SES backgrounds.

The committee also received hundreds of submissions from schools all across the country, and we congratulate the Australian Education Union for coordinating these submissions as well as for their ongoing advocacy for a more equitable school funding system. These submissions spelled out how schools would use the extra money to help disadvantaged students in their school—from hiring specialist literacy and numeracy teachers to programs to improve student wellbeing. Education minister, Christopher Pyne, should read these
submissions closely if he truly wants to understand what the coalition's cuts will mean for individual students.

I would like to thank all the organisations and individuals who made submissions to the committee and particularly those who gave up their time to attend hearings and give evidence to the committee. I also wish to place on record my thanks to the secretariat for the huge amount of work they have put into this inquiry with the range of witnesses, the extensive travel, the number of additional submissions and the sheer volume of figures and data to be analysed and compiled in the report. It is a very thorough, large and complex report. It is, indeed, one of the more complex inquiries I have been involved with, and I believe the quality of this report reflects the dedication and support the secretariat has provided us.

In conclusion, the Australian Greens cannot strongly enough express our disappointment about the coalition's intention to perpetuate inequality and entrench privilege in education by abandoning the Gonski reforms. The Australian Greens believe every Australian child should have access to high quality and affordable education no matter what their background. The public education system is the only guarantee of this right because it is the only system which is guaranteed to be open to every child irrespective of the wealth, background or sexuality of the child or their parents, yet it is under serious threat from the policies of the Abbott government. As such, the Australian Greens are pleased to endorse the majority report and recommendations of the committee: primarily that the Abbott government reinstate the full funding scheme and deliver on its election promises to be on a unity ticket. We commit to continued advocacy for a more equitable funding arrangement. 

(Time expired)

Senator McKENZIE (Victoria) (17:44): It gives me great pleasure to stand and give what is a small contribution to the discussion on the tabling of the report of the Select Committee on School Funding and to recommend the dissenting report from the government senators who participated in this inquiry as compulsory reading for those who are interested in fact not fiction. I will go to that in a little more detail.

I would just like to quote from our report, following on from Senator Wright's commentary and the assumptions she makes about those of us on this side of the chamber and what we think the birthright of young Australians is to access equitable, high-quality, excellent public and private education in this country. We do not resile from that. I find it offensive that those sorts of assumptions and comments are bandied about the public sphere willy-nilly with no opportunity for us to put our position on the record and correct it—

Senator Wright interjecting—

Senator McKENZIE: as I have often done within the committee itself, Senator Wright. I outlined that government senators are passionate about equitable access to an excellent education for every young Australian, and that is exactly what we are looking forward to delivering.

The minority report corrects much of the rhetoric of the Greens and Labor senators in the majority report, and I would just like to highlight a couple of particular aspects which go to the assumptions and the commentary around the lack of disability funding from the coalition with respect to school funding. There is more funding from the Commonwealth for students with a disability than ever before. That is the fact of the matter. There is $4.8 billion available over the forward estimates within this budget for students with a disability, including $1.1
billion in this financial year, $1.2 billion the year after, $1.3 billion the next year and $1.3 billion for the 2017-18 year. So it is completely erroneous for the opposition parties to bandy about the fact that the coalition government is not interested in supporting students with a disability within our school system.

The other issue I just want to briefly touch on is the claim that there was this—and I think it was Senator Collins talking—'groundbreaking consensus' of the Gonski report. It is the groundbreaking consensus that saw different deals done for different states and different sectors. We had a different configuration of the so-called model at every single corner. Every time then Minister Garrett stood up and issued a press release it was to construct a completely different meaning of the Gonski model with different states. The same department that served the previous government and currently serves our government recognised during Senate estimates and put on the record that it was the coalition government that delivered the national needs based funding model for schools. So, go figure. Same deputy secretary, same—

Opposition senators interjecting—

Senator McKenzie: So, there we go. Facts are on the table, and you do not like the facts. It is not often that I go to the ABC to reiterate my points, but I will, only because Senator Collins again raised the national needs based funding model and the cuts made by the federal government to school funding. It was the ABC Fact Check that absolutely states for the record that it is erroneous.

Senator Jacinta Collins interjecting—

Senator McKenzie: What you are claiming, Senator Collins, is erroneous. It says, 'In reality'—all right, I will take the interjection.

The Acting Deputy President (Senator Whish-Wilson): Senator McKenzie, please direct your comments in response to the interjection through the chair.

Senator McKenzie: Can they make the interjections through the chair too? Professor Wanna from the ANU tells Fact Check that 'mostly funding envelopes running out 10 years are fiction' and that in reality the claims made by Labor are erroneous because the reality of our current democratic system means that the promises of years five and six were just that—they were so far out of it. What we have been able to deliver is exactly the same funding envelope that your government went to the federal election with.

So, as is probably clear from the debate in the chamber, we do not agree with the majority report. I would recommend the dissenting report as compulsory reading for those who are interested in addressing the heart of what goes to educational outcomes, which is ensuring that those students that do attend our schools in Australia have an excellent education by targeting our funding on what matters to kids in schools, not just throwing a bucket of money at it. That was the evidence we were given. The evidence that you will not read in the majority report, which came from principal after principal, from student after student and from parent after parent, is that it is about addressing those issues which actually make a difference. It is about making sure that students and their educational outcomes are at the heart of everything we do.

The common argument promoted by the Australian Education Union and other advocates of increasing education funding is that more money equals better educational outcomes. Quite simply, we are forgetting about the principle of diminishing returns, a principle I am sure, Mr
Acting Deputy President, you know all about. According to that exact principle of diminishing returns we do not just keep adding dollar on dollar, million on million, billion on billion. We actually need to be working with the states to ensure that the work that they have done over a great period of time in their local areas can result in tangible outcomes for students in classrooms. So it is not all about more money equals better outcomes. The Abbott government will provide the same amount of funding that the Rudd-Gillard government committed to school funding. So it is absolutely erroneous for those opposite to state that somehow we have been cutting money.

What I think will actually make a difference to the educational outcomes of advantaged and disadvantaged students in Australia is to end the sloganeering. I want to briefly touch on the $7 million that the AEU has provided to the 'I Give a Gonski' campaign. What we do know from research is that what makes a difference to kids in schools is a bipartisan approach to funding the things that matter to make a difference. Unfortunately, opposition senators just cannot get over the fact that they could not deliver a national needs based funding model. We have. I know it hurts, but just get on board.

Senator Jacinta Collins interjecting—

Senator McKENZIE: We can fund the things that matter, Senator Collins, like ensuring that high-quality teachers are operating within our schools and that parents are engaged within our schools. The evidence we received from those who came before the committee, particularly the principals, was that the more autonomy we were able to give them at a local level about who they could hire and what they could spend their budget on actually made a difference because they could target their individual programs to their local communities. Rather than having Canberra tell them what they should be doing and where, we could be giving the imprimatur to leadership by those who are on the ground educating our young men and women for the 21st century and giving them the resources they need. So we do need an end to the sloganeering. I want to draw the attention of the chamber to comments made by Dr Jennifer Buckingham in April 2013:

The 'I Give A Gonski' campaign gives the impression that the proposed school funding reforms represent a big, fat cheque for public education.

And I think the comments here today reaffirm that that is a fair assumption. The implication is that if you do not give a Gonski you do not actually care about schools and, more importantly, that you do not actually care about public education. There are a million young Australians educated outside capital cities in this nation and 600,000 of them attend public schools. So for you to stand and assume that I do not care what goes on in public schools in this nation is absolutely wrong.

Senator Jacinta Collins: This is sheer paranoia, Bridget. No-one said that.

Senator McKENZIE: No, I am sorry, I've got my team and you've got yours, so that is what you are actually saying. It is disappointing. But it is not closed—we are always open for the opposition to get on board with our students-first policy and to start supporting well-researched, evidence based policy initiatives that will result in better educational outcomes.

Senator Jacinta Collins interjecting—

Senator O'Neill interjecting—

CHAMBER
Senator McKENZIE: It is not all about the PISA results, people, it really isn't, and you both know that.

Senator BACK (Western Australia) (17:55): I am delighted to join Senator McKenzie in contributing to the debate on the report by the Select Committee on School Funding that has been presented to the Senate and, of course, to support the dissenting report to which Senator McKenzie and I are signatories. One of the disappointing aspects of this particular inquiry was that, from the very start, one could have predicted what the report and its recommendations were going to present to the Senate. That, to me, is tremendously disappointing because I have always felt that the practice of the committees on education was to provide the opportunity for us to listen openly to and be influenced by a range of witnesses. I fear, from the hearings I have been able to attend, that that has not happened.

Can I say through you, Acting Deputy President, to Senator Wright: I have a lot of regard for you but I reject out of hand these assertions that in some way the coalition senators favour a private education process over a public education process. I can think of no instance of this sort of division in the hearings or in the commentary of you, or Senator O'Neill, Senator Collins, Senator McKenzie or Senator Williams, who I recall was at the Sydney hearings, and I do not think it contributes either to the discussion and debate or enhances the status of the Senate to hear those sorts of comments and commentary.

It is the overall objective of all of us in this place to see early childhood, primary, secondary and tertiary education standards raised. Where we differ is over the automatic assumption that throwing dollars at something equals a better performance. We know this is not the case, as we have conducted inquiries in the education space, on teaching and learning, for example. We know that from when we have examined excellence in Finland, in Shanghai in China, in Singapore and in other jurisdictions. Indeed we know from our own country that throwing money at this type of issue is not the solution.

I sat on the Catholic Education Commission in Western Australia for many years and have heard these arguments. I remember in the case of my own school, Aquinas College, that the development manager said on one occasion that we had to increase the fees because Aquinas was falling behind other schools. I had in my possession the knowledge of which Catholic schools had been the best performing for year 12 in the previous year. Senator Bullock would of course know Koondoola. The highest performing school in that particular systemic section was Mercy College, Koondoola. I argued strongly in that particular meeting at Aquinas College that if they actually wanted to see academic excellence being indicated at Aquinas then the best thing would be to drop the frees to the levels of Mercy College Koondoola.

The point I want to make is that there are many other issues. There is the excellence of selection of trainee teachers. There is the excellence, or otherwise, of the actual education that trainee teachers get. Senator McKenzie will remember—as may Senator Wright and also Senator Marshall, who has come into the chamber at the right time!—the evidence presented to us by the University of Melbourne personnel at our hearing into teaching and education in schools in Victoria. They said that less than 50 per cent of new teaching graduates felt they were classroom ready on the day they arrived to teach. I hasten to say, of course, that that university, whose teacher education program was a master's program, believed from their own surveys that their students were better than 90 per cent ready. So we know, again, that there are issues associated with the actual education of teachers.
Only yesterday was attention drawn to an article in a Sydney newspaper, saying that some 600 new teaching graduates were yet to find work. We had identified this, and I believe the school funding inquiry also had the opportunity to reinforce this. Why, for heaven sake, do we send young people into teacher training and not give them advice or guidance on those areas of education in which they will be in demand? For example, in the secondary sector: in technology, in science and in mathematics. Why are they not told this when they first go into teacher training? Supply and demand are something that we all know about. There is a supply of young people and there is a demand; and yet we have this circumstance in which vast numbers of young trainee teachers go through and come out to teach physical education.

We had evidence from teachers in one Tasmanian school, who told us that this particular gentleman was the only teacher in his school qualified to teach the sciences and mathematics. On a daily basis he had other teachers, whose skill sets lay in physical education and the social sciences, coming to him and asking in advance, 'What will I teach today?' Those are the sorts of areas that need canvassing.

I know that when Professor Henry Ergas appeared at the hearing in Sydney that some senators, almost before the man started to speak, had formed an adverse opinion about Professor Ergas's contribution. And yet the man was absolutely erudite. Senator O'Neill, Senator Wright, Senator McKenzie and I were all there. Senator Collins had had to leave the hearing, if my memory serves me correctly. Every question put to him and every point made to him was answered with courtesy. It was a dignified response but, of course, a very knowledgeable response. And yet I did not see that in the majority report; perhaps it was because Senator Collins had to leave that hearing in Sydney prior to his evidence. I did not hear any commentary to any extent about the challenging points that he made. And, if we recall, he was making them about the validity of expenditure. In fact, in many instances he was making the case that the way that funds were being expended was adverse for people in lower socioeconomic circumstances.

In the hearings that we have had in the education space we have identified four—not three, but four—groups of disadvantage: children from low-socioeconomic homes, those of Indigenous background, those with disability and, of course, students from rural, regional and particularly remote areas. Because of her interest and mine in rural and regional students, Senator McKenzie and I have tried to elevate their inclusion in this place and it is good to see, now, the conversation actually extending to include them. We have had evidence come before committees of this Senate identifying that gross disadvantage which exists.

I would have hoped for a far more collaborative and collegiate—

**Senator Jacinta Collins:** You should have come to more hearings! We missed you in Western Australia!

**Senator BACK:** Senator Collins, through you, Mr Acting Deputy President Whish-Wilson, I still maintain that the evidence by Professor Ergas was amongst the most eloquent. And I have to say that it is a shame that Senator Collins was not there because Ergas's responses to the challenges given—

**Senator Jacinta Collins:** You've already said that. It's in the Hansard!
Senator BACK: which do not get picked up in *Hansard*, were a model of courtesy and tolerance in the sense that he would not rise to the bait of the questions put to him. In fact, he answered them in an erudite way.

Senator Jacinta Collins: You could have suggested it. You had ample opportunity to suggest it. Too lame!

Senator BACK: Mr Acting Deputy President, it is very difficult for me to be heard. I fear that my colleagues here beside me cannot even hear what I am contributing—what Senator Collins is attempting to interrupt me on.

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson): Order!

Senator BACK: The point I want to make is that it is unusual for the necessity of such a long but eloquent dissenting report in this school funding circumstance. The coalition government is continuing to invest heavily. No government—and I am sure that the finance minister will confirm this—is under an obligation to predict beyond the out years where funding ought to be expended. The Labor government never did. Knowing it was going to lose the September election, the Labor government threw all sorts of promises out there. It knew, of course, that there was no way in the world it was ever going to have to commit to them. The coalition government has committed to expenditure as, indeed, we said we would leading up to the September election. But, of course, prudently—and I would say correctly—it has not fallen into the trap of throwing money beyond those out years until we know the value of the expenditure of those monies.

Senator O’NEILL (New South Wales) (18:05): I am delighted to have the opportunity to speak on this, quite unexpectedly. I believe we were advised that there were only 30 minutes to speak. But having the opportunity in 60 minutes to put some important facts on the record, I think it is important that we pull the debate back from the precipice to which those last two speakers have taken it with the incredible misrepresentation of the facts that were very much uncovered by this important report. It was undertaken with great leadership, might I say, by Senator Jacinta Collins from Victoria. She played a significant role in achieving some consensus in a highly-contested field over very many years in this country, regarding equitable funding for this nation.

I do want to put on the record that, in the brief time that I have had a chance to look at some of the comments in the dissenting report, there are errors of fact in that dissenting report. Claims that there is a high-equity education system in Australia are simply erroneous. They attempt to come in here and reconstruct reality but the fact is that the last government worked in concert with committed educators—not educational commentators who have no life commitment to education. Commentators—that is who their experts were. We actually went to the source—real and genuine people committed to education, who came and put on the public record the facts of what the reality of funding in Australia is. People will find out what they had to say when they read the majority report of this very important committee.

I want to refer to two key witnesses who put on the record vital facts included in the dissenting report. We have just heard from two members of the government who are on this committee, but what has been put on the record by the people who came in and gave us proper and accurate information is totally different from what those opposite tried to convey this afternoon. I refer to Professor Stephen Dinham, no less than the National President of the
Australian College of Educators—a man who has dedicated his life to the service of education in this nation. He stressed that the consequences of the Abbott government changes, if implemented—the ones that those who have just spoken would support—would be highly detrimental to Australia as a nation. He said:

It is hard not to conclude that what we are seeing is a deliberate strategy to dismantle public education, partly for ideological and partly for financial reasons …

He was right on the money. They have an ideological opposition to access to great education for every Australian kid in every Australian school. In addition, they are trying to rip $30 billion out of the education budget. What we just heard from the government was an absolute cover-up; another expression of the lies and misrepresentations that are coming to characterise this government—10 months old and day after day they come in here and try to lie to the Australian public. But people are seeing through it.

This report is so important because of the good contributions of people like Professor Dinham, who are ready to put on the record the facts about what this government is going to do. It is a marker in the Australian education landscape about what is right about education, what is wrong about education, and the disgraceful path that those opposite want to take us down—building in inequity, seeking to disadvantage those who have the least and to advantage those who have the most. That is not the kind of country that Australians thought they were getting when they elected this government.

Dr Zyngier commented about previous school funding models. Those on the other side told us all about choice. Dr Zyngier could not have been more eloquent in his comments:

Choice is only available for those who have the wherewithal to make that choice. We have heard about the end of the age of entitlement. However, when a person on the basic wage of $55,000 a year pays his or her taxes, that person does not have a choice, but their taxes go to enable someone who is on a salary of $150,000 or more per annum to exercise that choice. So it is a bogus choice.

And it is a bogus piece of writing that we have seen in the dissenting report. It is a bogus government and it is a bogus set of words that we hear every single day as they pretend that they care about all Australians. This is a government for the privileged few, make no mistake.

In every policy area we discuss in here, from health to education to financial services, they look after their mates and prop up the big end of town. They look after those who have the most and the devil take those left behind.

It is important to understand what Gonski actually did. Prior to Gonski, the complexity of the organisation around funding made it so obscure that Australians could not see where the money was going and they could not understand why inequity was so rampant in our system. The agreement and goodwill that was achieved in the last parliament amongst jurisdictions that covered approximately 80 per cent of Australian school students throughout the implementation of the National Plan for School Improvement was revealed again in evidence collected by the committee. We know, from the evidence on the record now, that there has been an incredible level of disruption and confusion amongst educators in every single state, in every single sector, because of the change that this government has decided to undertake, moving from the National Plan for School Improvement to their Students First blue book mythological plan for Australia. It is a modesty skirt that is about ripping $30 billion out of education.

Senator Jacinta Collins: Budget Paper No. 2.
Senator O'NEILL: Budget Paper No. 2, as Senator Collins indicates, is a clear and permanent record of the real agenda of this government that is set to rip away the fabric of equity and excellence that the former government, during the 43rd Parliament, was building consensus for right across every sector. We know that right now, while this debate is going on in the parliament, there is incredible uncertainty out in our schools about the future of funding, incredible disappointment about what this government is doing—particularly for the period beyond the four years.

Importantly, we note in this report that the lack of clarity around the processes for the amendments to the Australian Education Act, and the possible effect of removing the command-and-control mechanisms from this act, are set to have devastating impacts on opportunities for equity in states that sit outside New South Wales, Victoria, the ACT and Tasmania. We also have concerns about the accountability and transparency measures that make sure funding is going to the schools that require it the most. As it stands, the reality is that students who are going to schools right across this nation will now not have a chance of getting equitable access to proper education. The reality is that this government has ensured that students in the Northern Territory and Western Australia are never going to have their school systems provide accountability for the money they are putting in. The Students First system that this government wants will enable the money that comes from the federal government to simply dribble through into the general pool. The reality is for our students that the money they need to allow them to do the learning that they need to do, and the money that our teachers need to get the resources that they need to be able to do the job and make learning happen, is now certainly not guaranteed.

In closing, I would like to put on the record that the consensus we achieved through the Gonski process and review is one that must not be lost despite this current government's harmful and deliberate intent to confuse the Australian people and to create a pretence that they are on a joint ticket, that there is no difference between the Labor view and the Liberal view of funding. The reality is we need a six-year transition to a nationally consistent school resource standard. We need to maintain commitments that were made under the National Education Reform Agreement. We need to focus on those elements of quality teaching, quality learning, empowered school leadership, meeting student needs and greater transparency and accountability; and we need to make sure we conduct the reviews that are prescribed under the national education reform agenda and strive for equitable funding for schools that are most in need. None of these things can happen with the model of educational vandalism that we are seeing put forward by those opposite today. The reality is: this report is a vital marker in terms of us keeping our eye on the ball in the quest for equity for every Australian child while they attend school education. I seek leave to continue my remarks later. Leave granted; debate adjourned.

PARLIAMENTARY OFFICE HOLDERS

Temporary Chairmen of Committees

The ACTING DEPUTY PRESIDENT (Senator Whish-Wilson) (18:16): Pursuant to standing order 12, I lay on the table a warrant nominating Senator Williams as an additional Temporary Chair of Committees when the Deputy President and Chair of Committees is absent.
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
Membership

Senator CORMANN (Western Australia—Minister for Finance) (18:17): by leave—I move:

I move that senators be discharged from and appointed to committees in accordance with the documents circulated in the chamber.

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

Abbott Government’s Budget Cuts—Select Committee—
Appointed—Participating member: Senator Leyonhjelm

Community Affairs Legislation and References Committees—
Appointed—Participating member: Senator Leyonhjelm

Economics Legislation and References Committees—
Appointed—Participating member: Senator Leyonhjelm

Education and Employment Legislation and References Committees—
Appointed—Participating member: Senator Leyonhjelm

Electoral Matters—Joint Standing Committee—
Appointed [for the purposes of the committee’s inquiry into the 2013 election]—Participating member: Senator Leyonhjelm

Environment and Communications Legislation Committee—
Appointed—Participating member: Senator Leyonhjelm

Environment and Communications References Committee—
Appointed—
Substitute member: Senator McEwen to replace Senator Urquhart from 21 July to 22 August 2014
Participating members: Senators Leyonhjelm and Urquhart.

Finance and Public Administration Legislation and References Committees—
Appointed—Participating member: Senator Leyonhjelm

Foreign Affairs, Defence and Trade Legislation and References Committees—
Appointed—Participating member: Senator Leyonhjelm

Health—Select Committee—
Appointed—Participating member: Senator Leyonhjelm

Legal and Constitutional Affairs Legislation and References Committees—
Appointed—Participating member: Senator Leyonhjelm

National Broadband Network—Select Committee—
Appointed—Participating member: Senator Leyonhjelm
Northern Australia—Joint Select Committee—
Appointed—Participating member: Senator Leyonhjelm

Rural and Regional Affairs and Transport References Committee—
Appointed—Participating member: Senator Leyonhjelm.

Question agreed to.

BILLS

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

In Committee

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

Senator SINGH (Tasmania) (18:18): As I was stating earlier today in relation to this amendment—which stems from the overwhelming support of economists and scientists for the need to act on climate change through an emissions trading scheme—the key feature of our existing carbon-pricing legislation is that it ensures that Australia meets its targets, and the stronger post-2020 targets, if it chooses to do so. Australia's existing carbon reduction policy suite has a greater capacity to meet our current and future targets because it features a legally-binding cap on emissions. That is the part that I want to highlight—the legally-binding cap—because the government is yet to demonstrate how its alternative policy can achieve Australia's minimum commitments. As I understand, all independent analysis to date indicates that emissions will continue to increase under its current proposed framework. Therein lies the problem with the government's policy: it is flawed.

The emissions trading scheme model is not flawed. It is backed up by scientists, economists and, in fact, a growing number of conservatives. This is interesting because we have a conservative government here in Australia, and yet today we have had Lord Deben, a UK politician, make very clear his views on the Prime Minister's direct action policy. He has actually accused the Prime Minister of recklessly endangering the future of the world. He has been really strong in regard to this issue because he sees it as an important issue facing our globe and, as a conservative, he sees that conservatives should be taking this a lot more seriously than our Prime Minister, Tony Abbott, is.

But he is not the only one. There is another conservative, Mr Henry M. Paulson Jr, from the Republican Party in the United States who has recently written a piece in the New York
Times highlighting that Republicans must not shrink from this issue and that risk management is a conservative principle—as is preserving our natural environment for future generations. He highlights that a tax on carbon emissions will unleash a wave of innovation to develop technologies, lower the cost of clean energy and create jobs as we, and other nations, develop new energy products and infrastructure. So there are a growing number of conservatives who very much support action on climate change in a form way beyond that proposed by our conservative government's direct action, which is Tony Abbott's key plank policy.

One thing I need to put to Senator Cormann is in relation to emissions trading schemes, to which this amendment refers. I understand that the Prime Minister, on his recent official trip to Canada, was telling reporters that emissions trading schemes were being discarded. On 8 June, he said:

There is no sign—that trading schemes are increasingly being adopted. If anything trading schemes are being discarded not adopted.

I understand the ABC's Fact Check has done some work looking at carbon pricing around the world, based on the Prime Minister's comments. This is available for all senators, because it is work done by the Parliamentary Library.

Fact Check found that there were emissions trading schemes in place across Europe, in parts of the US, Canada, New Zealand, Australia and Japan, and in South Korea a full scheme is legislated and scheduled to commence in 2015. Are new ones being adopted? Yes. Are schemes being discarded? No. So it is clearly a lie. For our Prime Minister to go half way around the globe telling the media and communities that emissions trading schemes are being discarded and not adopted is a complete furphy. It is not true.

I would like to thank the Parliamentary Library for doing that work. We know that after today Australia will be the only country discarding a legal cap on pollution, a price on pollution. Perhaps Tony Abbott was referring to the future—what may happen in the next 24 hours—when he was talking in Canada. He certainly was not talking about any other country. If he was, we have not found it. There is not one. This is the only country going backwards on climate change. This is the only country that will not support what so many other countries are doing in an effort to reduce their carbon emissions. Instead, it will put in place a flawed policy, known as Direct Action, which is neither direct nor having much action. Direct Action is all we have on the table. So, Senator Cormann, how can Direct Action or the Emissions Reduction Fund meet our emissions reduction targets?

Senator CORMANN (Western Australia—Minister for Finance) (18:24): The only thing we have on the table in front of us is an amendment from Senator Singh, on behalf of the Labor Party, which is proposing to keep the carbon tax by modifying it slightly and rebadging it. This is something the government does not support, which is why I have made it very clear that the government will not be supporting this amendment. I do not accept many of the assertions that Senator Singh has made.

This has been extensively debated now for many years. Repeating assertions that are not accurate does not make them true. The government has been very clear about the policy we are pursuing to reduce greenhouse gas emissions. We will be doing it through our Direct Action policy, which will achieve the five per cent reduction in emissions by 2020, on 2000 levels. The carbon tax is a tax that people across Australia have voted on. They voted against it. They want this carbon tax gone. That is the position we come with to the Senate.
Senator MILNE (Tasmania—Leader of the Australian Greens) (18:26): Could the minister explain what this clean energy legislation to repeal the carbon price means, in terms of the fuel tax rebate? I understand it means a windfall gain now to the big miners, in particular, but also to everyone else who benefits from the fuel rebate. Could he indicate to the parliament how many millions of dollars will now be given to the people who are beneficiaries of this fossil fuel subsidy?

Senator CORMANN (Western Australia—Minister for Finance) (18:26): The rebate will be lower, because the fuel excise will be lower as a result of getting rid of the carbon tax. Getting rid of the carbon tax will flow through the whole economy. It will reduce not only the cost of electricity and gas, which will bring down the cost of living for families, but also the cost of doing business. This will help make Australian businesses more internationally competitive. It will help us create jobs. These are all good things. In relation to the specific question Senator Milne asked, if the level of the fuel excise goes down then the value of the related fuel rebate goes down as well.

I had reason to read a transcript earlier today reporting on some comments made by our chair, Senator Whish-Wilson. He expressed concern about the position adopted by the Greens not to support indexation of fuel excise. He suggested that if the government wanted to talk to the Greens we should approach them. I just want to say here on the public record that we are very keen to talk the Greens about making sure the value of this fuel excise is maintained, that the past real cuts and the value of the excise on fuel do not continue into the future.

Senator Milne would be well aware that in 2001 the value of the fuel excise was about 41.5 per cent. It is now down to 25 per cent. I understand that the position the Greens have adopted on the fuel excise is that they want its value to continue reducing on a regular basis. The coalition, however, as part of their efforts to repair the budget, are very keen to ensure the value of the excise is maintained in real terms by ensuring it keeps pace with inflation.

Given the comments Senator Whish-Wilson made earlier today at a doorstop interview—at the Senate doors, I believe—I want to put on the record that I am very keen to take up the offer Senator Whish-Wilson made for the Greens and the government to have a conversation on that.

Senator MILNE: The minister can play as many political games as he likes, but this is a really serious matter. When we designed the clean energy package, part of it was that the big miners in particular did not get the full fuel tax rebate. In fact, they got less 6c or thereabouts a litre—less 6c a litre. Abolishing the carbon price means those companies that now get a fuel credit are going to get that fuel credit plus 6c a litre. It is going to be a mega increase in fossil fuel subsidy to the big miners. This is at a time when the G20 is supposed to be talking about—and Australia signed on—getting rid of fossil fuel subsidies, not increasing them. Minister, I would like to know: does this legislation mean that the 6c a litre is now going to go back to the big miners?

Senator CORMANN (Western Australia—Minister for Finance) (18:30): I do not accept the characterisation of what we are doing as it has been put to the chamber by Senator Milne. I would also say, as an aside, given her references to big miners, the government believes that a strong mining industry is a good thing for Australia. We think that having big miners is a good thing for Australia. We want small miners to become big miners because the more small miners become big miners, the more jobs and opportunities there are for people across
Australia to get ahead, to make a good living and to continue to build opportunity and prosperity in their lives. We do not accept the basic premise of what Senator Milne is putting to the Senate.

But in relation to the specific question, I will just point out a few facts. How is the equivalent carbon price applied to fuel? A business that uses fuel in off-road vehicles and in heavy on-road vehicles is normally entitled to a fuel tax credit equal to the amount of duty already paid on the fuel that they buy. The basic entitlement to fuel tax credits is 38.143c per litre—equivalent to the full duty on the fuel with applicable reductions created through various charges. Business off-road user fuel for industries other than agriculture, forestry and fisheries are charged an equivalent carbon price on fuel, which reduces the available fuel tax credit by a carbon charge. In the case of diesel, in 2013-14 the fuel tax credit was reduced by 6.521c per litre for a net fuel tax credit of 31.622c per litre. Abolishing the carbon tax from 1 July 2014 will restore fuel tax credits to their full right for all off-road business users, which will be 38.143c per litre. It stands to reason: if you are going to get a credit for the fuel that you have paid for and you are not using it for on-road usage—fuel excise is about user charge—but you are using it for off-road usage, whether it is for agriculture, mining or whatever, then, appropriately, you get a credit against that tax paid. It is a well-established policy position that, in years gone by, has enjoyed bipartisan support for very good public policy reasons.

I am intrigued as to why Senator Milne would ask me this question because she leads a party that stands for lower fuel taxes. The Greens want to keep cutting the real value of taxes on fuel. Every six months you want the real value of the tax on fuel to go down and down and down and down. It went from 41.5 per cent in 2001 to 25 per cent now. You want that to continue to go down and down and down. I am not quite sure why you are perturbed by what we are doing here because it is entirely consistent with what you are arguing elsewhere.

Senator SINGH (Tasmania) (18:34): Senator Cormann, I know that you often start your sentences with 'We don't accept the basic premise' or 'We don't accept the science or an emissions trading scheme' and the like. The Senate would like to know why. The question is: why do you not accept an emissions trading scheme? I outlined earlier today the difference between a carbon tax and an emissions trading scheme. I know that many of you once supported an emissions trading scheme. The question is: why do you not support an emissions trading scheme? I understand that the coalition felt, in the past, there was inaction by major emitters such as the US and China and that was a reason you put forward for holding back on acting on carbon pricing. But now we know that both of those countries have embarked on very ambitious plans to control their pollution. For example, the US is committed to reduce its national emissions by 17 per cent below 2005 levels by 2020. China has committed to reducing its carbon emissions per unit of GDP by 40 to 45 per cent by 2020. There is a range of activity in emissions trading schemes within those countries now in place and continuing to be developed.

The question is: why is the coalition of today, as opposed to the coalition of 2007 and 2008, so opposed to an emissions trading scheme? You are deplored by your own conservatives around the globe. The Prime Minister tried to create a coalition of the unwilling in Canada. That failed dismally because of the incredible amount of action going on in Western countries and in developing countries wanting to reduce their carbon pollution—and
I applaud them for doing so. But our own Australian government does not seem to get it. I tried to explain really clearly the difference between a carbon tax and an emissions trading scheme. An emissions trading scheme is a market based mechanism. You would think that the Liberal Party, of all parties, would support a market based mechanism. That is what is before the Senate right now. This amendment is for a policy that the Liberal Party once supported, but now Senator Cormann starts his sentences with 'we don't accept the basic premise' or 'we don't accept the facts'—do not accept, do not accept. That is fine, but please explain to this Senate why you do not accept a market based mechanism to reduce carbon pollution for this country?

Senator CORMANN (Western Australia—Minister for Finance) (18:37): My question to the Labor Party is: why don't you accept the verdict of the Australian people at the last election? The Australian people at the last election had two basic propositions in front of them. One was that we would scrap the carbon tax and we would not replace it with anything that looks like a carbon tax, that smells like a carbon tax and that flies like a carbon tax but the Labor Party tries to suggest somehow is not a carbon tax. Our position was that we would scrap it and we would not replace it with an emissions trading scheme in the form that you suggest.

Senator Singh: Why?

Senator CORMANN: Senator Singh asks why. This has been extensively debated for many years. Indeed, I was the Chair of the Senate Select Committee on Fuel and Energy, which conducted the first comprehensive inquiry into the Rudd government's Carbon Pollution Reduction Scheme. I see Senator McEwen sitting behind Senator Singh. She was a member of that committee, together with then senator Steve Hutchins, a very fine senator indeed. I think former senator Don Farrell joined us on that committee at some point too when he came into the Senate.

We travelled around Australia and we asked questions about how this and that were going to work. Do you know what our conclusion was? Our conclusion was that all Labor's carbon tax, Labor's emissions trading scheme—you know it; call it whatever you want—was going to do was push up the cost of living in Australia, push up the cost of doing business, make us less competitive internationally and make it harder for businesses to employ people. It was an imposition on people across Australia without actually doing anything to help reduce global greenhouse gas emissions. Do you know why? Because every time you push up the cost of doing business in Australia, you help a business in another part of the world become more competitive and take market share away from us.

Let us take aluminium for example. Aluminium production in Australia is more emissions efficient than in China yet, by imposing an emissions trading scheme or a carbon tax, we are helping manufacturers in China take market share away from us. What we are doing is shifting production to China and other parts of the world where, for the same amount of output, emissions will actually be higher than they would have been here in Australia. So what we are doing is increasing emissions in the world through the scheme you are promoting.

I see Senator Bullock here from the great state of Western Australia. The emissions trading scheme that Labor put forward was going to make it harder for Australia to help reduce global greenhouse gas emissions. Do you know why? Because it was going to make it harder for
LNG production to expand. Guess what? More LNG production in Australia, even though it means more emissions in Australia, actually helps us reduce emissions by more in other parts of the world because every bit of LNG that displaces coal and other energy sources in China or Japan actually helps to reduce emissions in the world by more. Yet your emissions trading scheme, your carbon tax, was making it harder for us to grow our LNG industry.

I said in this debate some years ago that if we are serious about wanting to reduce global greenhouse gas emissions then we should have a conversation about how Australia can best help the world reduce emissions. Do you know what? The way we can best help the world reduce emissions is by producing more LNG and using it to displace coal in other parts of the world, particularly where the coal is more emissions intensive than the good quality black coal that we have here in Australia. If we are serious about reducing emissions then we should boost our uranium production so we can export that to other parts of the world—to India and other places—where it can displace energy sources that are less emissions efficient.

The point here is that your emissions trading scheme in isolation of an appropriately comprehensive global agreement to put a price on carbon will actually hurt Australia, will hurt Australian families, will hurt Australian pensioners, will hurt Australian businesses and will be an impost on people without actually making a positive difference. You asked me why our position has changed since 2007-08. Do you know what? It changed because of Copenhagen. You might remember that former Prime Minister Rudd went to Copenhagen thinking he was going to be able to negotiate a global deal. Remember the descriptions that he used about our friends in China. I think he described the activity of some little creatures—and I will not use the words because they were particularly coarse and inappropriate. The previous Prime Minister went to Copenhagen. What became very obvious in Copenhagen was that there was no prospect of an appropriately comprehensive global agreement to price emissions. In that circumstance, our judgement about the national interest of Australia is that the best way that we can right now contribute to global emissions reductions in a proportionate way is through direct action.

Incidentally, Senator Singh mentioned the United States. Guess what? When then Prime Minister Rudd pursued his Carbon Pollution Reduction Scheme, the modelling he released at the time was based on the assumption that the United States would have a fully-fledged emissions trading scheme in place by 2010. It never happened. When the next modelling came out in 2011, in the context of the carbon tax under then Prime Minister Gillard, we were told that the United States would have a fully-fledged emissions trading scheme equivalent to the Australian scheme in place by 2016. It will not happen. What President Obama is doing in effect is pursuing direct action policies. That is what Australia is doing. That is what we are putting on the table. Unless you can have an appropriately comprehensive global agreement to price emissions then all you are doing is exposing our export oriented economy to distortions in terms of our international competitiveness. You are helping businesses in other parts of the world, many of whom will be more emissions intensive than our businesses here in Australia, take market share away from us.

As part of the Senate fuel and energy committee—and I am not sure whether Senator McEwen was there with us—we visited a nickel refinery out of Townsville as part of our research. The same proposition was there: if the production did not happen out of Townsville because it was becoming uneconomical to do so because there was a cost of production here
in Australia that was not faced by our competitors in other parts of the world, then the business would just go to other parts of the world. We would lose the business and there would be fewer emissions in Australia but there would not be fewer emissions in the world. And guess what? If you really want to reduce emissions, sure, you can always reduce emissions by reducing economic activity. When East Germany and West Germany reunited and shut down a lot of economic activity in eastern Germany, guess what? There were fewer emissions because there was less economic activity.

We need to have a sensible debate about these things, but the truth, of course, is that this debate has been taking place for a very long time. This is a debate that has been going on now for the best part of the last seven years. The reason people voted against the carbon tax at the last election is that they know it does not work. In fact, the reason then Prime Minister Gillard went to the 2010 election promising that there would be no carbon tax under a government she led, the reason then Prime Minister Rudd went to the 2013 election promising that he had removed the carbon tax and the reason the Labor Party are all over the place in relation to this is that they know that people across Australia understand that this carbon tax does not work.

Senator Singh: No we're not; we're very clear. You're the one who's backflipped!

Senator CORMANN: Here we have the Labor Party saying that we have backflipped. No, I have explained the reason why our position has changed since 2007 and 2008, and that is that in Copenhagen in December 2009 it became very clear that the global context had changed. There was no prospect of an appropriately comprehensive global agreement—no prospect whatsoever. That situation has not changed. Of course, the Labor Party are still stuck in the past. They have not realised that the world actually has changed on them.

Guess what? People across Australia have understood, which is why at the last election, overwhelmingly, people across Australia voted to get rid of the carbon tax—because they want the benefits that come with that. They want the stronger economic growth. They want the improved job opportunities. They want the cost-of-living reductions that come with us getting rid of this terrible Labor-Greens tax that, quite frankly, should never have been introduced in the first place.

I heard comments earlier on how our emissions trading scheme under Labor's laws now is linked to the European scheme. That is actually a very incomplete statement, if I might say. With the European scheme, we might be linked to the same price under Labor's laws, but we are not actually linked to the same coverage. A lot of the businesses that are included in Australia under the Labor-Greens arrangement are excluded in Europe, to the point where, in competing with coal producers in Europe, if we kept this law in place, where the Australian arrangements would stay connected to the European emissions trading scheme, do you know what would happen? We would be paying the European carbon price but European coal producers would not. How does that make sense? In Europe, they are good at putting all these rules and regulations in place and saying: 'Here we are. We've got this market based mechanism, introduced and imposed by government structures'—with lots of regulation, by the way—but then they give free permits across the board. In fact, there were so many permits that the price collapsed. At the end of the day, in Europe, ultimately, nobody really makes any substantial payment under that scheme because it is just a big merry-go-round of money.

We can continue to go around and around in circles. We have an amendment in front of us which at least, finally, reveals the truth about Labor's position. Contrary to what they said in
the lead-up to the 2013 election, when they said that they had removed the carbon tax already, and contrary to what Senator Bullock said in the lead-up to the WA Senate state election, when he said that Labor are scrapping the carbon tax, what we now see is that Labor want to keep the carbon tax and that all that Labor want to do in hoodwinking the Australian people is modify it a little. They want to give it a new branding. They want to change the way it moves—maybe instead of walking this way it will walk that way a bit—but essentially all the fundamentals are the same. They still want to push up the cost of living for Australians with a carbon price that goes up every year. They still want to push up the cost of doing business. They still want to reduce opportunities for people across Australia to get jobs in businesses that can compete internationally without this cost burden imposed on them.

Senator Singh asks me: why don't you accept an emissions trading scheme? I say again to Senator Singh: why don't you accept the verdict of the Australian people about your carbon tax? The people across Australia do not want your carbon tax. They voted against it and it is time that you stopped acting in defiance of the will of the Australian people.

Debate interrupted.

**DOCUMENTS**

**Consideration**

The government documents tabled earlier today were called on but no motion was moved.

**ADJOURNMENT**

The ACTING DEPUTY PRESIDENT (Senator Back) (18:51): Order! I propose the question:

That the Senate do now adjourn.

**NAIDOC Week**

Senator JOHNSTON (Western Australia—Minister for Defence) (18:51): Acting Deputy President Back, it is a delight to speak on this adjournment debate with you in the chair.

In July each year, NAIDOC Week celebrations are held across Australia to celebrate the history, culture and achievements of Aboriginals and Torres Strait Islanders. NAIDOC Week has a different theme every year. This year’s theme is Serving Country—Centenary and Beyond, which has particular personal significance for me and the Department of Defence.

NAIDOC is celebrated not only in Indigenous communities, but by Australians from all walks of life, and is a great opportunity to participate in a range of activities in support of your local—or our local—Aboriginal and Torres Strait Islander community. Defence is honoured to have its Aboriginal and Torres Strait Islander men and women acknowledged in the 2014 NAIDOC theme Serving Country—Centenary and Beyond.

Historically, Indigenous Australian Defence Force members have served the nation since the Boer War. World War II saw over 3,000 Indigenous Australian men and women serve in the defence of Australia—most of those in Indigenous units. Australian Public Service Indigenous members also serve country through their civilian work in Defence.

Defence conducts its business with respect for Indigenous history and culture by recognising the achievements, culture and history of its Aboriginal and Torres Strait Islander people. Defence formally and publicly recognises its Indigenous members during NAIDOC
Week by flying the Aboriginal and Torres Strait Islander flags and hosting many other events across Australia. NAIDOC Week is a time for Defence to acknowledge its current Aboriginal and Torres Strait Islander ADF members and APS employees and the contribution they make to our country.

Today, Indigenous Australians continue to serve at all levels in the regular and reserve forces on humanitarian assistance, peacekeeping operations and war-like operations and in APS positions across the Department of Defence. How many Indigenous people work in Defence? We currently employ about 1,300 Aboriginal and/or Torres Strait Islanders. This figure is made up of 677 ADF permanent members, 440 ADF active reservists and 191 employees of the Australian Public Service. Defence has plans and initiatives in place to grow that number considerably over the next few years.

Defence supports the government's commitment to reconciliation and closing the gap between Indigenous and non-Indigenous Australians. Defence runs programs that support Aboriginal and Torres Strait Islanders who are considering a career in the Australian Defence Force. The programs are formally recognised by a vocational education and training certificate, and focus on fitness, leadership, self-confidence, and academic requirements. Programs are for either six weeks or five months depending on the individual support required. The aim is for participants to enlist into the Navy, Army or Air Force. Australian Public Service members, or the non-uniformed side, includes Indigenous trainees, cadets and graduates.

Defence supports and values its Indigenous workforce. Defence values the diversity of its workforce and promotes a culture of inclusion. Defence is an organisation that proudly has a Reconciliation Action Plan in place, which directs the efforts for significant and meaningful changes to Indigenous participation. Defence recognises that the diversity of our people enhances capability and innovation. Aboriginal and Torres Strait Islanders bring backgrounds and experiences which enhance Defence's ability to defend Australia and its national interests.

In closing, Defence looks to its Aboriginal and Torres Strait Islander members for advice and direction on Indigenous issues within the department and its day-to-day activities. Defence has an immense respect for individual difference, and values the knowledge, skills and attributes individuals bring to their work, particularly Aboriginal and Torres Strait Islander members of the Australian Defence Force and the Australian Public Service defence department.

**Superannuation**

Senator LUDWIG (Queensland) (18:56): I rise this evening during the adjournment debate in the Senate to raise a matter that many Queensland constituents have raised with me over the last few weeks. The removal of the low income super contribution is an unfair burden on low-income earners today and a tax on our grandchildren.

The Henry tax review said as much:

The tax advantages provided for superannuation serves … the purpose of providing incentives for contributions …

The changes the government proposes would be a return to the old system, which Henry said does 'not provide fair or adequate incentives to all'. The review said:
Superannuation should continue to receive tax assistance, but there is a case for distributing assistance more equitably between high and low income individuals, including by limiting generous salary-sacrifice concessions. Similarly, everyone should have equitable access to the assistance. Labor took this advice seriously and implemented the low income super contribution.

I have yet to find a person of any political persuasion who is willing to defend the removal of the low income super contribution. The tax breaks for superannuation offered to those on high incomes are substantial. Income put into super attracts a 15 per cent tax as opposed to the higher rate of tax of 45 per cent. That is a 30 per cent tax break—a large incentive to defer today's consumption and save for your retirement.

But what of the person on $37,000? They pay about 9.7 per cent tax on their income but their super is taxed at the same 15 per cent as the high-income earner. They are actually made five per cent worse off by their super contributions. It certainly does not seem equitable that the well-off get a 30 per cent tax break but those on low incomes get punished. You can argue at the margins but I do not think anyone could disagree with Ken Henry's view that there is a need for more equality between the incentives provided for high- and low-income individuals.

This is not an academic issue. This attack on superannuation will hurt working Australians, and many constituents have written to me about this. I have been contacted by many people telling me how unfair they see the removal of the low income super contribution. We know that 3.6 million low-paid workers will lose a yearly tax refund of up to $500—a tax refund dedicated to saving for retirement.

Many of the people who have contacted me are women. They point out in letters and emails to me that they will be particularly disadvantaged by the removal of the low income super contribution. And 2.1 million women will be affected. A significant percentage of these are mothers working part time while looking after young children. This is exactly the time in a woman's career when an additional $500 a year going into superannuation will be of benefit for building retirement savings.

This is an unfair tax on workers that will hit every town in every state in every part of our economy, and Labor will oppose it every step of the way. The 3.6 million people who want to control their own retirement destiny deserve support to be able to achieve just that.

I do not see the logic, through the storm of rhetoric, of those opposite. One of the glib lines is that there is intergenerational inequity if the government ever borrows money. It really is a facile argument that ignores the importance of economic growth, infrastructure, health and education in ensuring our children's prosperity into the future. Let's not even touch on the gross hypocrisy of a coalition government dedicated to doing nothing on climate change lecturing us on intergenerational equity.

If we needed another example that these are crocodile tears from members opposite, the removal of the low income super contribution provides a clear one. The removal will reduce superannuation savings for those on low incomes. This will lead to lower savings as these people reach retirement age and more people dependent on the pension, denying them the options that a decent superannuation pool offers them. It is the taxpayers of tomorrow who will pay these pensions. Make no mistake, this is a tax grab today which punishes the taxpayer of tomorrow.
It seems we have successfully wedged the coalition government by appealing to logic. The coalition, so comfortable with opposition, has taken the trappings of opposition into government. If Labor appeals to logic, truth, fairness or economic analysis in its arguments, the coalition refuse to debate on these grounds. It has vacated the field—gone completely—and all that remains is its three-word slogans and its broken promises. The logic of opposition permeates its thinking. It has a fundamentalist approach to policy. One of the great myths perpetrated by this government is the belief that some measures are inextricably linked. The Greens have been sold a pup. Money is money. Revenue is revenue. Revenue is fungible and flows into consolidated revenue. To accept otherwise is feeble-minded and unconstitutional.

We cannot accept that the fate of a tax on the rents derived by majority foreign owned mining companies from the resources all Australian's share the ownership of is linked to a law enabling people on low income to save for their retirement. What is the link between giving $3 billion to big business and removing the retirement savings of low-income earners? The link is that these nonsensical policies hurt ordinary Australians. That is something I see the coalition seem to embrace. When you have shot yourself in the foot, though, you do not then shoot yourself in the head just because they are connected. Labor does not concoct arbitrary links between policies; Labor links policies with the people it affects. We opposed the petrol levy because it took money from those who can least afford it. A fig leaf of a temporary tax on high-income earners does not balance a permanent increase in low-income earners' cost of living. Just as much, the removal of the low income super contribution hurts those least able to afford it and those least able to contribute.

Look at the coalition promises they have broken time and time again after only a short period—less than 12 months—in government. This is a bad government. It continues to favour foreign owned mining companies but it does not favour helping low-income super contributors. These promises to big multinational companies are a sacred cow to those opposite, but the promise to ordinary Australians can be broken: cuts to education, cuts to pensions and tax increases due to the removal of the low income super contribution. Be in no doubt that this is a broken promise, this is a new tax. The effect of the low income super contribution is to remove the tax on superannuation employer contributions paid by those on low incomes. Its removal is a new tax for those on low incomes. People on incomes lower than $37,000 are effectively punished for saving for their retirement.

It seems an anathema to me that a coalition government who would want people to save, who would want people to contribute effectively to the economy and to their own retirement, would punish low-income earners like this. Another useful economic concept the government could take note of is that people respond to incentives. Again, you would have thought it would be a coalition that would embrace the concept of incentives. But not this coalition government. If you actually increase your tax, if you choose to save for your retirement, you will save less. That is the message that they are giving to low-income earners: do not save, do not contribute to your future, because this government do not care two hoots about you.

University of Adelaide

Senator EDWARDS (South Australia) (19:05): It is quite fitting that you, Acting Deputy President Back, as a former practising veterinarian, are in the chair to listen to my contribution tonight. It is also fitting that Senator Fawcett, a former member for Wakefield, is also in the chamber. We also have in the chamber the Parliamentary Secretary to the Minister...
for Agriculture, who deals with all things horses, and that is what I am about to talk about—
the Roseworthy Agricultural College, which is a campus of the University of Adelaide. More
particularly, I am going to talk about the new, world-class, $13 million Equine Health and
Performance Centre recently completed and opened at Roseworthy—specifically the campus
adjoining the other new herd animal, sheep and cattle, facility at Roseworthy.

In all it was part of a $37 million renovation to the campus, which is home to the School of
Animal and Veterinary Sciences and features other veterinary health centres for areas such as
companion animals, production animals and veterinary diagnostics. The specific centre I am
talking about tonight was opened in late October 2013. I was pleased to visit and meet with
Dr Erik Noschka, senior lecturer in equine surgery, just recently. According to a recent report
of the Australian Bureau of Statistics, the equine industry in Australia is worth some $15 billion annually, and it is therefore necessary to have the state-of-the-art facilities to diagnose
and treat horses as well as to provide the vital tools and learning experience for the
veterinarians of the future.

This is a teaching facility on a campus, but it is also a commercial operation. The Equine
Health and Performance Centre, as part of this multimillion-dollar upgrade, provides
diagnostic and healthcare facilities, routine and specialist surgery rooms—and I must say
these surgery rooms are huge given that they have to take such large animals—a reproduction
facility, intensive care wards and integrated learning spaces, to name just a few of the new
facilities on site. Added to this is the mobile equine service, which provides a first point of
care and can make referrals to the veterinary health centre. This is the only centre of its kind
in South Australia and is said to compete favourably with the best equine teaching hospitals in
the world. I was particularly impressed with how well the centre is designed, offering best
practice services not only to horses but also to animal species of similar sizes. I must say they
cater very well for the owners and the people who care for these animals as well; they have
not been forgotten.

This is a true teaching hospital where students in the final years of their tertiary education
in veterinary science are given hands-on experience treating animals with any number of
different conditions while being taught by expert tutors and veterinarians. The completion of
the build has assisted the veterinary school with successfully meeting the guidelines for
clinical teaching and training required by the profession as well as the accreditation bodies of
Australia, New Zealand and the UK, and it is capable of future adaptation to address the US
accreditation guidelines also.

Recently the equine centre acquired a 16-slice Alexian CT scanner after thorough
investigation and feasibility study. This machine provides invaluable diagnostic capacities but
is also a great instructional tool and a revenue raiser for the school of animal and veterinary
sciences. The CT scanner can be used on a variety of different animal species, not just equine
ones, and will hopefully lure new staff and researchers to South Australia. One unfortunate
deficiency—and one which the centre is seeking to address—is that it currently lacks other
advanced imaging equipment such as a magnetic resonance imaging, or MRI as we know it,
and radiography equipment as well as bone scan technology, which would provide both
teaching and revenue opportunities for the centre. There is a growing expectation within the
veterinary professions that undergraduates have experience with advanced imaging
techniques, and the acquisition of these machines would stand our graduates in good stead. It
is noted that, when benchmarked against other leading veterinary schools in Australasia, our lack of these modalities show the centre’s shortcomings in the diagnostic department.

When meeting Dr Noschka and other staff, I could see their passion for the teaching and the practice of equine medicine and the pride they have in their new facility. It is always a pleasure to see what achievements can be made with diligent and productive work, and the efforts of Dr Noschka should be noted. He has, however, indicated that work on the centre is not yet complete and is determined to see these two imaging machines at the centre as soon as possible. Without them, he believes, the undergraduates will find themselves held back when competing for work in a highly specialised job market.

There are further benefits of having this technology on site, with increased diagnostic services for horses in South Australia and a revenue raiser for the university. The situation at Roseworthy stands as a prime example of what the government is seeking to achieve with its education reforms. The ability for universities to specialise their teaching areas and to provide the latest equipment in those fields helps to attract the brightest researchers, teachers and students. International education is the sixth overall export for the South Australian economy and the No. 1 service export, with more than 28,000 students choosing to study in South Australian universities in 2012. With the creation of facilities such as these and with appropriate equipment, South Australia stands to benefit from increased student numbers and the greater economic contributions that those students bring.

The fact that this facility also provides direct assistance to the community should also be noted. You can pull up there with your car, your horse float or your stock crate and see a vet and be dealt with very quickly. The Roseworthy and Gawler area is about 50 kilometres north of the centre of Adelaide and is already home to a number of equine related industries, including a racetrack, trainers and other services. To expand the diagnostic capacity of the Equine Health and Performance Centre would provide further opportunity for a cluster industry to develop in this area, creating jobs and drawing further local and international interest and investment to South Australia’s northern metropolitan suburbs, all areas which are showing strong population growth but, unfortunately, suffer from high unemployment.

The Equine Health and Performance Centre is a critical component that has allowed the University of Adelaide to fulfil its desire to create an internationally accredited veterinary degree program. However, it still needs further support to obtain the full diagnostic suite not only to compete but to excel on the international stage. We wish them every success in this bold and enterprising approach to advanced education and research in equine health as this is a very important industry and a very important and healthy recreational area for millions of Australians. We will seek to continue in our pursuit of facilitating those pieces of equipment which will let this facility maintain its endeavour to be a world-class facility.

**Middle East**

**Senator RHIANNON** (New South Wales) (19:14): The silence from Labor and the coalition around the atrocities of the Israeli military towards Palestine is shameful. Earlier today, news reports said that 25 Palestinians had been killed in Gaza by Israeli forces, with 130 wounded. Five children were among those killed. The Israeli cabinet has authorised the calling up of 40,000 army reservists ahead of a possible ground offensive into Palestinian land. At least 1,500 soldiers have already been deployed around the perimeter of Gaza. It is
unacceptable to remain silent on the more than 270 Israeli military air strikes against Gaza that have occurred this week and the threat of a ground invasion.

The Israeli and Palestinian conflict is not one of equal partners: there is an oppressor and there are the oppressed. We should all condemn all acts of violence by both Israelis and Palestinians and ask that they cease. We should all support those working to end the blockade of Gaza and for the withdrawal of the Israeli military from illegally occupied Palestinian territories. The international community, including Australian politicians, must not allow Israeli forces to unleash another bloodbath in Gaza and in the West Bank. The people of Gaza, who live in the world's biggest open prison, endure much hardship every day in the face of Israeli military aggression. I was there just over a year ago and saw how extreme it was. These bombings are occurring now and will be causing extreme suffering. We must add our voice to ensure they end.

We are also very concerned that more than 400 Palestinians have been arrested in the last few weeks in the West Bank. Prior to this latest round of violence, there had been international interest in the abduction and killing of three Israeli teenagers who were settlers in the area. The deaths of Eyal Yifrah, Gil-Ad Shaer and Naftali Fraenkel are undeniably tragic. Israel launched Operation Brother's Keeper after these three teenagers went missing. That operation saw thousands of Israeli soldiers fan out across the West Bank, ransacking homes, arresting hundreds and taking an estimated $3 million worth of cash and property from Palestinians, according to the Euro-Mid Observer for Human Rights. The military campaign has been criticised by human rights groups in Palestine and in the US as collective punishment.

Prime Minister Tony Abbott has rightly offered his condolences on the deaths of the three Israeli settlers. He offered those condolences to the Israeli government on behalf of Australia. However, Prime Minister Abbott has been silent regarding the killings of four Palestinian teenagers, Yussef Sami Shawamreh, Mohammad Mahmoud Odeh Salameh, Nadeem Siam Nawara and Mohammed Abu Khdeir, who were killed by Israeli soldiers and settlers in the occupied territories. Two of these young men were shot by Israeli snipers. One of these boys, Mohammed Abu Khdeir, was beaten over the head before being burnt alive. Foreign Minister Julie Bishop has condemned the murder of Mohammed Abu Khdeir, but no official condolence has been offered by Australia for the deaths of these young people.

Mohammed is but one of many victims of this conflict. He is one of seven Palestinian children and young people to have been killed so far in 2014. This adds to a total of more than 1,400 Palestinian children killed since the year 2000. On Monday this week we saw video evidence that Mohammed's cousin, 15-year-old US national Tariq Abu Khdeir, had been brutally beaten by Israeli police during protests in Jerusalem. Allegedly in possession of a slingshot, Khdeir was detained by Israeli authorities and has now been placed under temporary house arrest. However, he is one of the lucky ones. As of May this year, 214 Palestinian children remained in detention.

These events are just the latest in ongoing violence against Palestinians in the occupied territories. Attacks on Palestinian people and their property are commonplace, encouraged by a widespread sense of impunity. The United Nations has identified the systematic failure of Israeli authorities to properly investigate such incidents and hold perpetrators to account, finding in 2013 that there is institutionalised discrimination against the Palestinian population.
in terms of the application of law. Even more alarming are the casualties inflicted by Israel's police and defence forces. The symbolism of Palestinian stone throwers facing heavily armoured military personnel—ingrained in the minds of the international community by the first intifada in 1987—remains ever potent. Images like that of young Tariq being dragged and beaten by three armed Israelis are all too familiar. The UN reports that the number of Palestinian deaths at the hands of Israeli forces in 2013 was in excess of those for 2011 and 2012 combined. Four of those killed last year were children.

More young Palestinians died on May 15 this year, the day known by Palestinians as Nakba Day. It commemorates the expulsion of hundreds of thousands of Palestinians from their homes during the creation of Israel. On that day, the Israeli human rights organisation B'Tselem noted:

… four Palestinians were shot with live ammunition in the West Bank town of Bitunya, close to Ofer Prison, during a demonstration marking Nakba Day. Two of them, both minors, died of their wounds: Nadim Siyam Nawarah, 17, from Ramallah, and Muhammad Mahmoud Salameh (Abu Daher), 17, from the village of al-Mazra'ah al-Qibliyah.

Given this context of the ongoing injustice faced by Palestinians in the occupied territories, George Brandis's comments denying the occupied status of East Jerusalem are an embarrassment. Contrary to Senator Brandis's belief, the term 'occupied' is not pejorative or judgemental but an objective legal description. This government apparently disagrees with the 2004 ruling of the International Court of Justice that settlements in the occupied Palestinian territories 'have been established in breach of international law' in favour of a view espoused by a right-wing minority. The Abbott government's denial of the occupied status of East Jerusalem and the West Bank represents a major departure from the approach of previous Australian governments and puts us out of step with the majority of the international community. Former coalition Foreign Minister Alexander Downer said in 2004 that the Israeli government had an obligation to freeze settlement construction. This government clearly disagrees with their own former Foreign Minister.

In late 2013 Australia was one of only eight nations which abstained from voting in favour of UN resolution L18, which affirmed that Israeli settlements in the occupied Palestinian territory, including East Jerusalem, and in the occupied Syrian Golan are 'illegal and an obstacle to peace', and 158 nations voted in favour of ending Israeli settlements. Senator BRANDIS's denial of the historical and legal reality of the Israeli occupied territories as 'unhelpful' in fact puts Australia at odds with some of Israel's closest allies. US Secretary of State John Kerry has said that 'we consider now, and have always considered, these settlements to be illegitimate'. One of Israel's closest partners in the UN, Canada's foreign affairs department, states that 'Israeli settlements in the occupied territories are a violation of the 4th Geneva convention'.

Senator Brandis's comments have rightly drawn criticism worldwide from at least 18 countries—including Indonesia, a country with which this government claims to want positive relations. The Abbott government's decision to break from previously bipartisan recognition of the occupied territories as illegitimate not only undermines the international rule of law and our international obligations but also compromises Australia's own interests. Trade with countries in the Middle East accounts for more than $6.5 billion of Australia's exports every year. Of this, Israel represents only an estimated $200 million.
Australia must reassert its recognition that Israeli settlements in the occupied territories remain illegal and pose a fundamental barrier to the peace process. They are certainly part of the reason for this latest outbreak of violence. We must condemn Israel's heavy-handed response to Palestinian protests to end violence against civilians, particularly children. Only then can we promote a culture of justice, dialogue and peace between the peoples of Palestine and Israel. The needless deaths of civilians, whether Israeli or Palestinian, deserve proper media attention, investigation and justice. The lives of one side are not worth more than the lives of the other side. Let's not allow these high-profile cases, deemed to be newsworthy, to overshadow the everyday injustice and violence perpetrated against Palestinians in the Israeli occupied territories.

Australian Greens

Senator MADIGAN (Victoria) (19:24): It was Shakespeare who said:
Oh, what a tangled web we weave
When first we practise to deceive!
Why is it when we look at the Greens, at green associated industries and green lobby groups that we find a tangled web? And why is it when so many of us in this place look on the Greens party—our self-righteous, moral-high-ground colleagues with their selective moral outrage—that we are filled with suspicion and distrust? In the next few minutes I would like to ask some questions in the hope that, by doing so, I can shine light into dark corners.

Why is it that the Greens amendment on funding for ARENA, the Australian Renewable Energy Agency, has almost the exact same wording as the one received from the Motoring Enthusiast Party? Does a senior MEP adviser, Ben Oquist—a former staffer to Christine Milne and Bob Brown, now working for the Australia Institute—have anything to do with this? Why is the Motoring Enthusiast Party so enthusiastic about ARENA all of a sudden? What's going on here?

And why did an adviser to Senator Muir, Glenn Druery, tell one of my staff that ARENA has no links to the wind industry when information I have since received suggests the opposite? Data given to me by the office of Minister Macfarlane contradicts this. In fact, in ARENA'S history it has invested in research projects that definitely enable the wind industry, including more than $6 million to Hydro Tasmania for its King Island Renewable Energy Integration Project. I have been working for three years now for independent and multidisciplinary research into the alleged health impact on residents living near wind farms. Why would Mr Druery mislead us on the issue of ARENA? It does not bode well for someone so new to the Senate, does it?

But the Greens' tangled web does not stop there. When the Gunns pulp mill was proposed it threw the green movement into a frenzy of opposition. In 2009, lawyer Vanessa Bleyer—the same Vanessa Bleyer who threatened me with defamation proceedings over comments I made about pro-wind poster boy Professor Simon Chapman—provided Senator Milne with legal advice re the Gunns mill in northern Tasmania. Shortly after that, Wotif entrepreneur Graeme Wood gave a pre-election donation to the Greens—the largest political donation that has ever been given to an Australian political party. Mr Wood said his support was for 'environmental reasons'. Incessant protesting saw Gunns eventually go into receivership. Mr Wood, lo and
behold, then became one of the purchasers of the Gunns site in 2011 and he announced a proposal to build a wind farm.

Let’s join the dots: the Greens’ militant opposition to the Gunns pulp mill leads to an antideforestation green movement protest, which leads to Senator Milne taking legal advice from Vanessa Bleyer representing the Friends of Tamar Valley. Will Mr Wood’s proposed wind farm provide an excellent return on his political investment? Presumably. Does it all make sense?

All I have done is ask the questions about the Greens’ attacks on the Waubra Foundation, the rapidly diminishing social licence for wind farms, the growing number of coalition parliamentarians willing to speak out on job losses and the increase in electricity prices, and the antiwind activists gaining greater credibility and countering the Greens’ agenda sponsored by Mr Wood. Is Mr Wood set to make another enormous profit? The Danish turbine manufacturer has publicly stated it is funding environmental groups and other organisations. Was this the same organisation that poured large amounts of money into Senator Hanson-Young’s last election campaign? The Greens have spoken loudly about political funding, but my late father always told me to follow the money.

**Senate adjourned at 19:29**

**DOCUMENTS**

**Tabling**

The following documents were tabled by the Clerk:


Higher Education Support Act 2003—

Revocation of Approval as a VET provider (Australian College of the Arts Pty Ltd) [F2014L00966].

VET Provider Approval—No. 36 of 2014 [F2014L00967].

National Health Act 1953—National Health (Subsection 84C(7)) Amendment Determination 2014 (No. 1)—PB 59 of 2014 [F2014L00964].

Radiocommunications Act 1992—

Radiocommunications (Compliance Labelling—Electromagnetic Radiation) Notice 2014 [F2014L00965].


Radiocommunications (Low Interference Potential Devices) Class Licence Variation Notice 2014 (No. 1) [F2014L00963].


Telecommunications (Carrier Licence Charges) Act 1997—

Telecommunications (Annual Carrier Licence Charge) Determination 2014 [F2014L00962].

Wednesday, 9 July 2014


Tabling

The following documents were tabled:


Migration Act 1958—Section 486O—Assessment of detention arrangements—Personal identifiers 1000991, 1001042, 1001088, 1001093, 1001109, 1001118, 1001130, 1001148, 1001162, 1001163, 1001173, 1001174, 1001175, 1001176, 1001180, 1001181, 1001182, 1001183, 1001184, 1001185, 1001189, 1001192, 1001197, 1001208, 1001218, 1001242, 1001245, 1001260, 1001261, 1001263, 1001269, 1001384, 1001394, 1001419, 1001449, 1001455, 1001457, 1001460, 1001472, 1001474 and 1001500—


Government response to Ombudsman's reports, dated 23 June 2014.